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OCT 1 7 2018

PUBLIC SERVICE COMMISSION Mark David Goss (859) 368-7740 mdgoss@gosssamfordlaw.com

October 17, 2018

VIA HAND-DELIVERY

Ms. Gwen Pinson, Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

Re: In the Matter of the Application of Knott County Water and Sewer, Inc. for Authorization to Deviate from the Daily Inspection Requirements

Applicable to Residential Grinder Stations / PSC Case No. 2018-00353

Dear Ms. Pinson:

Please find enclosed and accept for filing with the Commission an original and ten (10) copies of the Application of Knott County Water and Sewer, Inc. with respect to the above-styled request for deviation.

Please return a file-stamped copy of this filing to my office. I appreciate your assistance with this matter, and please do not hesitate to contact me with any questions or concerns.

Respectfully submitted,

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Mark David Goss

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION RECEIVED

In the Matter of:

OCT 1 7 2018

THE APPLICATION OF KNOTT COUNTY WATER AND SEWER, INC. FOR AUTHORIZATION TO DEVIATE FROM THE DAILY INSPECTION REQUIREMENTS APPLICABLE TO RESIDENTIAL GRINDER STATIONS PUBLIC SERVICE COMMISSION Case No. 2018-00 353

APPLICATION

Comes now Knott County Water and Sewer, Inc. ("KCWSD"), by counsel, pursuant to 807 KAR 5:006 Section 28, 807 KAR 5:071 Section 7(4), and other applicable law, and for its Application requesting authorization to deviate from the Commission's regulations requiring the daily inspection of residential grinder stations, respectfully states as follows:

- 1. KCWSD is a not-for-profit county water district organized by the Knott County Fiscal Court pursuant to KRS Chapter 74 (governing water districts) and KRS Chapter 220 (governing sanitation districts). Presently, KCWSD treats and sells potable water to four (4) wholesale customers and approximately 2,955 retail customers throughout Knott County, as well as provides sanitary sewer service for approximately 172 customers across its approximately 300 square mile service territory.
- 2. Pursuant to 807 KAR 5:001 Section 14(1), Knott County's mailing address is 7777 Big Branch Road, Vicco, Kentucky 41773 and its electronic mail address for purposes of this proceeding is jaredsalmons@kcwsd.com. Applicant's counsel requests service of any documents related to this matter at mdgoss@gosssamfordlaw.com and ebuckley@gosssamfordlaw.com. Further pursuant to 807 KAR 5:001 Section 14(1), KCWSD avers that this Application, including the Exhibit attached hereto and incorporated herein, contains fully the facts on which KCWSD's

request for relief is based, and an Order from the Commission is sought that authorizes an alternative inspection schedule for the specific mechanical equipment identified herein, consistent with 807 KAR 5:006 Section 28, 807 KAR 5:001 Section 7(4) and other applicable law.

- 3. Pursuant to 807 KAR 5:001 Section 14(2), KCWSD states that it incorporated in Kentucky on April 16, 2003, and attests that it is presently a Kentucky corporation in good standing.
- 4. KCWSD owns and operates facilities used in the collection, transmission, and treatment of sewage for the public, for compensation, and is a utility subject to the Commission's jurisdiction under KRS 278.010(3), KRS 278.015 and KRS 278.040(2).
- 5. KCWSD's facilities include certain mechanical equipment known as grinder stations. A grinder station is installed at the premises of a residential customer for the purpose of collecting and transferring sewer from the residence to the collection lines. The sixty-four (64) grinder stations currently operating throughout KCWSD's system have been installed over the past seven (7) years as part of the Troublesome Creek Environmental Authority's efforts to clean up streams within the Troublesome Creek watershed. These projects have eliminated a number of straight pipes and have provided much-needed infrastructure to the residents and businesses of Knott County. Due to the benefits they provide, KCWSD expects to expand the number of grinder stations serving residential customers during the foreseeable future.
- 6. Pursuant to KRS 278.040(3) and KRS 278.280(2), the Commission has promulgated reasonable rules and regulations that govern the service provided by KCWSD. These rules and regulations require KCWSD, *inter alia*, to make systematic inspections of its facilities to promote their safe and reliable operation. Under 807 KAR 5:006 Section 26(8), these inspections must be made "as often as necessary but not less frequently than established in 807

KAR 5:071;" the referenced regulation, at Section 7(4), demands that "...inspections of all mechanical equipment [be made] on a daily basis."

