

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF MCCREARY)	CASE NO.
COUNTY WATER DISTRICT)	2022-00336

ORDER

On September 22, 2022, McCreary County Water District (McCreary District) filed with the Commission a completely revised tariff setting forth its rates, rules, and regulations effective October 23, 2022. McCreary District included in the filing a request to implement several new non-recurring charges, including a 10 percent late payment charge pursuant to KRS 278.0154(1), which provides that a water district may assess a 10 percent late payment charge to customers who fail to pay their bill for rendered services by the bill due date.

LEGAL STANDARD

The Commission has exclusive jurisdiction over the regulation of rates and service of utilities in Kentucky.¹ Kentucky law provides that a utility may demand, collect and receive fair, just and reasonable rates² and that the service it provides must be adequate, efficient and reasonable.³ Kentucky law also provides that a utility must file with the Commission schedules of all rates and conditions for service established by it and

¹ KRS 278.040(2).

² KRS 278.030(1).

³ KRS 278.030(2).

collected or enforced.⁴ KRS 278.190 permits the Commission to investigate any schedule of new rates to determine its reasonableness. However, KRS 278.0154(4) provides that “[t]he [C]ommission shall not modify, reject, discontinue, abolish, or suspend the operation of a late payment charge that is provided for currently, or has been provided for in the past, in a water district or water association tariff.”

DISCUSSION AND FINDINGS

Having reviewed the proposed tariff and being otherwise sufficiently advised, the Commission finds that an investigation is necessary to determine the reasonableness of the proposed tariff and that such investigation cannot be completed by October 23, 2022. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed tariff, with the exception of the late payment penalty charge, for five months, up to and including March 22, 2023. The Commission finds that the 10 percent late payment charge should be approved in accordance with KRS 278.0154.

The Commission directs McCreary District to the Commission’s July 22, 2021 Order in Case No. 2020-00085⁵ in which the Commission mandated the use of electronic filing procedures listed in 807 KAR 5:001, Section 8. The Commission finds that electronic filing procedures should be used, consistent with the filing procedures set forth in Case No. 2020-00085. The Commission further finds that a procedural schedule should be established to review the reasonableness of the proposed tariff. The procedural schedule is attached as an Appendix to this Order and is incorporated herein.

⁴ KRS 278.160(1).

⁵ 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).

IT IS THEREFORE ORDERED that:

1. This proceeding is established to investigate the reasonableness of the proposed tariff.

2. McCreary District's proposed tariff, with the exception of the 10 percent late payment charge, is suspended for five months from October 23, 2022, up to and including March 22, 2023.

3. The proposed 10 percent late payment charge is approved for service rendered on and after the date of this Order.

4. Within 20 days of the date of service of this Order, McCreary District shall file, using the Commission's electronic Tariff Filing System, revised tariff pages reflecting the approval of the ten percent late payment charge and its effective date, and stating that it was authorized by this Order.

5. McCreary District shall, by counsel, enter an appearance in this proceeding within seven days of the date of service of this Order. The entry of appearance shall include the name, address, telephone number, fax number, and electronic mail address of counsel.

6. Unless otherwise ordered by the Commission, the procedures set forth in 807 KAR 5:001, Section 8, related to service and electronic filing of papers shall be followed in this proceeding.

7. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of the date of service of this Order, McCreary District shall file by electronic means a written statement that it waives any right to service of Commission Orders by United States mail and that it or its authorized agent possess the facilities to receive electronic submissions.

8. Unless a party granted leave to intervene states its objection to the use of electronic filing procedures in a motion for intervention, the party shall:

a. Be deemed to have consented to the use of electronic filing procedures and the service of all papers, including Orders of the Commission, by electronic means; and

b. Within seven days of the date of service of an Order of the Commission, granting intervention, file with the Commission a written statement that:

(1) It or its authorized agent possesses the facilities to receive electronic transmissions; and

(2) Sets forth the electronic mail address to which all electronic notices and messages related to this proceeding shall be served.

9. If a party objects to the use of electronic filing procedures and the Commission determines that good cause exists to excuse that party from the use of electronic filing procedures, service of documents on that party and by that party shall be made in accordance with 807 KAR 5:001, Section 4(8).

10. The procedural schedule set forth in the Appendix to this Order shall be followed.

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, which 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. 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 utility service consumed by the movant or a general statement regarding the potential impact of possible modification of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene after the date established in the procedural schedule 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. McCreary District shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of the hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov"; and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listed on the PSC website, psc.ky.gov." At the time publication is requested, McCreary District shall forward a duplicate of the notice and request to the Commission.

13. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

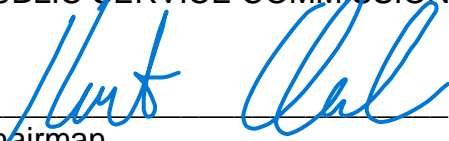
14. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video recording shall be made of the hearing.

15. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of times with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

16. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

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PUBLIC SERVICE COMMISSION



Chairman

Vice Chairman



Commissioner



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2022-00336 DATED OCT 14 2022

- Requests for intervention shall be filed no later than 10/28/2022
- Initial requests for information to McCreary District shall be filed no later than 11/04/2022
- McCreary District shall file responses to initial requests for information no later than.....11/18/2022
- All supplemental requests for information to McCreary District shall be filed no later than 12/07/2022
- McCreary District shall file responses to supplemental requests for information no later than 12/21/2022
- Intervenor Testimony, if any, in verified prepared form shall be filed no later than..... 12/28/2022
- All requests for information to Intervenors shall be filed no later than..... 01/11/2023
- Intervenors shall file responses to requests for information no later than..... 01/25/2023
- McCreary District shall file, in verified form, its rebuttal testimony no later than..... 02/01/2023
- McCreary District or any Intervenor shall request either a hearing or that the case be submitted for decision based on the record no later than.....02/08/2023

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