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PUBLIC SERVICE
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December 4, 2017

Gwen R. Pinson, Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602-0615

RE: Martin County Concerned Citizens Inc.'s
Motion for Procedural Order and Initial Requests for Information
PSC Case No. 2016-142

Dear Ms. Pinson,

I enclose here an original and five copies of Martin County Concerned Citizens Inc.'s Motion for a Procedural Order and one copy of MCCC's Initial Requests for Information in case number 2016-142.

I also send a copy of this motion and request to counsel for the Martin County Water District by U.S. mail today.

Please contact me if you have any questions regarding this filing.

Sincerely,



Mary Varson Cromer

Enclosures

**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

**MARTIN COUNTY CONCERNED CITIZENS, INC.'S MOTION FOR A
PROCEDURAL ORDER**

Martin County Concerned Citizens, Inc. ("MCCC"), by and through counsel, submits this Motion for a Procedural Order pursuant to 807 KAR 5:001 Sec. 5. In support of this motion, MCCC states as follows:

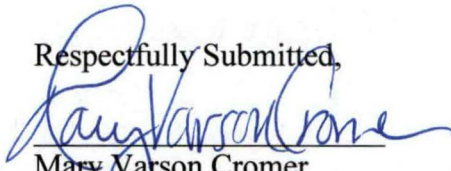
1. Simultaneous with the filing of this Motion, MCCC files its Initial Requests for Information from the Martin County Water District ("MCWD").
2. This investigation was opened pursuant to the April 11, 2016 Order of the Commission.
3. Undersigned counsel has read that order and all other orders issued in this matter and determined that it appears that there is no order that specifically governs procedures for Intervenor's participation in this matter.

WHEREFORE, MCCC respectfully asks this Commission for an Order addressing the following:

- a) Whether MCWD must file its response to MCCC's Initial Requests for Information and all other data requests within 14 days of service of the request;

- b) How continuing requests are to be handled, in particular whether and when MCWD must supplement or amend its responses to continuing requests prior to the next scheduled hearing; and
- c) Whether, in situations where MCWD does not provide a complete and precise response to information sought, MCWD is required to provide a written explanation of the specific reasons or grounds for its failure to completely and precisely respond.

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

DATED:

CERTIFICATE OF SERVICE

Pursuant to 807 KAR 5:001 Sec. 6, I, Mary Varson Cromer, hereby certify that on December 4, 2017, a true and accurate copy of the foregoing Motion for a Procedural Order was served via electronic mail and postage-paid U.S. 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



Counsel for the MCCC

**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

**MARTIN COUNTY CONCERNED CITIZENS, INC.'S INITIAL REQUESTS FOR
INFORMATION FROM MARTIN COUNTY WATER DISTRICT**

Martin County Concerned Citizens, Inc. (“MCCC”), by and through counsel, submits these requests for information to the Martin County Water District (“MCWD”) pursuant to 807 KAR 5:001 Sec. 4(12).

As the Commission has indicated that it will continue to hold hearings in this investigation approximately every 90 days, certain of these requests have been designated as “continuing requests.” MCWD shall review these requests every 30 days and make such supplemental filings as are necessary to submit additional responsive information as it becomes available.

MCCC requests that the information sought be provided to the Commission and MCCC within 14 days of the date of this request or at such other time as may be ordered by the Commission. Further, as set forth in the Commission’s April 11, 2016 Order initiating this investigation:

1. Responses to requests for information shall be appropriately bound, tabbed, and indexed and shall include the name of the witness responsible for responding to questions related to the information provided. Copies

shall be sent to MCCC and the original and one copy shall be provided to the Commission.

2. 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, shall 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 the person's knowledge, information, and belief formed after reasonable inquiry.
3. MCWD shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.
4. For any request that MCWD refuses to furnish all or part of the requested information, MCWD shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.
5. If MCWD's response contains personal information, MCWD shall, in accordance with 807 KAR 5:001 Sec. 4(10), encrypt or redact the response so that personal information cannot be read.

In addition, where the response to the requests consists of information or a statement that is already in the Commission's record or is otherwise publicly available, provide a detailed citation to the document or other resource that contains the information. Such citation shall include the title of the document and the relevant page number. If the document is publicly available online, provide the URL and a notation of when the URL was last accessed by MCWD.

In the event any document sought by MCCC has been destroyed, specify the date and the manner of such destruction, the person directing or authorizing the destruction, and the custodian of the document at the time of its destruction.

