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August 24, 2020

Kent A. Chandler, Esq.
Acting Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

AUG 25 2020

PUBLIC SERVICE
COMMISSION

Re: Case No. 2019-00258
Stuart I. Gross, Sr. v. Green River Valley Water District

Dear Mr. Chandler:

Enclosed for filing in the above-referenced case is Green River Valley Water District's Offer of Settlement. This letter and the enclosed document are true and accurate copies in paper medium of the electronic version of the documents that were emailed to the Public Service Commission this day.

Sincerely,

Stoll Keenon Ogden PLLC

A handwritten signature in blue ink that reads "Gerald E. Wuetcher".

Gerald E. Wuetcher

GEW
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

STUART I. GROSS, SR.)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 2019-00258
)	
GREEN RIVER VALLEY WATER DISTRICT)	
)	
DEFENDANT)	

OFFER OF SETTLEMENT

Pursuant to 807 KAR 5:001, Section 21, Green River Valley Water District (“Green River District”) desires to satisfy the matters complained of in the Complaint and submits the following proposal to resolve those matters:

1. Green River District proposes to construct approximately two miles of three-inch polyvinyl chloride water main at the estimated cost of \$50,000 to connect Edmonson County Water District’s (“Edmonson District”) distribution system to Green River District’s distribution system near the Baumgardner Road area of Bonnieville, Kentucky. Upon completion of the proposed construction, Edmonson District’s water storage tank near Kessinger, Kentucky will gravity feed into Green River District’s distribution system. Because the Edmonson District water storage tank has an overflow elevation of 1082 feet mean sea level, which is 153 feet higher than the overflow elevation of Green River District’s Bonnieville Water Storage Tank, water pressure at the Complainant’s location under static conditions is expected to increase to 85 psig, thus eliminating the Complainant’s need for an individual pump. The construction of the proposed water main will

also allow Green River District to provide water service to six (6) residences along the route of the proposed water main that currently do not receive water service.

2. Schedule for Completion. Green River District has instructed its Consulting Engineering to prepare plans and specifications for the construction of the two miles of water main and the connection to Edmonson District's water main. The Kentucky Division of Water ("DOW") must approve the plans and specifications and must also authorize a deviation from its flushing requirements.¹ Green River District expects to submit the plans and specifications to DOW on or about September 15, 2020 and to receive DOW approval no later than October 15, 2020. Upon approval of the plans and specifications, Green River District will publish a request for bids on the proposed construction pursuant to KRS 424.260. Green River District expects the construction of the water main to begin no later than December 2020 and to be completed and operational no later than May 2021.

3. Public Service Commission approval of the two-mile water main extension is not required. As total cost of the proposed project is less than \$500,000, the project is exempted from the requirement for a certificate of public convenience and necessity. KRS 278.020(1)(a)3. Assuming that the project is not exempted under KRS 278.020(1)(a), it is an ordinary extension in the usual course of business. The project does not duplicate existing facilities, will not compete with the facilities of other utilities, or conflict with the existing certificates of other water utilities. The expected cost of the project represents less than 0.25 percent of Green River District's net

¹ DOW regulations require that final plans and specifications for a distribution facility be consistent with the *Recommended Standards for Water Works*, 2012 Edition. 401 KAR 8:100, Section 2(1)(a). The Recommended Standards require that water mains not designed to carry fire-flow must have flushing devices sized to provide flows which will give a velocity of at least 2.5 feet per second in the water main being flushed. *Recommended Standards for Water Works*, § 8.4.1b. Because of the unique features of the proposed water main extension, the water main will be able to safely handle a velocity of 2.0 feet per second.

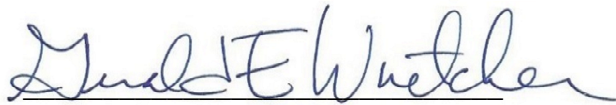
utility plant and is not a sufficient capital outlay to materially affect the water district's existing financial condition or cause an increase in charges to its customers.

4. Green River District has not completed a hydraulic analysis reflecting the proposed water main's effects on water pressures. Such analysis must be prepared and submitted to the DOW with the project's plans and specifications. Green River District will file with the Commission this analysis and plans and specifications at the same time an application for approval of the project is submitted to the DOW. Initial hydraulic calculations show that, upon completion of the proposed water main extension, water pressure to the Complainant's location on Baumgardner Road under static conditions will be 86 psig and that the use of an individual pump to ensure Public Service Commission-mandated pressures will no longer be required or necessary. A map of the proposed location for the route of proposed water main and an aerial photo of the current location are attached as Exhibits A and B.