- 7. Following an inspection of KCWSD's system conducted by Commission Staff on or about May 23-24, 2018, KCWSD was informed of its noncompliance with the aforementioned regulations requiring the daily inspection of mechanical equipment on its system, specifically with respect to its sixty-four (64) residential grinder stations. KCWSD responded to this noted deficiency by letter dated August 15, 2018, and therein requested permission to deviate from the applicable daily inspection schedule; by letter dated October 3, 2018, Commission Staff acknowledged KCWSD's response and afforded the utility fifteen (15) days to submit either an "explanation of how this deficiency will be remedied and prevented in the future" or a formal request for a deviation. KCWSD hereby formally requests a deviation, as contemplated by the Commission's regulations.¹
- 8. KCWSD avers that inspecting each residential grinder station operating on its system on a daily basis is a practice that is unnecessary and unduly burdensome. First, the grinder stations utilized by KCWSD are high-quality, safe, and reliable in both design and practice.² Each grinder station is equipped with both visual (flashing light) and audible alarm mechanisms to notify homeowners, neighbors, and passers-by that a problem may exist with a particular device. Moreover, the grinder stations utilized by KCWSD are specifically designed to prevent sewer backup into customer residences and have been proven to provide reliable service to KCWSD customers. Finally, in the event a backup or other issue arises with a residential grinder station

¹ See 807 KAR 5:006 Section 28 ("In special cases, for good cause shown, the commission shall permit deviations from this administrative regulation."); 807 KAR 5:071 Section 7(4) ("Unless otherwise authorized in writing by the commission, ...").

² Product specification information for the primary grinder station equipment utilized by KCWSD is attached hereto and incorporated herein as Exhibit 1.

serving a customer, KCWSD swiftly issues a work order to satisfactorily address the matter, with any findings or conclusions appropriately documented. KCWSD also maintains a comfortable stock of replacement parts for its residential grinder stations, allowing most necessary repairs to be made in just a few hours. In light of these facts, the inspection of each residential grinder station more often than once annually is unnecessary to ensure the safe, adequate, and reasonable operation of KCWSD's facilities, and is in fact contrary to KCWSD's efforts to provide both safe and efficient utility service to its customers.

- 9. Not only does the safe and reliable operation of KCWSD's system not require the daily inspection of residential grinder stations, but performing such daily inspections in compliance with relevant regulation would be an extraordinarily-burdensome undertaking for KCWSD, entailing significant up-front investment and ongoing expense. KCWSD estimates that at least an additional three (3) full-time employees³ would need to be hired in order to complete the necessary daily inspections, with each new hire accompanied by an estimated \$40,000 in annual ongoing personnel expense; additionally, KCWSD would be required to invest substantial sums in additional vehicles and vehicle-related costs (insurance, fuel, etc.), as well as communications and operational equipment, both at the outset and year after year. These extreme expenses will impose an unreasonable and undue financial burden on KCWSD and, in turn, its customer base, particularly considering the economic realities faced by the community-at-large in this region of the Commonwealth.
- 10. The expense KCWSD will incur if required to conduct daily inspections of residential grinder stations is further exacerbated by the mountainous geography and low customer density of the territory it serves. Because KCWSD's grinder stations are commonly located miles

³ This would quadruple KCWSD's sanitary sewer operation's current staffing level of one (1) full-time employee.

apart and often require the navigation of difficult terrain to access, the reasonable deviation requested herein by KCWSD is appropriate to avoid the unnecessary effort and expense attendant to daily inspections.

