### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

# ELECTRONIC APPLICATION OF KENTUCKY-<br/>AMERICAN WATER COMPANY FOR AN<br/>ADJUSTMENT OF RATESCASE NO.<br/>2025-00122

### <u>ORDER</u>

This matter arises upon the motion of the Lexington-Fayette Urban County Government (LFUCG), filed May 19, 2025, for intervention. As a basis for its motion, LFUCG stated that it satisfies both requirements in 807 KAR 5:001, Section 4(11) for permissive intervention.

#### LEGAL STANDARD

The Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General), has the statutory right to intervene in Commission cases pursuant to KRS 367.150(8)(b). By Order issued May 6, 2025, the Attorney General was granted intervention in this proceeding. With limited exception, intervention by all others is permissive and within the sole discretion of the Commission.<sup>1</sup>

The regulatory standard for permissive intervention, set forth in 807 KAR 5:001, Section 4, is twofold. Commission regulation 807 KAR 5:001, Section 4(11), requires a person to set forth in the motion to intervene either (1) a special interest in the proceeding that is not otherwise adequately represented in the case, or (2) that intervention is likely

<sup>&</sup>lt;sup>1</sup> KRS 164.2807.

to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.

#### DISCUSSION AND FINDINGS

LFUCG stated that it is one of Kentucky-American Water Company's (Kentucky-American) largest customers that takes service from a variety of rate classifications, and relatedly, LFUCG is Kentucky-American's largest customer of public fire hydrants with over 90 percent of Kentucky-American's public fire hydrants billed to LFUCG.<sup>2</sup> LFUCG asserted that this situation represents a unique rate classification and that given these circumstances, no other party could adequately represent the many interests of LFUCG. <sup>3</sup> LFUCG also stated that it can present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings as LFUCG plans to address several issues, including hydrants and associated rates, return on equity (ROE), certain revenue requirement components, and unification of rates for acquired systems.<sup>4</sup>

Based on a review of the pleadings at issue and being otherwise sufficiently advised, the Commission finds that LFUCG has demonstrated that it has a special interest in the proceeding over which the Commission has jurisdiction that is not otherwise adequately represented and that LFUCG is likely to present issues or develop facts that will assist the Commission in considering this matter without unduly complicating the proceedings, for the reasons discussed below. The Commission notes that LFUCG only

<sup>&</sup>lt;sup>2</sup> LFUCG's Motion to Intervene (Motion) (filed May 19, 2025) at unnumbered page 2.

<sup>&</sup>lt;sup>3</sup> Motion at unnumbered page 2.

<sup>&</sup>lt;sup>4</sup> Motion at unnumbered page 2.

had to demonstrate it satisfied one prong of the regulation. The Commission finds that LFUCG, has a special interest in this proceeding as set out in 807 KAR 5:001, Section 4(11), because LFUCG is Kentucky-American's largest customer, including the largest in a unique rate classification. No other party to this case has similar interests as represented by LFUCG.

The Commission also finds that LFUCG can assist the Commission by developing facts in this matter without unduly complicating the proceedings. LFUCG's intention to address issues, including hydrants and associated rates, ROE, certain revenue requirement components, and unification of rates for acquired systems will benefit the Commission and it can help provide insight into those areas.

Based on the above, the Commission finds that LFUCG should be granted full rights of a party in this proceeding. The Commission directs LFUCG to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>5</sup> regarding filings with the Commission.

IT IS HEREBY ORDERED that:

1. LFUCG's motion to intervene is granted.

2. LFUCG is entitled to the full rights of a party and shall be served with the Commission's Orders and with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by parties after the date of this Order.

LFUCG shall comply with all provisions of the Commission's regulations,
807 KAR 5:001, Section 8, related to the service and electronic filing of documents.

<sup>&</sup>lt;sup>5</sup> 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).

4. LFUCG shall adhere to the procedural schedule set forth in the Commission's May 27, 2025 Order and as amended by subsequent Orders.

5. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of service of this Order, LFUCG shall file a written statement with the Commission that:

a. Certifies that it, or its agent, possesses the facilities to receive electronic transmissions; and

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

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PUBLIC SERVICE COMMISSION

Vice Chairman

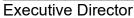
Commissioner

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ATTEST:

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