WHEREFORE, Green River Valley Water District submits this Offer of Settlement and requests that the Complainant and the Public Service Commission accept it as satisfactory resolution of the matters complained of and that this proceeding be dismissed with prejudice.

Dated: August 24, 2020

Respectfully submitted,



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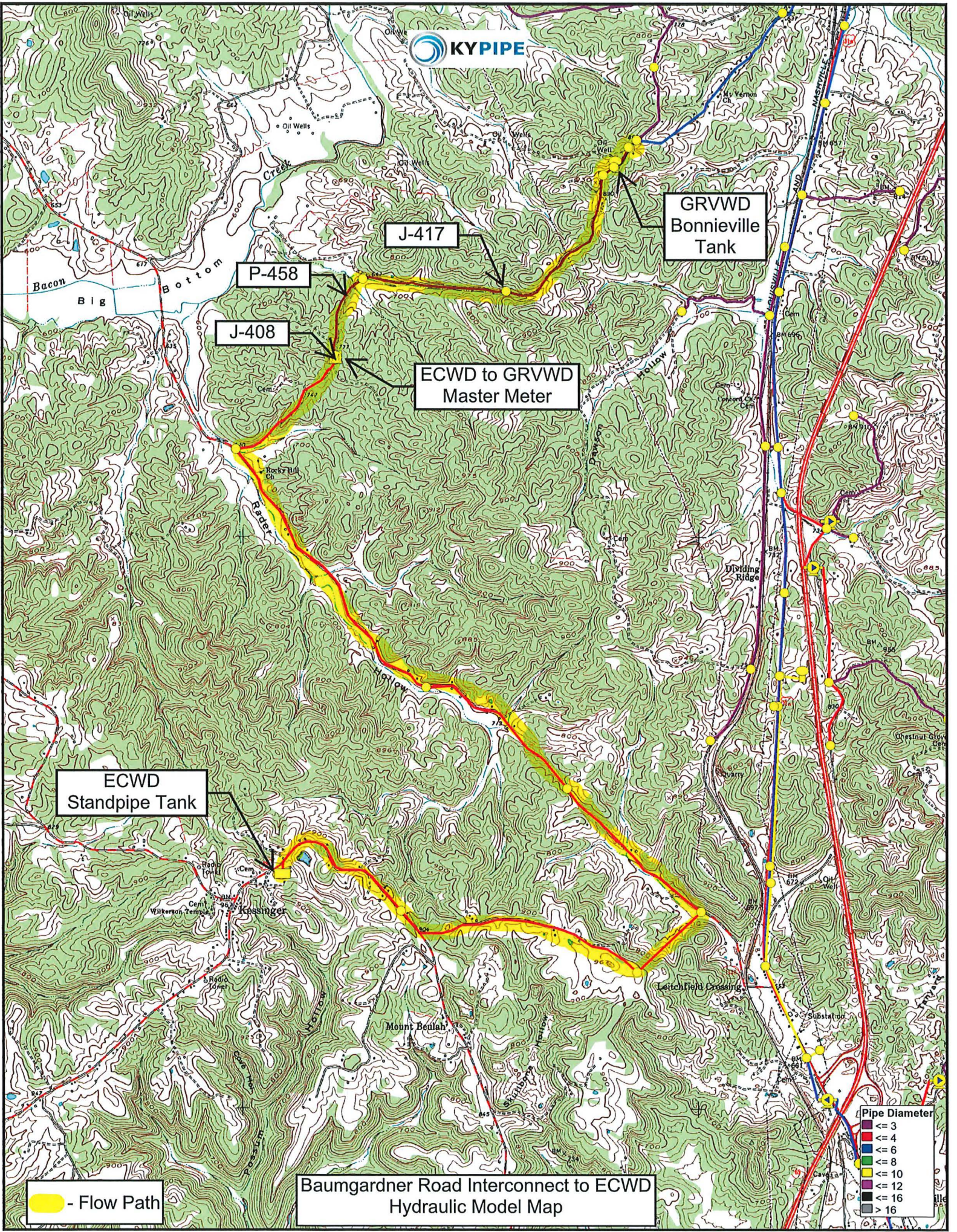
Counsel for Green River Valley Water District

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 6, I certify that a true and accurate copy of this Offer of Settlement was served by U.S. Mail, postage prepaid, Stuart I. Gross, Sr., 3013 Leitchfield Road, Cecilia Kentucky 42724 on August 24, 2020.