11. KCWSD requests that it be permitted to conduct annual inspections of each of its residential grinder stations to be completed on or before December 31st of each calendar year. This proposed annual inspection schedule is reasonable, sufficiently promotes the safe and reliable operation of KCWSD's system, and appropriately recognizes the unnecessary burden KCWSD would endure if required to perform daily inspections of equipment scattered throughout its rugged and customer-dispersed service territory. Further, the proposed annual inspection schedule for all grinder stations on KCWSD's system ensures that, "the commission's safety requirements are being met," as required by 807 KAR 5:006 Section 26(8), and good cause exists to permit KCWSD's requested deviation from daily inspection requirements with respect to its residential grinder stations.

WHEREFORE, based on the foregoing, KCWSD respectfully requests an Order from the Commission:

- a. Authorizing KCWSD to deviate from the daily inspection requirements applicable to existing and future grinder stations operating on its system, and approving in their place the annual inspection schedule proposed herein; and
- b. Granting to KCWSD any and all other relief to which it may appear entitled.

Dated this 17th day of October, 2018.

Respectfully submitted,

Mark David Goss

M. Evan Buckley

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Counsel for Knott County Water and Sewer, Inc.

VERIFICATION

COMMONWEALTH OF KENTUCKY

COUNTY OF Knott	·		
Comes now Jared S		y Water and Sewer, Inc	

Comes now Jared Salmons, General Manager of Knott County Water and Sewer, Inc., and, after being duly sworn, do hereby verify, swear and affirm that the averments set forth in the foregoing Application are true and correct based upon my personal knowledge and belief, formed after reasonable inquiry, as of this 16 day of October, 2018.

Jared Salmons, General Manager Knott Counter Water and Sewer, Inc.

The foregoing Verification was verified, sworn to and affirmed before me, the NOTARY PUBLIC, by Jared Salmons, General Manager of Knott County Water and Sewer, Inc., on this day of October, 2018.

NOTARY PUBLIC

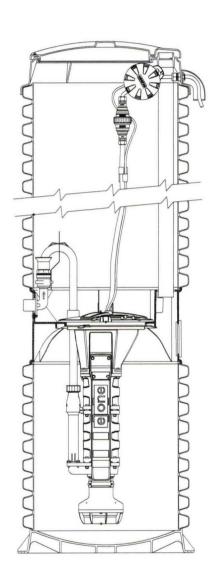
Commission No. <u>556</u> 073

My Commission Expires: 5/2/2020





DH071/DR071



General Features

The model DH071 or DR071 grinder pump station is a complete unit that includes: the grinder pump, check valve, HDPE (high density polyethylene) tank, controls, and alarm panel. A single DH071 or DR071 is a popular choice for one, average single-family home and can also be used for up to two average single-family homes where codes allow and with consent of the factory.

- Rated for flows of 700 gpd (2650 lpd)
- 70 gallons (265 liters) of capacity
- · Indoor or outdoor installation
- · Standard outdoor heights range from 61 inches to 160 inches

The DH071 is the "hardwired," or "wired," model where a cable connects the motor controls to the level controls through watertight penetrations.

The DR071 is the "radio frequency identification" (RFID), or "wireless," model that uses wireless technology to communicate between the level controls and the motor controls.

Operational Information

Motor

1 hp, 1,725 rpm, high torque, capacitor start, thermally protected, 120/240V, 60 Hz, 1 phase

Inlet Connections

4-inch inlet grommet standard for DWV pipe. Other inlet configurations available from the factory.

Discharge Connections

Pump discharge terminates in 1.25-inch NPT female thread. Can easily be adapted to 1.25-inch PVC pipe or any other material required by local codes.

