

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF)	
CRITTENDEN-LIVINGSTON COUNTY WATER)	CASE NO.
DISTRICT FOR ALLEGED FAILURE TO COMPLY)	2026-00066
WITH KRS 278.160 AND COMMISSION ORDERS)	

ORDER

The Commission, on its own motion, establishes this proceeding to investigate Crittenden-Livingston County Water District (Crittenden-Livingston District); its commissioners, T.L. Maddox; Alan Hunt; Glenn Hughes; Tony Travis; Darrell Simpson; and Tim Capps; and its manager Addie Adamson, for alleged failure to comply with KRS 278.160 and Commission Orders.

LEGAL STANDARD

Under KRS 278.250, the Commission is authorized to investigate and examine the condition of any utility subject to its jurisdiction, including any practice or act relating to the utility service. Under KRS 278.280, if the Commission finds that any practice or act is unjust, unreasonable, unsafe, improper, inadequate, or insufficient, then the Commission has the authority to determine the just, reasonable, safe, proper, adequate, or sufficient practice or method to be observed.

KRS 278.160 states as follows:

- (1) Under rules prescribed by the commission, each utility shall file with the commission, within such time and in such form as the commission designates, schedules showing all rates and conditions for service established by it and collected or enforced. The utility shall keep

copies of its schedules open to public inspection under such rules as the commission prescribes.

- (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.

Upon a finding that Crittenden-Livingston District, its commissioners or manager violated any provision of KRS Chapter 278, Commission regulations, or a Commission Order, KRS 278.990 authorizes the Commission to assess civil penalties. The civil penalties shall not to exceed \$2,500 for each offense and may be levied against a utility and against any officer, agent, or employee of a utility who willfully violates any provisions of KRS Chapter 278, Commission regulations, or Commission Orders.

DISCUSSION AND FINDINGS

Crittenden-Livingston District is a water district organized pursuant to KRS Chapter 74 that provides water service to approximately 3,731 customers in Crittenden and Livingston counties.¹ Crittenden-Livingston District also sells water at wholesale to the cities of Marion, Grand Rivers, Smithland, and Salem, as well as Lyon County Water District and Ledbetter Water District.² In addition, according to contracts on file with the

¹ *Annual Report of Crittenden-Livingston County Water District to the Public Service Commission for the Year Ending December 31, 2023* (2023 Annual Report) at 49.

² 2023 Annual Report at 55.

Commission, Crittenden-Livingston District also has contracts for the sale of water with Caldwell County Water District³ and Webster County Water District.⁴

On January 27, 2025,⁵ in Case No. 2024-00278,⁶ Crittenden-Livingston District filed its application with the Commission requesting an adjustment to its water service rates pursuant to 807 KAR 5:076. In that case, on November 4, 2025, the Commission ordered that the water service rates set forth in the Appendix to the Order were approved for service rendered by Crittenden-Livingston District on or after the date of the Order.⁷ The Commission also ordered that within 20 days of the date of service of the Order, Crittenden-Livingston District file with this Commission, using the Commission's electronic Tariff Filing System, new tariff sheets setting forth the approved rates and charges, the effective date thereof, and where they were authorized.⁸ Crittenden-Livingston Districted filed its updated tariff sheets, with an effective date of November 4, 2025.⁹

³ [2020-02-09_Water Purchase Contract.pdf](https://psc.ky.gov/tariffs/Water/Districts,%20Associations,%20%26%20Privately%20Owned/Crittenden-Livingston%20County%20Water%20District/xContracts/Caldwell%20County%20Water%20District/2020-02-09_Water%20Purchase%20Contract.pdf).

https://psc.ky.gov/tariffs/Water/Districts,%20Associations,%20%26%20Privately%20Owned/Crittenden-Livingston%20County%20Water%20District/xContracts/Caldwell%20County%20Water%20District/2020-02-09_Water%20Purchase%20Contract.pdf.

⁴ [2011-03-10 Interconnect Agreement.pdf](https://psc.ky.gov/tariffs/Water/Districts,%20Associations,%20%26%20Privately%20Owned/Crittenden-Livingston%20County%20Water%20District/xContracts/Webster%20County%20Water%20District/2011-03-10_Interconnect%20Agreement.pdf).

https://psc.ky.gov/tariffs/Water/Districts,%20Associations,%20%26%20Privately%20Owned/Crittenden-Livingston%20County%20Water%20District/xContracts/Webster%20County%20Water%20District/2011-03-10_Interconnect%20Agreement.pdf.

⁵ Crittenden-Livingston District tendered its application on November 12, 2024. By letter dated November 14, 2024, the Commission rejected the application for filing deficiencies. The deficiencies were subsequently cured, and the application is deemed filed on January 27, 2025.

