

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF OHIO COUNTY)	CASE NO.
WATER DISTRICT FOR A RATE ADJUSTMENT)	2024-00127
PURSUANT TO 807 KAR 5:076)	

ORDER

This matter arises from Ohio County Water District's (Ohio District) February 10, 2026 motion, filed pursuant to 807 KAR 5:006, Section 28, for a deviation from the customer repayment requirements of 807 KAR 5:006, Section 11(2)(e).¹ In addition to the motion, Ohio District filed detailed billing information regarding its customers, proposed customer billing line-item language reflecting recovery from underbilled customers, and a proposed tariff sheet reflecting its plan to recover from underbilled customers.

BACKGROUND

On February 18, 2025, the Commission issued an Order in this matter approving adjustments to water service rates for Ohio District in its application for a rate adjustment pursuant to 807 KAR 5:076.² On December 22, 2025, the Commission issued a *nunc pro tunc* Order that related back to the Order of February 18, 2025, correcting a scrivener's error on Ohio District's retail rates and directed Ohio District to collect from its customers

¹ Ohio District's Statement and Motion for Deviation (Motion) (filed Feb. 10, 2026).

² Order (Ky. PSC Feb 18, 2025) at 35-36.

any difference between the February 18, 2025 Order and the December 22, 2025 Order, over a period of no less than 11 months.³

An Informal Conference (IC) between Commission Staff and representatives of Ohio District was held on February 10, 2026, to discuss options and best practices for Ohio District to recover its rates while remaining in compliance with statutes, regulations, and the Commission's previous Orders.⁴ After the IC, on February 10, 2026, Ohio District filed, *inter alia*, a Statement and Motion for Deviation. Ohio District requested a deviation from the requirements of 807 KAR 5:006, Section 11(2)(e), which provides that "[a] utility shall not require customer repayment of an underbilling to be made over a period shorter than a period coextensive with the underbilling."⁵

As part of its plan, Ohio District proposed to bill its affected customers, who were underbilled a total amount of \$1.00 or less, a one-time charge on the bill in its next billing cycle, rather than collecting the amount over an 11-month period as ordered by the Commission.⁶ To implement such a recovery would require permission from the Commission to deviate from the requirements of 807 KAR 5:006, Section 11(2)(e). Ohio District argued that allowing recovery from customers that owe a total \$1.00 or less, to be billed a one-time amount, would "[p]revent the unnecessary administrative burden of billing extremely small amounts on 11 separate billings."⁷ Conversely, all amounts to be

³ Order (Ky. PSC Dec. 22, 2025) at 2–3.

⁴ Notice of Filing of Informal Conference Memorandum and Attendance List (filed Feb. 20, 2026).

⁵ Motion at 2.

⁶ Motion at 2.

⁷ Motion at 3.

collected that are in excess of \$1.00 will be billed and recovered in equal amounts over an 11-month period.⁸

In addition to the motion, Ohio District provided, by account number, the total amount underbilled, the monthly amount to be billed to recover the underbilled amount over 11 months, and the monthly amount to be billed, rounded down to the nearest penny.⁹ Ohio District also proposed adding the following language to its customer bills during the 11-month recovery period: “Temporary Recovery Billing per PSC Order of December 22, 2025 in Case No. 2024-00127.”¹⁰ Lastly, in compliance with KRS 278.160(2),¹¹ Ohio District filed a proposed tariff sheet¹² into the Commission’s Electronic Tariff Filing System, with an effective date of December 22, 2025, reflecting its proposed plan, which is attached to this Order as an Appendix.

LEGAL STANDARD

Commission regulation 807 KAR 5:006, Section 28, permits the Commission to grant deviations in special occasions, for good cause shown. Commission regulation 807 KAR 5:006, Section 11(2)(e), states that a utility shall not require customer repayment for an underbilling to be made over a period shorter than a period co-extensive with the underbilling.

⁸ Motion at 2.

⁹ Motion at 1.

¹⁰ Motion at 2.

¹¹ See KRS 278.160(2). No utility shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered than that prescribed in its filed schedules, and no person shall receive any service from any utility for a compensation greater or less than that prescribed in such schedules.

¹² TFS2026-00054 (filed Feb. 10, 2026).

DISCUSSION AND FINDINGS

Having reviewed the motion and being otherwise sufficiently advised, the Commission grants Ohio District's motion for deviation and finds that Ohio District has provided good cause to deviate from the customer repayment requirements of 807 KAR 5:006, Section 11(2)(e), for Ohio District's affected customers that were underbilled a total of \$1.00. The Commission agrees that requiring Ohio District to collect amounts totaling \$1.00 or less over an 11-month period from its customers would place an unnecessary administrative burden on Ohio District. Because the total amount to be collected in one billing cycle equals \$1.00 or less, the Commission does not expect this to place an unreasonable burden on Ohio District's affected customers.

The Commission further finds that the language Ohio District has proposed to use on its customer bills to distinguish the amounts being billed to recover from the underbilling, from the amounts being billed for current water service, is reasonable and the proposed tariff sheet setting forth the aforementioned proposed schedule, and as attached as an Appendix to this Order, is fair, just and reasonable and is, therefore, accepted.

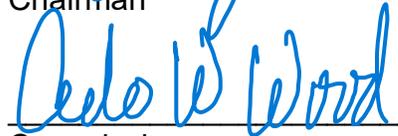
IT IS THEREFORE ORDERED that:

1. Ohio District's motion for deviation from 807 KAR 5:006, Section 11(2)(e), for good cause is granted.
2. Ohio District's proposed tariff sheet, attached as an Appendix to this Order, is fair, just and reasonable and is approved to be effective December 22, 2025.

PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



Executive Director



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2024-00127 DATED FEB 23 2026

ONE PAGE TO FOLLOW

AREA Ohio County & Adjoining Counties

PSC KY NO. 2

Original SHEET NO. 2a

Ohio County Water District
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

Pursuant to the Commission's December 22, 2025 Order in Case No. 2024-00127, this schedule shall be followed to recover underbilling that occurred March 2025 through November 2025.

1. Customers with a Total Adjustment of **\$1.00 or less** will be billed the total amount of the adjustment in **February 2026**.
2. Customers with a Total Adjustment **greater than \$1.00** will be billed the total amount of the adjustment in even installments over **eleven (11) months** beginning February 2026 and ending December 2026.

DATE OF ISSUE December 22, 2025

MONTH / DATE / YEAR

DATE EFFECTIVE December 22, 2025

MONTH / DATE / YEAR

ISSUED BY /s/Eric Hickman

SIGNATURE OF OFFICER

TITLE General Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2024-00127 DATED December 22, 2025

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