Discharge

15 gpm at 0 psig (0.95 lps at 0 m)

11 gpm at 40 psig (0.69 lps at 28 m)

7.8 gpm at 80 psig (0.49 lps at 56 m)

Accessories

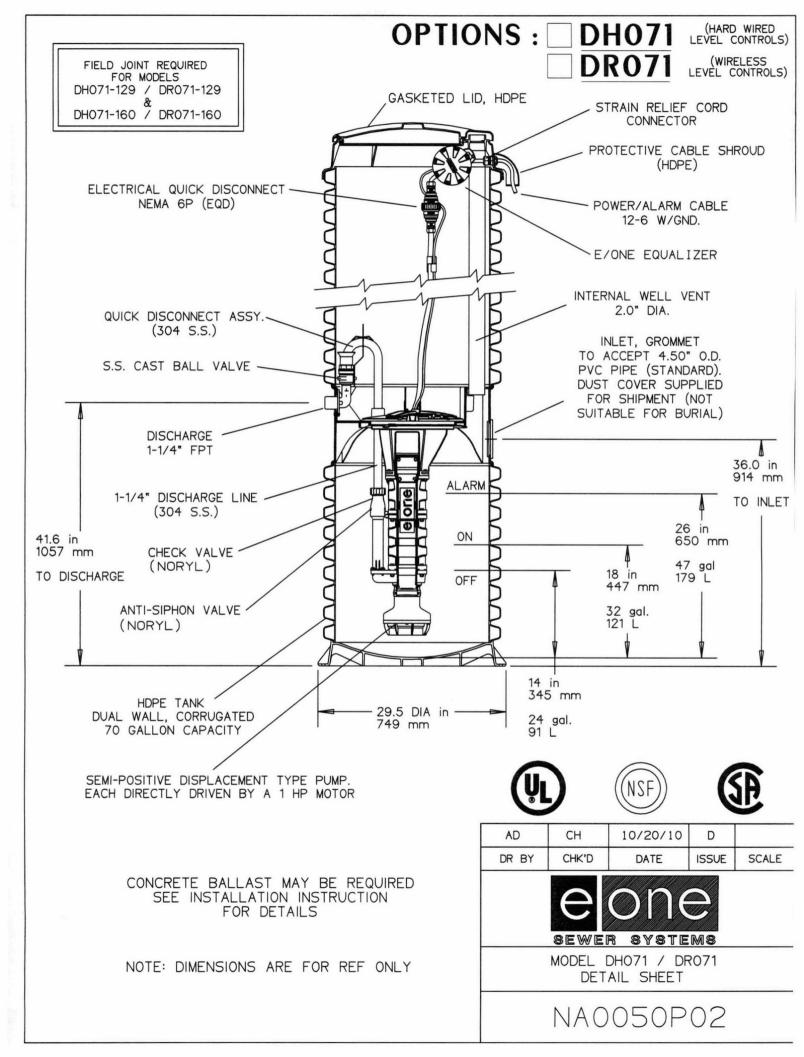
E/One requires that the Uni-Lateral, E/One's own stainless steel check valve, be installed between the grinder pump station and the street main for added protection against backflow.

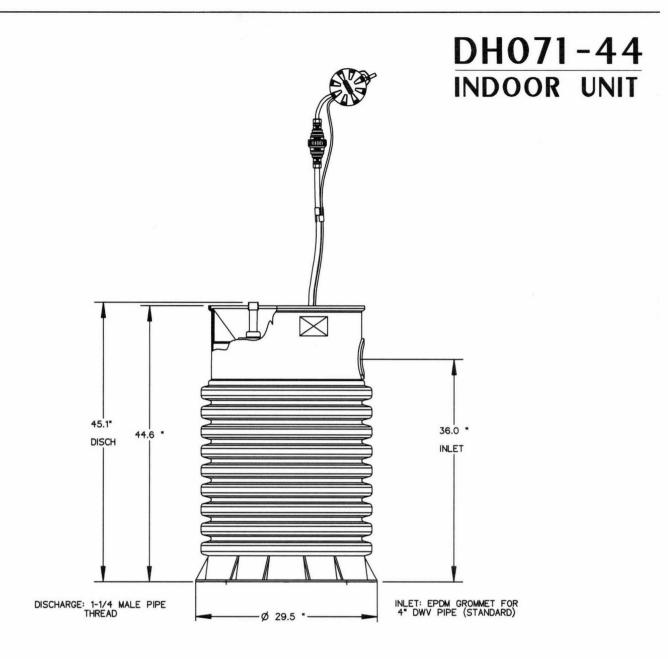
Alarm panels are available with a variety of options, from basic monitoring to advanced notice of service requirements.