⁶ Case No. 2024-00278, *Electronic Application of Crittenden-Livingston County Water District for an Alternative Rate Filing Pursuant to 807 KAR 5:076*.

⁷ Case No. 2024-00278, Nov. 4, 2025 Order at 39.

⁸ Case No. 2024-00278, Nov. 4, 2025 Order at 39.

⁹ P.S.C. Ky Crittenden-Livingston County Water District 3rd Revised Sheet No. 4 (issued Nov. 4, 2025), effective Nov. 4, 2025).

On February 26, 2026, Ledbetter Water District (Ledbetter District), tendered an application for a purchased water adjustment (PWA) in Case No. 2026-00045.¹⁰ The application contained a letter from Crittenden-Livingston District that its new PWA rates would be effective as of March 27, 2026.¹¹ The application also contained a water purchase contract between Crittenden-Livingston District and Ledbetter District that appeared to have been “made and entered” into on March 26, 2021 (March 26, 2021 Contract).¹² The four corners of the March 26, 2021 Contract indicates that “[T]he effectiveness of this contract is subject to the approval of the Public Service Commission of Kentucky”¹³ the Commission did not locate evidence that this contract was submitted or approved by the Commission in Case No. 2024-00278.

The Commission finds that an investigation is necessary to determine whether Crittenden-Livingston District has willfully violated KRS 278.160 and its November 4, 2025 Order by not putting wholesale rates into effect on November 4, 2025 and not filing the water purchase contract with the Commission. Crittenden-Livingston District, each of its commissioners, and the general manager, in their official and individual capacities as officers of Crittenden-Livingston District’s Board of Commissioners, should submit individual written responses to the allegations contained in this Order within 30 days of the date of service of this Order, including but not limited to any, and all written testimony or documentation that would dispute the allegations. In addition, Crittenden-Livingston

¹⁰ Case No. 2026-00045, *Electronic Application of Ledbetter Water District for a Purchased Water Adjustment and Deviation from 807 KAR 5:068, Section 3(3)* (tendered Feb. 26, 2026), Application.

¹¹ Case No.2026-00045, Application, Exhibit E.

¹² Case No.2026-00045, Application, Exhibit G.

¹³ Case No.2026-00045, Application, Exhibit G at 2.

District should provide information related to the current wholesale rates charged its other purchasers and the effective date(s) of those rates in the responses.

To ensure a complete review of the issues raised in this investigation, the Commission finds it should incorporate, by reference, the record of Case No. 2026-00045 and make Ledbetter District a party to this case as Ledbetter District is likely to develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. The Commission finds that this Order should be served upon the Judge Executive of Livingston and Crittenden counties, Kentucky as well as all municipalities and counties to which Crittenden-Livingston District supplies water.

IT IS THEREFORE ORDERED that:

1. This case is opened to investigate the alleged failure of Crittenden-Livingston District to comply with KRS 278.160 and any applicable Commission Order, including its November 4, 2025 Order as referenced herein.

2. Crittenden-Livingston District, each of its commissioners, and the general manager, in their official and individual capacities as officers of Crittenden-Livingston District's Board of Commissioners, shall submit individual, written responses to the allegations contained in this Order within 30 days of the date of service of this Order, including but not limited to any, and all written testimony or documentation that would dispute the allegations.

3. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

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

5. Counsel for each party shall enter an appearance or appearances within 20 days of the date of service of this Order.

6. The Commission directs Crittenden-Livingston District to the Commission's July 22, 2021 Order in Case No. 2020-00085¹⁴ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

7. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

8. Case No. 2026-00045 is incorporated by reference.

9. Ledbetter District 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.

¹⁴ 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).

10. A copy of this Order shall be served on the Judge Executive of Livingston and Crittenden counties in Kentucky.

11. A copy of this Order shall be served via the U.S. Postal Service, Certified Mail, Return Receipt Requested, on the cities of Marion, Grand Rivers, Smithland, and Salem, as well as Lyon County Water District, Webster County Water District, and Caldwell County Water District.

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PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



Executive Director

ENTERED
APR 1 2026 jdc
KENTUCKY PUBLIC
SERVICE COMMISSION

Service List for 2026-00066

* Crittenden-Livingston County Water District
620 East Main Street
P. O. Box 495
Salem, KY 42078

* Ledbetter Water District
Ledbetter Water District
1483 US Highway 60W
P. O. Box 123
Ledbetter, KY 42058-0123

* Michael Williams
Judge Executive
335 Court Street
Judge/Executive's Office
Smithland, KY 42081

* Perry A. Newcom
Judge-Executive
Crittenden County Judge-Executive
200 Industrial Drive
Suite A
Marion, KY 42064