

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MADISON)	CASE NO.
COUNTY UTILITIES DISTRICT FOR AN)	2021-00218
ALTERNATIVE RATE ADJUSTMENT)	

ORDER

On May 24, 2021, Madison County Utilities District (Madison District) tendered an application, pursuant to 807 KAR 5:076, requesting to adjust its water service rates. The Commission notified Madison District by letter dated June 8, 2021, that its application was rejected for failure to satisfy the minimum filing requirements set forth in certain Commission regulations. Madison District subsequently cured the filing deficiencies, and its application was deemed filed as of June 23, 2021. On October 11, 2021, the Commission granted Madison District additional time to respond to Commission Staff's First Request for Information and altered its original procedural schedule to reflect a due date for the Commission Staff Report of November 19, 2021.

Information filed in the record through multiple rounds of discovery shows that Madison District is taking part in a project to install broadband fiber optic cable owned by the Madison County Fiscal Court in mains owned by Madison District. The information provided thus far has not indicated a level of planning or engineering that would ensure the project will not unreasonably burden the ratepayers of Madison District. The quality and quantity of information needed by the Commission related to Madison District's involvement has caused delay and it is the Commission's finding that further delay may

cause a hardship on the utility in the processing of the current Alternative Rate Filing proceeding (ARF). Upon the Commission's own motion, the Commission finds that a separate proceeding should be established to investigate the impact, financial, and otherwise, of the Madison County Fiscal Court's use of Madison District's system for the installation of fiber optic cable. The ARF case should proceed so that the Commission can complete a thorough and orderly review of Madison District's application and information to adjust its water service rates pursuant to the timeline in 807 KAR 5:076.

The Commission finds it is necessary to extend the deadlines in the Appendix to the Commission's October 11, 2021 Order to give Commission Staff additional time to review Madison District's information in preparation of its written report. Madison District has agreed it will not implement its proposed rates subject to refund earlier than January 5, 2022, as otherwise permitted by KRS 278.190.

IT IS THEREFORE ORDERED that:

1. No later than December 3, 2021, Commission Staff shall file with the Commission and serve upon all parties of record a written report containing its findings and recommendations regarding Madison District's requested rate adjustment.
2. All other provisions of the Commission's October 11, 2021 Order not in conflict with this Order shall remain in full force and effect.
3. The Commission shall open a separate proceeding, Case No. 2021-00422,¹ to address the issue of the installation of broadband fiber optic cable in the system owned by Madison District.

¹ Case No. 2021-00422, *Electronic Investigation into the Impact of Madison Fiscal Court's Use of Madison County Utilities District's System for Its Fiber Optic Cable Installation Project* (Ky. PSC Nov. 22, 2021).

4. The record in this matter shall be incorporated by reference into the record of Case No. 2021-00422.

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By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00218 DATED NOV 22 2021

Commission Staff Report shall be filed no later than.....12/03/2021

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