The Remote Sentry is ideal for installations where the alarm panel may be hidden from view.

Patent Numbers: 5,752,315 5,562,254 5,439,180

NA0050P01 Rev C











LNT GAE 04/24/07 A

DR BY CHK'D DATE ISSUE SCALE



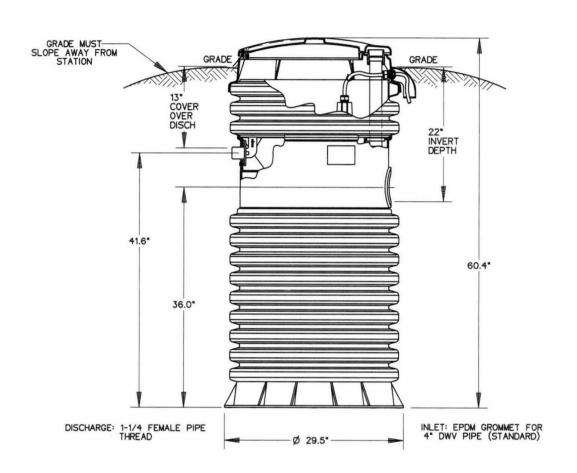
MODEL DH071-44

NA0050P03

NOTE: DIMENSIONS ARE FOR REF ONLY

OPTIONS: DHO71-61 (HARD WIRED LEVEL CONTROLS)

OPTIONS: DHO71-61 (WIRELESS LEVEL CONTROLS)



CONCRETE BALLAST MAY BE REQUIRED SEE INSTALLATION INSTRUCTIONS FOR DETAILS

NOTE: DIMENSIONS ARE FOR REF ONLY







AD	CAH	07/12/07	В	1/16
DR BY	CHK,D	DATE	ISSUE	SCALE

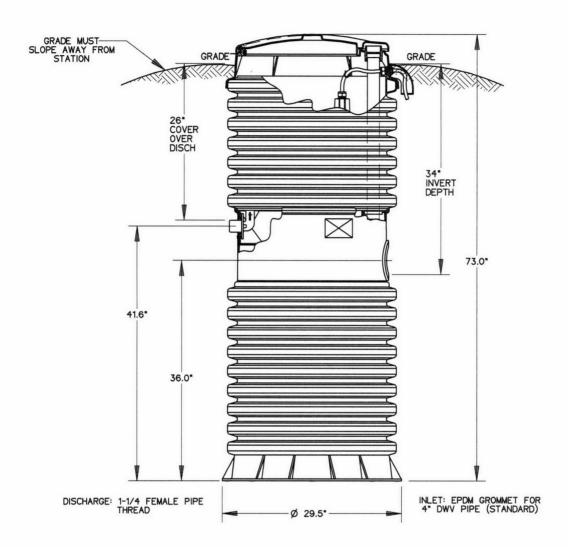


MODEL DH071-61 / DR071-61

OPTIONS: DH071-74 LEVEL CONTROLS)

DR071-74

(WIRELESS LEVEL CONTROLS)



