

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MCCREARY	)	
COUNTY WATER DISTRICT FOR AN	)	CASE NO.
ADJUSTMENT OF WATER RATES PURSUANT	)	2025-00136
TO 807 KAR 5:076	)	

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION  
TO MCCREARY COUNTRY WATER DISTRICT

McCreary County Water District (McCreary District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 5, 2025. The Commission directs McCreary District to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

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<sup>1</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).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

McCreary District shall make timely amendment to any prior response if McCreary District obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which McCreary District fails or refuses to furnish all or part of the requested information, McCreary District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, McCreary District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to McCreary District's response to Commission Staff's First Request for Information (Staff's First Request), Item 11.

- a. In its response, McCreary District stated it would file monthly reports on its rate case expense beginning on or about July 31, 2025. McCreary District has yet to file a report in this docket. Provide a copy of any invoices or updates to the Rate Case

expense, including the publication costs. This is an ongoing request through the completion of the case.

b. Provide a copy of the original quote from Kentucky Rural Water Association explaining the proposed \$10,500.

2. Refer to McCreary District's response to Staff's First Request, Item 16.

a. In the response, McCreary District stated that "...the District's Board of Commissioners determined that...the existing rate design was more equitable and more reasonable than the (cost-of-service) study's (COSS) suggested design." Explain and provide support for why the "existing rate design was more equitable and more reasonable" than the COSS, and why McCreary District believes the COSS should not be accepted.

b. Explain how the COSS would not benefit the residential customers, as it results in a lower average bill of \$48.05, than the across-the-board increase, which results in an average bill of \$48.92.<sup>2</sup>

c. The Commission has generally accepted an across-the-board increase in rates when there is an absence of a COSS. In this case, a COSS was performed and could be interpreted to support a shift in cost allocation from the retail to the wholesale customers.

(1) Confirm that the COSS indicates that McCreary District's retail customers currently subsidize its wholesale customer class and would continue to subsidize its wholesale customer class if McCreary District maintains its current rate allocation.

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<sup>2</sup> McCreary District's Application, Exhibit K, Notice (the average residential customer uses 3,753 gallons per month), at 555.

(2) If not confirmed, explain.



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Linda C. Bridwell, PE  
Executive Director  
Public Service Commission  
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DATED **AUG 27 2025**

cc: Parties of Record

Case No. 2025-00136

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