

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| ELECTRONIC APPLICATION OF MARTIN |) | |
| COUNTY WATER DISTRICT FOR AN |) | CASE NO. |
| ALTERNATIVE RATE ADJUSTMENT |) | 2018-00017 |

ORDER

On August 16, 2019, the Commission scheduled an emergency hearing for August 21, 2019, to take evidence on water loss, unmetered customers, and the adequacy of rates in this matter and in Case No. 2016-00142,¹ an ongoing investigation of the operating capacity of Martin County Water District (Martin District). The Commission scheduled the emergency hearing upon learning of statements from Martin District's chairman, Mr. Jimmy Don Kerr, to members of Commission Staff that Martin District had discovered 1,000 to 2,000 unmetered customers.² On August 19, 2019, Martin District filed a motion to continue the hearing. Martin District raised several grounds as to why the motion should be granted. First, Martin District questioned the need for an emergency hearing, given the ongoing nature of the investigation.³ Second, Martin District asserted that Mr. Kerr based his statements on anecdotal evidence, that rarely are lines uncovered that cannot be explained, and that Martin District would have no evidence to present at a

¹ Case No. 2016-00142, *Investigation of the Operating Capacity of Martin County Water District Pursuant to KRS 278.280* (Ky. PSC Apr. 11, 2016).

² Mr. Kerr made these statements to Commission Financial Analysis and Office of General Counsel Staff during a telephone call that he had made to Commission Staff to ask a procedural question relating to Martin District's alternative rate filing.

³ Martin District's Motion to Continue (filed Aug. 19, 2019) at 1.

hearing regarding unmetered customers.⁴ Third, Martin District notes that the Commissioners for Martin District are all employed and their work schedules would not permit them to attend a hearing on such short notice.⁵ Finally, Mr. Kerr submitted an affidavit, attached to the Motion to Continue, in which he admits that his mention of 1,000 to 2,000 unmetered customers was “a gross exaggeration,” meant to be understood as such, based on anecdotal evidence, and that neither he nor the board had any evidence to support that statement.⁶

The Commission finds that Martin District’s motion should be granted, and that the hearing should be continued generally. The Commission will, by subsequent Order, schedule a hearing in this matter. The Commission also cautions Martin District and its representatives to present evidence-based information to the Commission and refrain from “gross exaggerations.”

IT IS THEREFORE ORDERED that:

1. Martin District’s motion to continue is granted.
2. The hearing scheduled for August 21, 2019, is continued generally.

⁴ *Id.* at 1-2.

⁵ *Id.* at 2.

⁶ *Id.* Affidavit of Jimmy Kerr at 1-2.

By the Commission

ENTERED
AUG 20 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2018-00017

*Brian Cumbo
Attorney at Law
P.O. Box 1844
Inez, KENTUCKY 41224

*Martin County Water District
387 East Main Street, Suite 140
Inez, KY 41224

*Greg Scott
General Manager
Martin County Water District
387 East Main Street, Suite 140
Inez, KY 41224

*Mary Cromer
Appalachian Citizens' Law Center, Inc.
317 Main Street
Whitesburg, KENTUCKY 41858

*M. Todd Osterloh
Sturgill, Turner, Barker & Moloney, PLLC
333 West Vine Street
Suite 1400
Lexington, KENTUCKY 40507