

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WOOD CREEK)	CASE NO.
WATER DISTRICT FOR A RATE ADJUSTMENT)	2024-00242
PURSUANT TO 807 KAR 5:076)	

ORDER

On July 31, 2024,¹ Wood Creek Water District (Wood Creek District) tendered an application with the Commission requesting an adjustment to its water rates pursuant to 807 KAR 5:076 and an April 28, 2023 Order in Case No. 2023-00110.² In its application, Wood Creek District used the calendar year ended December 31, 2022, as a basis for the application. Wood Creek District filed its 2023 Annual Report with the Commission on May 30, 2024.³ No motion was filed requesting a deviation to 807 KAR 5:076, Section 9. By letter dated August 9, 2024, Wood Creek District was notified of seven filing deficiencies in its application, four of which were due to the use of the incorrect test year.⁴

LEGAL STANDARD

Commission regulation 807 KAR 5:076, Section 9 states that, “[t]he reasonableness of the proposed rates shall be determined using a twelve (12) month

¹ Wood Creek District’s application was not deemed filed on July 31, 2024, due to other deficiencies noted in the letter dated August 9, 2024.

² Case No. 2023-00110, *Electronic Treated Sewage Adjustment Filing of Wood Creek Water District* (Ky. PSC Apr. 28, 2023), Order, paragraph 6.

³ *Annual Report of Wood Creek Water District Wastewater Division to the Public Service Commission for the Year Ending December 31, 2023* (2023 Annual Report).

⁴ August 9, 2024 Letter, Items 4-7. Items 2 and 3 were also deficient as a result of the use of the incorrect test year although that was not specifically stated in the letter.

historical test period, adjusted for known and measurable changes, that coincides with the reporting period of the applicant's annual report for the immediate past year.”

Commission regulation 807 KAR 5:076, Section 17 provides the Commission with the authority to permit deviations from the regulations in 807 KAR 5:076 upon a showing of good cause. It further states that requests for deviation shall be submitted in writing by letter to the Commission.

DISCUSSION

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that Wood Creek District's application should be rejected as failing to meet the requirements of 807 KAR 5:076, Section 9. The Commission can permit deviations under 807 KAR 5:076 upon a showing of good cause. Wood Creek District filed its 2023 Annual Report prior to tendering its application in this matter.⁵ Additionally, Wood Creek District did not request a deviation and failed to provide any reason for why it used a 2022 test year.

Therefore, the Commission finds that Wood Creek District failed to establish good cause to grant a deviation. Wood Creek District must use its best efforts to file an amended application as soon as possible. The Commission also finds that, because Wood Creek District used the incorrect test year, it should file an amended application using the 2023 test year as required by 807 KAR 5:076, Section 9. Additionally, if utilization of the correct test year changes the requested rates reflected in the previous notice, Wood Creek District should reissue customer notice in accordance with 807 KAR 5:076, Section 5 with the updated proposed rates.

⁵ Wood Creek District filed its 2023 Annual Report on May 30, 2024.

Because this application has not yet satisfied the legal filing requirements, the Commission finds that this application has not been deemed filed, and the statutory period to process this case set forth in 807 KAR 5:076 has not been established. The Commission also notes that Wood Creek District had additional deficiencies as stated in the August 9, 2024 letter and that all deficiencies must be cured before the application can be deemed filed and the statutory deadlines begin.

IT IS THEREFORE ORDERED that:

1. Wood Creek District's application is rejected as filed.
2. Wood Creek District's shall file an amended application using the historical test year of 2023, with known and measurable adjustments, that coincides with the most recent annual report, in compliance with 807 KAR 5:076, Section 9 as soon as possible.
3. Wood Creek District shall reissue customer notice in accordance with 807 KAR 5:076, Section 5, if utilization of the correct test year changes the requested rates reflected in the previous notice.
4. If customer notice has to be reissued, Wood Creek District shall file proof of publication of the customer notice within 45 days of the filing of the amended application.
5. Wood Creek District's amended application shall comport with all applicable filing requirements and cure all deficiencies specified in the August 9, 2024 letter prior to the amended application being deemed filed.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman


Commissioner

ENTERED
AUG 16 2024
rCS
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


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