

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BRACKEN	)	CASE NO.
COUNTY WATER DISTRICT FOR A RATE	)	2021-00415
ADJUSTMENT PURSUANT TO 807 KAR 5:076	)	

ORDER

On January 27, 2022, Bracken County Water District (Bracken District) filed an application, pursuant to 807 KAR 5:076, requesting to adjust its monthly water service rates.

The Commission finds that a procedural schedule<sup>1</sup> should be established to ensure the orderly review of Bracken District's application. The procedural schedule is attached as Appendix A to this Order.

IT IS THEREFORE ORDERED that:

1. The procedural schedule set forth in Appendix A to this Order shall be followed.
2. On or before the date set forth in the procedural schedule, Bracken District shall file its responses to the Commission Staff's First Request for Information, attached to this Order as Appendix B.

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<sup>1</sup> No action is necessary to suspend the effective date of Bracken District's proposed rates for service. Pursuant to 807 KAR 5:076, Section 7(1), an applicant who applies for a rate adjustment pursuant to the procedures set for in 807 KAR 5:076 may not place its proposed rates into effect until the Commission approves those rates or six months from the date of the filing of its application.

3. No later than the date set forth in the procedural schedule, Commission Staff shall file with the Commission and serve upon all parties of record a written report (Staff Report) containing its findings and recommendations regarding Bracken District's requested rate adjustment.

4. No later than 14 days after the date of the filing of the Commission Staff Report, each party of record shall file with the Commission:

a. Its written comments on and any objections to the findings contained in the Commission Staff Report; and

b. Any additional evidence for the Commission to consider.

5. If Commission Staff finds that Bracken District's financial condition supports a higher rate than Bracken District proposes or the assessment of an additional rate or charge not proposed in Bracken District's application, Bracken District in its response to the Commission Staff Report, shall also state its position in writing on whether the Commission should authorize the assessment of the higher rate or the additional rate or charge.

6. If Commission Staff finds that changes should be made to the manner in which Bracken District accounts for the depreciation of Bracken District's assets, Bracken District, in its response to the Commission Staff Report, shall also state its position in writing on whether the Commission should require Bracken District to implement the proposed change for accounting purposes.

7. A party's failure to file written objections to a finding contained in the Commission Staff Report within 14 days after the date of the filing of the Commission Staff Report shall be deemed a waiver of all objections to that finding.

8. If a party requests a hearing or informal conference, then the party shall make the request in its written comments and state the reason why a hearing or informal conference is necessary.

9. A party's failure to request a hearing or informal conference in the party's written response shall be deemed a waiver of all rights to a hearing on the application and a request that the case stand submitted for decision.

10. A party's failure to file a written response within 14 days after the date of the filing of the Staff Report shall be deemed a waiver of all rights to a hearing on the application.

11. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding that is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Further, KRS 278.040(2) requires that a person seeking intervention must have an interest in the rates or service of a utility, as those are the only matters that are subject to the Commission's jurisdiction. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented or the issues and facts the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of water consumed by the movant or a general statement regarding a potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion

to intervene filed after the date established in the procedural schedule attached as an Appendix to this Order shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

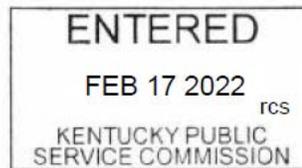
12. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>2</sup> regarding filings with the Commission.

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<sup>2</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00415 DATED FEB 17 2022

- Requests for intervention shall be filed no later than.....02/28/2022
- Bracken District shall file responses to Staff's First Request  
for Information no later than ..... 03/10/2022
- All requests for information to Bracken District  
shall be filed no later than ..... 03/24/2022
- Bracken District shall file responses to requests  
for information no later than ..... 04/07/2022
- All supplemental requests for information to  
Bracken District shall be filed no later than ..... 04/21/2022
- Bracken District shall file responses to supplemental  
requests for information no later than ..... 05/05/2022
- Commission Staff Report shall be filed no later than.....06/02/2022

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00415 DATED FEB 17 2022

#### COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO BRACKEN COUNTY WATER DISTRICT

Bracken County Water District (Bracken District), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on March 10, 2022. The Commission directs Bracken District to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>3</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made, and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Bracken District shall make timely amendment to any prior response if Bracken District obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to

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<sup>3</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

which Bracken District fails or refuses to furnish all or part of the requested information, Bracken District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Bracken District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. State the last time Bracken District performed a cost of service study (COSS) to review the appropriateness of its current rates and rate design.
  - a. Explain whether Bracken District considered filing a COSS with the current rate application and the reasoning for not filing one.
  - b. Explain whether any material changes to Bracken District's system would cause a new COSS to be prepared since the last time it has completed one.
  - c. If there have been no material changes to Bracken District's system, explain when Bracken District anticipates completing a new COSS.
  - d. Provide a copy of the most recent COSS that has been performed for Bracken District's system in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.
2. Provide the number of new tap-ons installed by meter size for 2020.

a. State whether Bracken District keeps a record of the dollar amounts of labor and materials used to install new customer taps. If Bracken District does, state the amount of labor expense and materials expense recorded for the test year and where it is located on the general ledger.

b. If Bracken District does not keep a record of the dollar amounts of labor and materials used to install new customer taps, explain how Bracken District determines the actual cost of meter and appurtenances that it bills the customer for all larger meters per its tariff, Sheet No. 5.

c. Provide revised cost justification sheets to support any changes to the Meter Connection Fee.

3. Refer to the Application, Exhibit C, References, Adjustment G.

a. Provide the invoices provided from the city of Augusta to Bracken District for purchased water billed in the calendar year 2020.

b. A portion of the adjustment indicates that a pro forma adjustment of \$1,601 would be required to account for the effects of the increase to the city of Augusta's wholesale water rate from \$2.25 to \$2.36 per 1,000 gallons. Confirm the adjustment to the wholesale rate in Case No. 2020-00277 was from \$2.35 to \$2.36 per 1,000 gallons, or \$0.01 per 1,000 gallons, which is consistent with the proposed adjustment.

4. Provide invoices for any amounts expensed in the preparation of this case, and any amounts that have been billed after the notice of filing, to date.

5. Refer to Bracken District's tariff currently on file with the Commission that lists the nonrecurring charges assessed by Bracken District. Provide updated cost justification sheets to support each nonrecurring charge listed in its tariff.

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