1. Describe any updates regarding the negotiation of the lease with Prestonsburg City Utilities Commission provided as Exhibit 3 during the hearing of October 17, 2017. Provide copies of any new drafts or finalized lease agreements.
2. Describe the circumstances leading to the resignation of the Martin County Utility Board members. List each member who resigned and his or her time on the board. Provide the reason given for each resignation. Describe measures being undertaken to find replacement members for the Martin County Utility Board.
3. Provide water use reports for October and November 2017. This is a continuing request.
4. Describe how MCWD used or plans to use the \$250,182 provided as a grant from the county's coal severance fund in August 2017. (*See* MCWD's Nov. 9, 2017 response, Ex. 2.)
5. Provide all communications between MCWD and Greg Heitzman and between the Martin County Utility Board and Greg Heitzman since October 17, 2017. Provide a copy of Mr. Heitzman's recommendations, whether in draft or final form. State whether those recommendations have been presented to the Martin County Utility Board. If they have not been

presented, describe why the recommendations were not presented to the board.

6. Provide copies of all communications since October 17, 2017 regarding MCWD's attempts to secure Abandoned Mine Land funding. Provide copies of all plans or specifications regarding implementation of the projects outlined in the Exhibit 3 of MCWD's November 9, 2017 response. Discuss whether there has been a change in the projects for which funding is sought since the Exhibit 3 document was provided to the Commission. Describe MCWD's prioritization of the three project areas described in the Exhibit 3 application.
7. Describe all progress made to finalize and implement the draft water loss and leak detection program submitted as part of the February 16, 2017 supplemental filing. This is a continuing request.
8. Provide copies of all boil water advisories issued since the last hearing. For each advisory, provide a description of the events leading to the advisory, a statement of how long the advisory was in effect, an estimate of the number of customers affected, and descriptions of measures taken to correct the problem and measures taken during the advisory to ensure the safety of the water being delivered to MCWD customers. If the advisory was issued due to a leak, describe whether the leak occurred in a main or distribution line and describe how the leak was repaired. This is a continuing request.
9. Describe all measures taken to date to prepare to implement the terms of

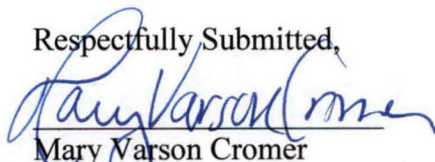
the ARC grant, including all measures taken to facilitate oversight of the disposition of grant monies by DLG, KIA, or any other entity, and measures taken to ensure management of project implementation.

10. Provide any plans or specifications provided by Kentucky Engineering Group, KRWA, or any other entity regarding implementation of the ARC grant money.
11. Describe whether recent events, including the events leading to the boil water advisory issued Thanksgiving week, have led MCWD to reprioritize or attempt to reprioritize how the ARC grant money will be used. Describe all communications with ARC, DLG, KIA, or any other agency regarding any such reprioritization.
12. Provide copies of all communications between MCWD and EEC regarding MCWD's development of the Corrective Action Plan. Describe each measure taken to come into compliance with the Safe Drinking Water Act since October 2016 and the cost of each, and describe the measure(s) that remain to be completed and the projected cost of each.
13. Describe all progress made to date in minimizing and investigating water theft, including any development of plans to provide an amnesty period for those committing water theft and methods used to incentivize meter readers to report theft. Describe each measure to date used to determine the amount of water loss attributable to theft and the results of such analysis.
14. Provide all correspondence between MCWD and Linda Sumpter from

January 1, 2016 to the present.

15. Provide a complete copy of the White & Associates PSC Report on the Audit of the Financial Statements for the year ended December 31, 2015, including all pages of the audit and all footnotes. Provide a complete copy of the auditor's adjusting entries for the White & Associates PSC Report on the Audit of the Financial Statements for the year ended December 31, 2015.
16. Provide a complete copy of any other audit of MCWD's financial statements from 2010 to the present and include with that all auditors' adjusting entries for each report.
17. Provide accounts receivable aging reports for 12/31/2016, 12/31/2015, and 12/31/2014, itemized by account number.
18. Describe any guidance, procedures, or other internal controls regarding employee purchasing. If any written guidance or procedures exists, provide copies of those.
19. Describe how MCWD is prioritizing payment of its accounts payable.
20. Provide a copy of KWRA's cost of service analysis.

Respectfully Submitted,



Mary Varson Cromer
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Whitesburg, Kentucky 41858
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Facsimile: 606-633-3925
mary@appalachianlawcenter.org
Counsel for MCCC

DATED: Dec. 4, 2017

CERTIFICATE OF SERVICE

Pursuant to 807 KAR 5:001 Sec. 6, I, Mary Varson Cromer, hereby certify that on December 4, 2017, a true and accurate copy of the foregoing Initial Request for Information was served via electronic mail and postage-paid U.S. 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



Counsel for the MCCC