CONCRETE BALLAST MAY BE REQUIRED SEE INSTALLATION INSTRUCTIONS FOR DETAILS

NOTE: DIMENSIONS ARE FOR REF ONLY







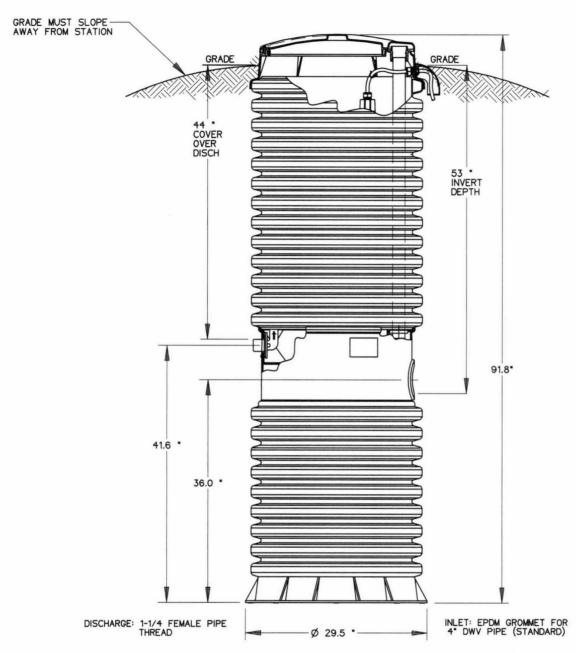
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MODEL DH071-74 / DR071-74

OPTIONS:

DH071-93 (HARD WIRED LEVEL CONTROLS) DR071-93 (WIRELESS LEVEL CONTROLS)



CONCRETE BALLAST MAY BE REQUIRED SEE INSTALLATION INSTRUCTIONS FOR DETAILS

NOTE: DIMENSIONS ARE FOR REF ONLY







AD	CAH	07/12/07	В	1/16
DR BY	CHK'D	DATE	ISSUE	SCALE



MODEL DH071-93 / DR071-93

OPTIONS: GRADE MUST SLOPE AWAY FROM STATION GRADE 76" COVER OVER DISCH 84" INVERT DEPTH 123.3" 41.6" 36.0" INLET: EPDM GROMMET FOR 4" DWV PIPE (STANDARD) DISCHARGE: 1-1/4 FEMALE PIPE THREAD Ø 29.5*

DH071-124 LEVEL CONTROLS)

DR071-124

(WIRELESS LEVEL CONTROLS)

CONCRETE BALLAST MAY BE REQUIRED SEE INSTALLATION INSTRUCTIONS FOR DETAILS

NOTE: DIMENSIONS ARE FOR REF ONLY







AD	CAH	07/13/07	В	1/16
DR BY	CHK,D	DATE	ISSUE	SCALE



MODEL DH071-124 / DR071-124

GRADE MUST SLOPE -AWAY FROM STATION GRADE GRADE 127.9" COVER OVER 89" INVERT DEPTH 36.0" 41.6" INLET: EPDM GROMMET FOR 4" DWV PIPE (STANDARD) DISCHARGE: 1-1/4 FEMALE PIPE THREAD

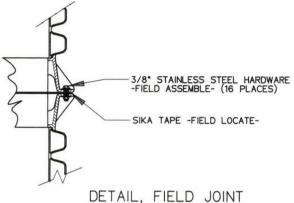
Ø 29.5*

OPTIONS: DH071-129

DR071-129

(HARD WIRED LEVEL CONTROLS)

(WIRELESS LEVEL CONTROLS)



