### APPALACHIAN CITIZENS' LAW CENTER, INC.

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317 MAIN STREET WHITESBURG, KENTUCKY 41858 606-633-3929 1-877-637-3929 FAX 606-633-3925 www.appalachianlawcenter.org

AUG 07 2017

PUBLIC SERVICE COMMISSION

STEPHEN A. SANDERS
Director
steve@appalachianlawcenter.org

MARY CROMER Staff Attorney
mary@appalachianlawcenter.org
Also Admitted in VA

WES ADDINGTON
Deputy Director
wes@appalachianlawcenter.org

EVAN B. SMITH
Staff Attorney
evan@appalachianlawcenter.org

August 2, 2017

John Lyons, Acting Director Kentucky Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602-0615

RE: Motion to Intervene in Case No. 2016-0142

Dear Mr. Lyons,

I enclose here an original and five copies of Martin County Concerned Citizens, Inc.'s Motion to Intervene in case number 2016-142.

The next hearing in this investigation has been scheduled for September 13, 2017.

I also send a copy of this motion to counsel for Martin County Water District by electronic and United States mail today.

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Encls.

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### PUBLIC SERVICE COMMISSION

## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

INVESTIGATION OF THE OPERATING CAPACITY OF MARTIN COUNTY WATER DISTRICT PURSUANT TO KRS 278.280

Case No 2016-00142

### MOTION OF MARTIN COUNTY CONCERNED CITIZENS, INC. TO INTERVENE IN THIS MATTER

Pursuant to KRS § 278.310 and 807 KAR 5:00l § 4(11)(a), Martin County Concerned Citizens, Inc. ("MCCC") respectfully moves the Commission for leave to intervene in the above-captioned investigation on behalf of its members. MCCC seeks full intervention to protect its members' interests in ensuring that Martin County Water District ("MCWD") provides reasonable, safe, and adequate water services to its customers and to bring to this investigation its members' specific knowledge regarding the current inadequacies of the MCWD service.

### I. Introduction

MCCC is a non-profit, non-stock membership corporation with offices at P.O. Box 938, Inez, Kentucky. MCCC can be contacted via email through the undersigned attorney at <a href="mailto:mary@appalachianlawcenter.og">mary@appalachianlawcenter.og</a>. MCCC currently has over 50 members who are customers of MCWD. MCCC was formed when a group of community members started meeting together in the spring of 2017 to organize the community's response to MCWD's failure to provide a safe, dependable water supply to the county's residents. MCCC formally adopted its bylaws and articles of incorporation on July 7, 2017. The articles have been filed with the Kentucky Secretary of State. The Secretary of State's acceptance of that filing is pending.

MCCC is aware of the July 31, 2017 Order in this matter. If MCCC is granted intervention, it will be prepared to provide a witness and exhibit list by August 30 and will be prepared to participate in the September 13 hearing.

MCCC meets regularly in Martin County to keep its members apprised of the progress and potential outcomes of this investigation and the Energy and Environment Cabinet's ("EEC") enforcement of the Safe Drinking Water Act as it relates to MCWD. MCCC also chronicles MCWD's failures to provide adequate water service. MCCC is working with community health researchers to track the health problems that may be related to the inadequate and unsafe water service issues seen throughout the county and is starting a program to sample tap water from MCWD customers to determine the extent to which pollutants are infiltrating the broken service lines. MCCC's goal is to ensure that each resident of Martin County has a safe, affordable, and adequate supply of water.

As the Commission notes in its April 11, 2016 Order initiating this current investigation, this is the third investigation into deficiencies in MCWD's operations. The first two investigations resulted in settlement agreements that were not fulfilled by MCWD. MCCC believes that those failures to comply with past orders have caused a serious and imminent threat to the health and safety of many of MCWD's customers.

# II. MCCC Meets the Standards for Intervention Set Forth in 807 KAR 5:001 Sec. 4(11).

807 KAR 5:001(4)(11)(b) provides, "[t]he commission shall grant a person leave to intervene if the commission finds that he or she has made a timely motion for intervention and that he or she has a special interest in the case that is not otherwise adequately represented or that his or her intervention is likely to present issues or to develop facts that assist the commission in fully considering the matter without unduly complicating or disrupting the proceedings." More

recently, this Commission has found that "any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest in a utility's rates and service that is not otherwise adequately represented, or the issues and facts the person will present that will assist the Commission in fully considering the matter." Jul. 12, 2017 Order, Case No. 2017-179.

