

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF	)	
COLUMBIA/ADAIR UTILITIES DISTRICT FOR A	)	
CERTIFICATE OF PUBLIC CONVENIENCE AND	)	CASE NO.
NECESSITY TO CONSTRUCT A SYSTEM	)	2025-00394
IMPROVEMENTS PROJECT AND AN ORDER	)	
AUTHORIZING THE ISSUANCE OF SECURITIES	)	
PURSUANT TO KRS 278.300	)	

ORDER

On July 31, 2026, Columbia/Adair Utilities District (Columbia/Adair District) filed a motion requesting an extension of time to file an application for an adjustment of its wastewater rates or a motion explaining why such an adjustment is not necessary.¹ For the reasons outlined below, the Commission finds Columbia/Adair District's motion for extension should be granted.

BACKGROUND

In a final Order issued on February 13, 2026, in this case, the Commission granted Columbia/Adair District a Certificate of Public Convenience and Necessity (CPCN) for a project to eliminate the Burkesville Road lift station, modify the Majestic Yacht lift station, construct a gravity line from the former Burkesville Road lift station to the Majestic Yacht lift station, construct a force main from the Majestic Yacht lift station to the main interceptor sewer near the for a former Burkesville Road lift station, remove a grinder

¹ Columbia/Adair District Motion for Extension of Time to File and Application for an Adjustment of Sewer Rates (Motion for Extension) (filed July 31, 2026).

pump station currently connected to an apartment building, replace a lateral gravity line, and replace a grinder pump station with a new wet well and pump.² Additionally, the Commission ordered Columbia/Adair District to file an application for a general rate adjustment pursuant to 807 KAR 5:001, Section 16, an alternative rate adjustment pursuant to 807 KAR 5:076, or a formal motion with a detailed analysis of its rates and revenues explaining the reasons why no modification of its wastewater rates was necessary by August 21, 2026.³

DISCUSSION AND FINDINGS

In the pending motion, Columbia/Adair District stated that the project approved in this case has not yet been finished, and that an extension of time to make the required filing is needed so that it can include depreciation expense, debt service, and the debt service coverage ratio related to the project in proposed rates, and consider any changes to its operation and maintenance expenses as a result of the project.⁴ Columbia/Adair District also reported that it hired a new accounting firm, and that its 2025 audit is underway, and that it only recently finished its 2025 Annual Report. Columbia/Adair District stated it has not had an opportunity to fully analyze the optimal timing of its next application for a rate increase, but noted that Columbia/Adair District experienced a positive net income in calendar year 2025, and thus, does not believe it has an immediate need for increased sewer rates.⁵

² Order (KY PSC Feb. 13, 2026) at 2 and 3.

³ Order (KY PSC Feb. 13, 2026), ordering paragraph 13.

⁴ Motion for Extension at 2.

⁵ Motion for Extension at 2 and 3.

The Commission finds that good cause exists for granting the request to extend the time in which Columbia/Adair District must file an application for a general rate adjustment pursuant to 807 KAR 5:001, Section 16, an alternative rate adjustment pursuant to 807 KAR 5:076, or a formal motion with a detailed analysis of its rates and revenues explaining the reasons why no modification of its rates was necessary. An extension will provide Columbia/Adair District additional time to examine its 2025 Annual Report to determine how best to comply with the requirement established in the February 13, 2026 Order for wastewater rates, and will provide additional time to assess the rate effects of the project approved in this case.

In finding that good cause exists for granting the motion, the Commission notes that Columbia/Adair District did not state the length of the extension sought, and therefore, did not explain what length of an extension would be appropriate. However, given the evidence presented, the Commission finds that an extension of about four months strikes a balance by giving Columbia/Adair District sufficient time to review its annual report and assess the need and timing of any rate impacts from the projects. Thus, the Commission finds that the original date of August 21, 2026, should be extended to December 31, 2026.

In order to more closely monitor the project approved in this case, the Commission on its own motion also finds that Columbia/Adair District should file, within 30 days of each milestone, notice in this case of when construction on the project is started, when the project has reached approximately 50 percent completion, and when the project has reached final completion. If any of these milestones have already been reached,

Columbia/Adair District should include the dates each such milestone was reached when filing the next required notice.

IT IS THEREFORE ORDERED that:

1. Columbia/Adair District's motion for an extension of time is granted.
2. Columbia/Adair District shall file an application for a general rate adjustment pursuant to 807 KAR 5:001, Section 16, an alternative rate adjustment pursuant to 807 KAR 5:076, or a formal motion with a detailed analysis of its rates and revenues explaining the reasons why no modifications are necessary to its wastewater rates on or before December 31, 2026.
3. Columbia/Adair District shall file notice in this case of when construction on the project approved in this case is started, when the project has reached approximately 50 percent completion, and when the project has reached final completion. Each notice shall indicate the approximate date the milestone was reached and shall be filed within 30 days of each milestone, unless the milestone has already been reached, in which case, Columbia/Adair District shall include the date(s) such milestones were reached when filing the next notice required by this paragraph.
4. Any documents filed pursuant to ordering paragraph 3 of this Order shall reference this case number and shall be retained in Columbia/Adair District's post-case correspondence file.
5. All provisions of the Commission's February 13, 2026 Order that are not in conflict with this Order shall remain in effect.
6. This case is closed and removed from the Commission's docket.

Entered on this 21st day of August, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair



Mary Pat Regan
Vice Chair



Andrew W. Wood
Commissioner



Barry L. Mayfield
Commissioner

ATTEST:



Justin McNeil
Executive Director

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