SEE INSTALLATION INSTRUCTIONS FOR FURTHER DETAILS

CONCRETE BALLAST MAY BE REQUIRED SEE INSTALLATION INSTRUCTIONS FOR DETAILS

NOTE: DIMENSIONS ARE FOR REF ONLY



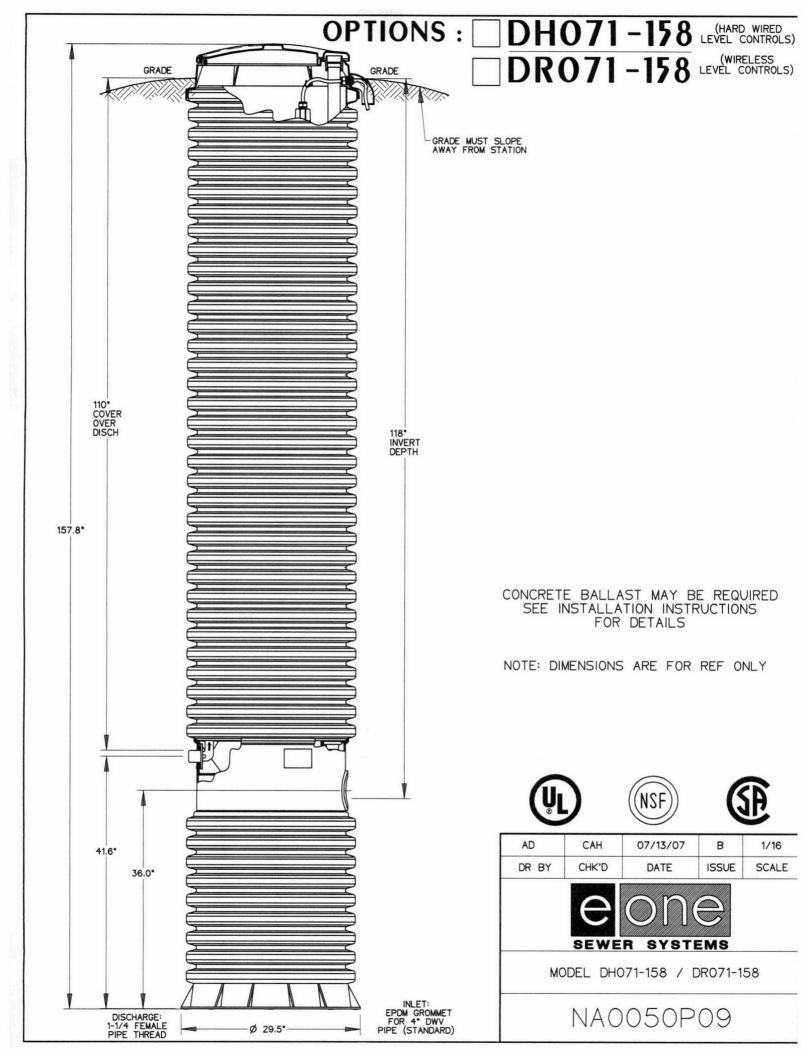


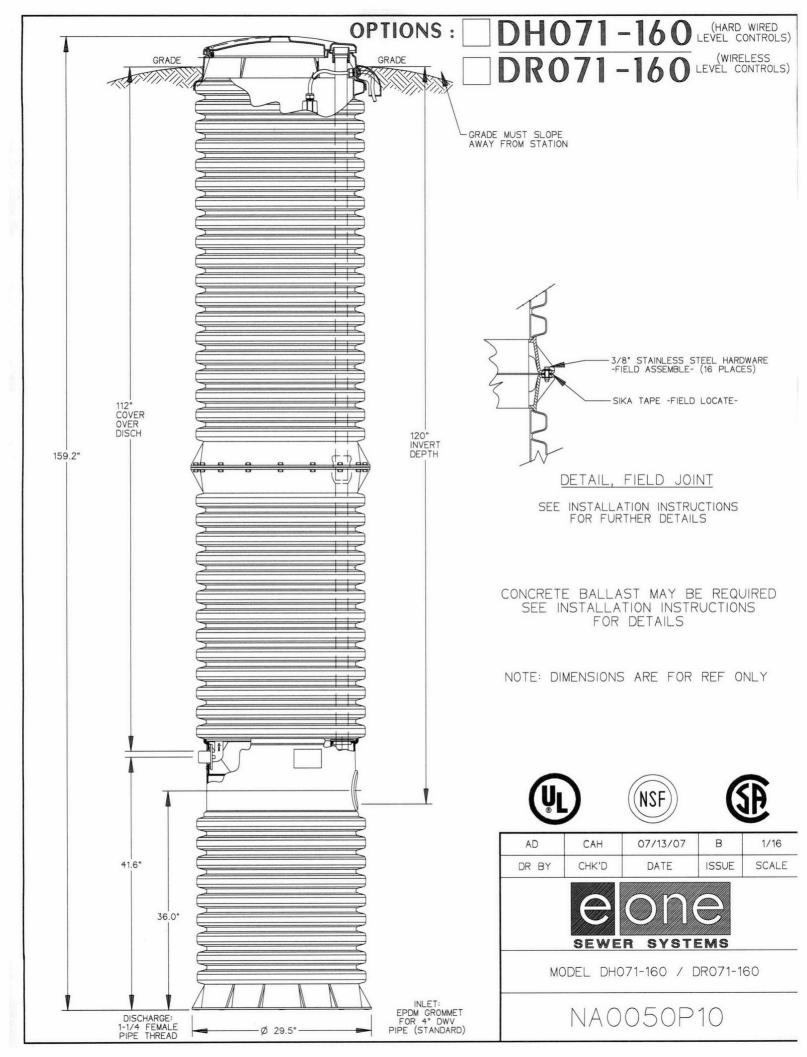


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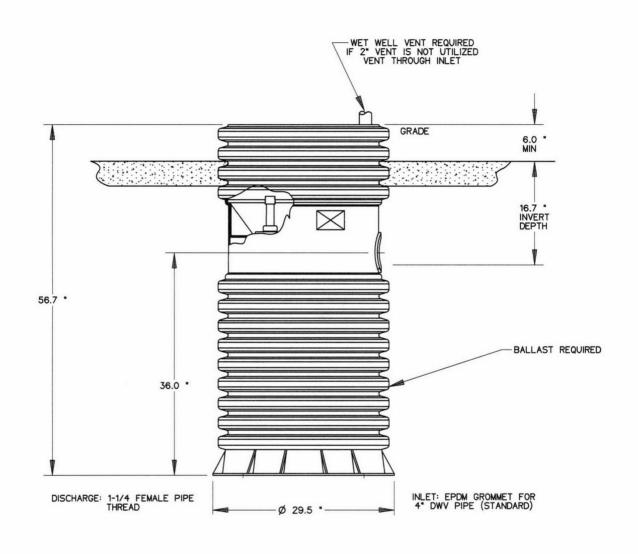
