

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WESTERN)	
ROCKCASTLE WATER ASSOCIATION, INC. FOR)	
A CERTIFICATE OF PUBLIC CONVENIENCE AND)	
NECESSITY TO CONSTRUCT A SYSTEM)	CASE NO.
IMPROVEMENTS PROJECT AND AN ORDER)	2023-00334
APPROVING A CHANGE IN RATES AND)	
AUTHORIZING THE ISSUANCE OF SECURITIES)	
PURSUANT TO KRS 278.023)	

ORDER

On October 30, 2024, Western Rockcastle Water Association (Western Rockcastle Water), filed a request seeking a 45-day extension to file its alternative rate adjustment (ARF).

Western Rockcastle Water Association was ordered to file an application for a general rate adjustment pursuant to 807 KAR 5:001, Section 16, or an application for an alternative rate adjustment pursuant to 807 KAR 5:076, no later than October 31, 2024, by an Order of the Commission entered on November 22, 2023.¹ The same Order stated that “[T]he Commission will not look favorably upon any motion for an extension of time to file an application for an adjustment of Western Rockcastle Water’s rates that is based on its failure to timely file its annual report with the Commission.”²

¹ Order (Ky. PSC Nov. 22, 2023), ordering paragraph 14.

² Order (Ky. PSC Nov. 22, 2023), at 7.

In its October 30, 2024, request Western Rockcastle stated that it was requesting a 45-day extension as result of changing auditors during preparation of its 2023 financial statements. Western Rockcastle stated that in preparation of its ARF application, it discovered major errors were made by its new auditor in preparing the 2023 annual report, and that a corrected 2023 Annual Report needs to be submitted.

The Commission finds that the request for a 45-day extension does not show good cause upon which it can be granted. The Commission notes that the November 22, 2023 Order stated that Western Rockcastle Water filed its 2022 annual report late, and the Commission strongly advised “Western Rockcastle Water to take whatever steps are necessary to file its annual report by the regulatory deadline of March 31, 2024.” Although an extension was granted, it is notable that Western Rockcastle Water’s 2023 annual report was not filed until May 31, 2024. Moreover, Western Rockcastle Water’s request did not identify or explain the cause, number or the type of errors that were identified in the 2023 Annual Report, only that they arose following engagement of a new auditor. A review of the Annual Reports for years 2022 and 2023 indicate that they were performed by the same auditing firm, SK Lee CPA, though the individual accountants were different.³ Finally, Western Rockcastle Water sought an extension until December 15, 2024, 45 days from the October 31, 2024, to file the application for an Alternative Rate Adjustment. The Commission notes that Western Rockcastle Water’s application has not been filed as of December 20, 2024.

³ Annual Report of Western Rockcastle Water to the Public Service Commission (Annual Report of Western Rockcastle Water) for the Year Ended December 31, 2023, at 14 and 4. 2022 Annual Report of Western Rockcastle Water, at 14 and 4.

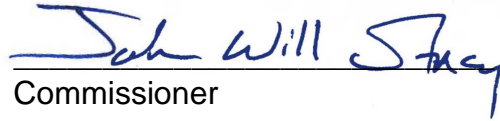
IT IS THEREFORE ORDERED that:

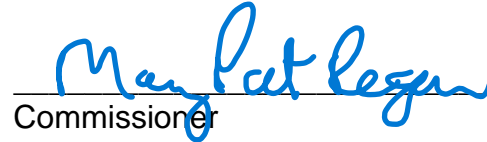
1. Western Rockcastle Water's request for a 45-day extension to file an application for an Alternative Rate Adjustment is denied.
2. Western Rockcastle Water should file an application for an Alternative Rate Filing immediately.

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PUBLIC SERVICE COMMISSION

Chairman 

Commissioner 

Commissioner 

ATTEST:

 
Executive Director

ENTERED
DEC 30 2024 AH
KENTUCKY PUBLIC
SERVICE COMMISSION

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