COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF SOUTH)CASE NO.WOODFORD WATER DISTRICT FOR A RATE)2022-00035ADJUSTMENT PURSUANT TO 807 KAR 5:076)

<u>ORDER</u>

This matter arises of South Woodford Water District's (South Woodford District) letter, filed on May 17, 2023, requesting Commission approval of South Woodford District's proposed use of the proceeds of a water loss reduction surcharge.

The letter was unclear about whether the proposed equipment purchases was filed pursuant to the January 17, 2023 Order, or whether the utility is collecting the surcharge and requests permission to spend funds. As such the Commission entered an order on May 26, 2023, requiring clarification of the letter. On June 29, 2023, South Woodford District filed a responsive letter stating that it has not been collecting the \$3.87 surcharge and that the previous letter was intended to request permission to begin assessing the surcharge, and further stating how South Woodford District intended to use it.

The Order entered on January 17, 2023, stated that the Commission would not address the Commission Staff's recommended Water Loss Reduction Surcharge until South Woodford submit the follows items:

1. A revised contract with its manager, Matthew Coyle.

2. A revised State of Work that includes a detailed list of the steps the contract manager will take to address South Woodford District's water loss.

3. A realistic water loss goal for the contract manager to meet.

4. A timeframe for meeting the established goal.

5. Some type of incentive or disincentive if South Woodford District's water loss goals are not met.

The letter submitted by South Woodford District on May 17, 2023, provided a list of equipment that South Woodford District intended to purchase and stating that any funds remaining would go to replacing lines that have large leaks in them. The letter fails to supply the information or documents the Commission stated it must have before addressing the Water Loss Reduction Surcharge. Thus, the Commission finds that the request to begin assessing the surcharge should be denied.

IT IS THEREFORE ORDERED that:

1. South Woodford request to begin assessing the Water Loss Surcharge is denied.

2. The case remains open until South Woodford District submits documentation of its compliance with the January 17, 2023 Order and until the Commission issues an Order addressing South Woodford District's Water Loss Reduction Surcharge, whichever occurs last.

-2-

PUBLIC SERVICE COMMISSION Chairman Vice Chairman Commissioner



ATTEST:

miduell

Executive Director

*Robert K. Miller Straightline Kentucky LLC 113 North Birchwood Ave. Louisville, KENTUCKY 40206

*South Woodford Water District 117-D Crossfield Drive Versailles, KY 40383

*Barry Dury South Woodford Water District 117-D Crossfield Drive Versailles, KY 40383