MODEL DH071-129 / DR071-129





DH071-57 BUILDERS MODEL

STRAIGHT DISCHARGE









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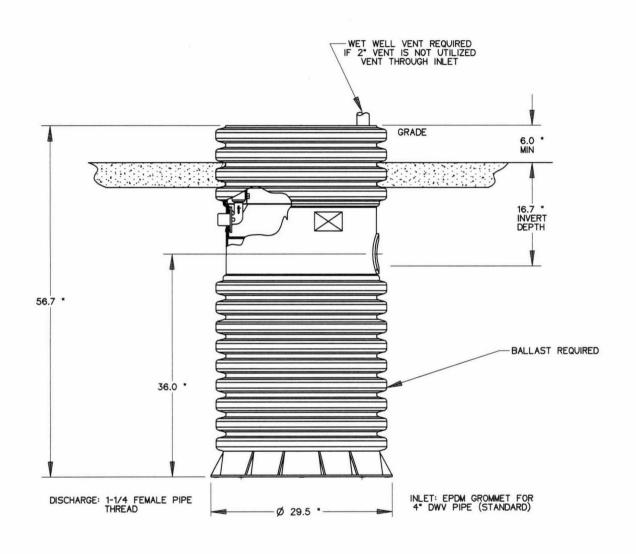
MODEL DH071-57 BUILDERS

NA0050P11

NOTE: DIMENSIONS ARE FOR REF ONLY

DH071-57 BUILDERS MODEL

DISCHARGE VALVE



NOTE: DIMENSIONS ARE FOR REF ONLY

