

Matthew G. Bevin
Governor

Charles G. Snavely
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

February 16, 2017

PARTIES OF RECORD

Re: Case No. 2014-00267

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum please do so within five days of receipt of this letter.

If you have any questions, please contact John Park, Commission Staff Attorney, at 502-782-2589.

Sincerely,

A handwritten signature in blue ink that reads "Talina R. Mathews".

Talina R. Mathews
Executive Director

JBP/ph

Attachments

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2014-00267
FROM: John B. Park, Staff Attorney 
DATE: February 16, 2017
RE: Informal Conference of February 13, 2017

Pursuant to Commission Staff's Notice of Informal Conference issued on February 8, 2017, an informal conference was held in this matter on February 13, 2017. A representative of Cannonsburg Water District ("Cannonsburg") and State Representative Kevin Sinnette, counsel for Cannonsburg, participated in the conference with Commission Staff. A copy of the attendance roster is attached.

Commission Staff Attorney John Park began the meeting by advising representatives of Cannonsburg that notes would be taken during the conference and that Commission Staff ("Staff") would prepare and enter into the record a memorandum regarding the conference. Mr. Park further advised that the parties would have five days after the memorandum is entered into the record to file comments on the memorandum.

Mr. Park stated that the purpose of the conference was to get an update on the status of efforts to repair or replace the two master meters approved by the Commission as part of Cannonsburg's water loss detection plan from which Cannonsburg was not obtaining readings. Cannonsburg stated that its supplier, C. I. Thornburg, had gotten the meter manufacturer to extend the warranty for the meter, and had agreed to replace the meter registers. Cannonsburg could not provide a timetable for when the meters would be repaired. Cannonsburg stated that C.I. Thornburg had sent an email explaining the current status of the repair of the meters. Commission Staff asked Cannonsburg to file the email into the case record.

Cannonsburg stated that it had purchased, with its own funds, and not funds collected through the water loss rate surcharge, a portable flow monitor and a digital leak detector to help identify sources of major leaks on its system. Cannonsburg stated that it has identified but not located a 50,000-gallons/day leak, and that it hopes the new equipment will enable it to find and repair this leak.

Cannonsburg purchases water from the city of Ashland. Cannonsburg stated that Ashland's meter to Cannonsburg's system has never been tested for accuracy. Commission Staff stated that an inaccurate meter would affect Cannonsburg's unaccounted-for water loss figures.

Cannonsburg stated that its current management is of the opinion that the water loss detection plan previously submitted by Cannonsburg and approved by the Commission, which divided the district's system into ten zones, did not cover approximately 40-50% of the district's population area. Cannonsburg stated that it would like to add up to an additional ten zones as part of its efforts to identify leaks and prioritize repair or line replacements. Commission Staff discussed the option of requesting Commission approval to amend its water loss detection plan.

Cannonsburg stated it would like to explore ways to improve its water loss detection plan, and requested another informal conference with Commission Staff to discuss possible changes and additions to the plan. Commission Staff stated that it would schedule another conference in about one month.

Commission Staff requested Cannonsburg to file with its next monthly surcharge activity report the email from C.I. Thornburg regarding the defective meters as well as documents Cannonsburg had shown staff at the conference. Commission Staff also requested Cannonsburg to file a map of its system showing the ten zones its system is divided into under its current water loss detection plan as well as those areas that are not covered by the zones.

There being no further business, the informal conference adjourned.

Attachment

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CANNONSBURG WATER DISTRICT'S)
UNACCOUNTED-FOR WATER LOSS REDUCTION) CASE NO.
PLAN, SURCHARGE AND MONITORING) 2014-00267
)

Informal Conference – February 13, 2017

Please sign in:

NAME	REPRESENTING
<u>John Park</u>	<u>PSC Legal</u>
<u>TIM WEBB</u>	<u>CWD</u>
<u>Kevin P. Sinnette</u>	<u>Counsel for Cannonburg Water Dist.</u>
<u>Sam Reid</u>	<u>PSC FA</u>
<u>JOHN LYONS</u>	<u>PSC DOI</u>
<u>JAMES RICE</u>	<u>PSC DOI</u>
<u>Jason Pennell</u>	<u>PSC DOI</u>
<u>Mark Frost</u>	<u>PSC FA</u>
<u> </u>	<u> </u>

*Kevin P Sinnette, Esq.
P.O. Box 1358
Ashland, KENTUCKY 41105

*Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41102

*Cannonsburg Water District
Cannonsburg Water District
1606 Cannonsburg Road
Ashland, KY 41102