

1 COMMONWEALTH OF KENTUCKY

2
3 BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

4
5 RECEIVED

6
7 SEP 27 2016

8 IN THE MATTER OF:

9 PUBLIC SERVICE
10 COMMISSION

11 THE APPLICATION OF BEECH GROVE)
12 WATER SYSTEM, INC. FOR CERTIFICATE)
13 OF PUBLIC CONVENIENCE AND) CASE NO. 2016-00255
14 NECESSITY AND APPROVAL OF FINANCING)

15 SUPPLEMENTAL
16 TESTIMONY OF NATHAN WARD

17
18 Q1. Please state your name and position with the Beech Grove Water System.

19
20 A. Nathan Ward, President of the Beech Grove Water System, Inc.

21 Q2. Why is the proposed installation of radio frequency water meters required by
22 public convenience or necessity?

23 A. Beech Grove Water System, Inc. has fallen behind on changing out meters.
24 Approximately 25% of our meters need replacement. Beech Grove Water System,
25 Inc. has 103 meters that are 10 years old or older, 10 meters that are at least nine
26 (9) years old and nine (9) meters that are at least eight (8) years old. Our water
27 loss is too high which is partially due to inefficient meters. Water loss last
28 measured was 22% and it should be less than 15%. It would be difficult and
29 inefficient to replace only the oldest meters. We believe the highest efficiency
30 will be to have a system wide replacement of all meters so that we will have a
31 unified system for meter reading purposes. Additionally, manual reading in a rural

1 area poses traffic concerns with vehicles being on the side of the road and poor
2 weather and ground conditions hinder the operation.

3
4 Q3. What is the estimated cost of operation after the proposed construction.

5 A. We have been advised by the vendor of the radio frequency meter system that two
6 (2) days of manual reading can be reduced to less than one-half (1/2) day's work.

7 The vendor advises that the meters are as close to 100% accurate as possible. This
8 time savings will free up our lone outside worker to repair less and perform
9 maintenance that will minimize our water loss. The digital recording of readings
10 eliminates math errors resulting from using a pad and pencil or manually entering
11 numbers.


12 The information obtained and retained by the new system can aid in resolving
13 billing dispute claims. The software also monitors 25 hours of straight usage and
14 triggers an alarm that can avoid water loss through leaks.

15 Q4. Does this conclude your supplemental testimony?

16 A. Yes.

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18
19 **VERIFICATION**

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21 I hereby verify that the foregoing responses are true and correct to the bests
22 of my knowledge and belief.

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24 
25 Nathan Ward

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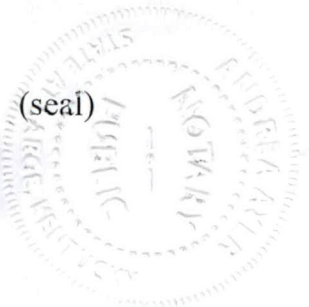
STATE OF KENTUCKY

COUNTY OF McLean

The foregoing was subscribed and sworn to before me by Nathan Ward,
President, Beech Grove Water Systems, Inc., this 23 day of September, 2016.

My commission expires _____
ANDREA AYER
NOTARY PUBLIC
Kentucky, State At Large
My Commission Expires 5/2/2020

Andrea Ayer # 556304
Notary Public,



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