As set forth more fully below, this motion to intervene, while filed over a year after the Commission initiated its current investigation, is timely in that the proceedings in this matter are ongoing and MCCC's intervention is filed early enough in the overall process of the lengthy investigation that the Commission will still yet benefit from the testimony provided by MCCC. As no party has intervened in this matter, MCCC's members' interests are not adequately represented before the Commission. And finally, MCCC will present testimony on service quality deficiencies that will assist the Commission in fully investigating this matter.

#### A. Timeliness

Based on Movant's review of this investigative docket, the Commission has not established a deadline for intervention in this matter. MCCC files this motion more than one year after the Commission initiated its investigation into the serious deficiencies in MCWD's water service delivery to its customers. MCCC's motion is nonetheless timely because the Commission's investigation is ongoing and likely to continue for some time. The Commission has indicated that it will continue to hold regular hearings in this matter until it is satisfied that the deficiencies in MCWD's water service will be corrected. The Commission has conducted two hearings in this matter to date. During the June 1, 2017 hearing, the Commission indicated that it would hold another hearing in the early fall to receive additional testimony regarding MCWD's efforts to correct the deficiencies. Such testimony will likely include the results of the

current management audit being conducted by a third party hired by MCWD. Any efforts of MCWD to correct its deficiencies should incorporate the recommendations of that management audit, as well as the recommendations of the 2007 performance audit that were not implemented by MCWD.

In short, despite the fact that this investigation has been going on for over 15 months, it is far from over. At this point, the Commission has not been presented with any plan by MCWD for ways in which it will improve its water service or otherwise correct its deficiencies.

Therefore, testimony presented by MCCC on the scope of those deficiencies and the impacts those deficiencies have on MCWD's customers are still relevant to the Commissions' consideration of the best way to address MCWD's problems.

### B. MCCC's Interests Are Not Otherwise Represented

At this time, no other party has moved to intervene in this matter. The only party before the Commission in this investigation is MCWD. In particular, the Attorney General has not intervened in this matter on behalf of MCWD's customers.

MCCC members are MCWD customers. As a community group representing the interests of MCWD's water customers, MCCC's members have special interests in this investigation that are not otherwise represented. In particular, MCCC members' interests are in making sure that MCWD provides service to its customers that is adequate, meaning that, at a minimum, all parts of MCWD's service area must be provided with consistent and sufficient pressure and minimal disruptions, and that when disruptions or low pressures occur that boiled water advisories are timely issued and the community is given notice. MCCC members interests are also in making sure that MCWD provides safe and reasonable water to its customers, meaning that the water provided should at all times be potable, should not have a disagreeable

smell, and should not cause skin irritations from bathing and showering. Movant understands that the Energy and Environment Cabinet's Division of Water is the regulatory agency with authority over the district's compliance with the Safe Drinking Water Act. However, Movant believes that this Commission's authority to ensure the delivery of a safe water service to its customers includes the authority to determine whether the district is delivering safe, potable water.

C. MCCC Is Likely to Present Issues or Develop Facts That Assist the Commmission in Fully Considering the Matter without Unduly Complicating or Disrupting the Proceedings

MCCC's intervention will assist the Commission in fully considering the deficiencies in MCWD's system and the effects of those deficiencies on MCWD's customers. MCCC expects to present factual testimony regarding the history of inadequate service in the county and the effects of that service on particular sectors of MCWD's customers, including school systems, fire departments, and customers who live at the far reaches of MCWD's distribution lines. MCCC also hopes to offer testimony on the financial impact on the county's residents from having to buy potable water while also paying for water service and having to replace appliances and plumbing on a regular basis because of the debris in the water provided by MCWD's water service.

#### Conclusion

WHEREFORE, MCCC requests that it be granted leave for full intervention and it be certified as a full party in this proceeding, giving it the right to present testimony and exhibits, present witnesses, cross-examine witnesses, and be served with filed testimony, exhibits, pleadings, correspondence, and all other documents submitted by the parties or orders of the Commission.

Respectfully Submitted,

Mary Varson Cromer

Appalachian Citizens' Law Center, Inc.

317 Main Street

Whitesburg, Kentucky 41858

Telephone:

606-633-3929

Facsimile:

606-633-3925

mary@appalachianlawcenter.org

Counsel for MCCC

### **CERTIFICATE OF SERVICE**

Pursuant to 807 KAR 5:001 Sec. 4(8), I, Mary Varson Cromer, hereby certify that on August 2, 2017, a true and accurate copy of the foregoing MOTION OF THE MARTIN COUNTY CONCERNED CITIZENS, INC. TO INTERVENE IN THIS MATTER was served via postage-paid U.S. mail and electronic mail to the following:

Brian Cumbo
86 W. Main St., STE 100
P.O. Box 1844
Inez, KY 41224
cumbolaw@cumbolaw.com
Counsel for Martin County Water District

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