Counsel for Green River Valley Water District

EXHIBIT A



GRVWD
Bonnieville
Tank

J-417

P-458

J-408

ECWD to GRVWD
Master Meter

ECWD
Standpipe Tank

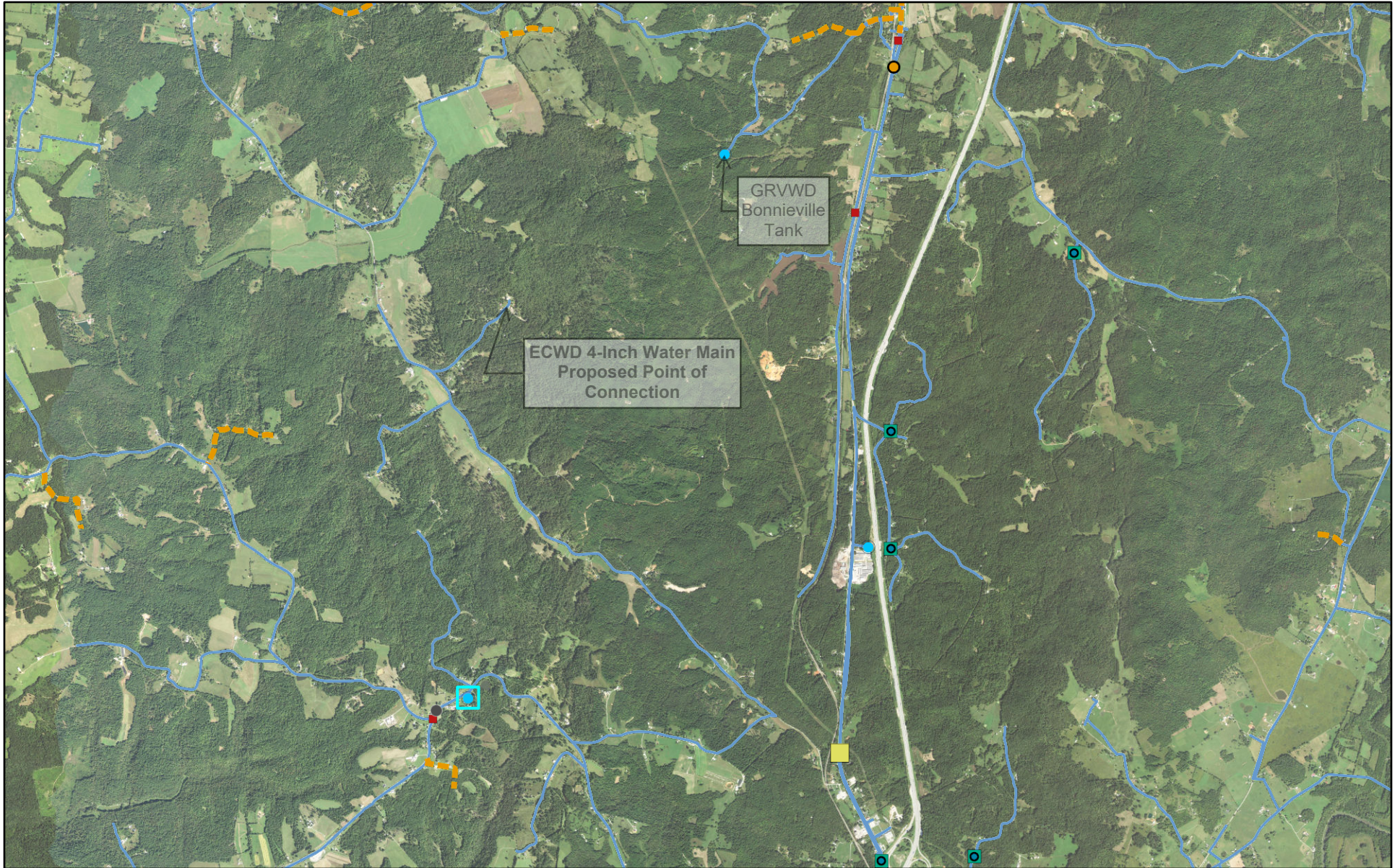
Yellow circle - Flow Path

Baumgardner Road Interconnect to ECWD
Hydraulic Model Map

Pipe Diameter
≤ 3
≤ 4
≤ 6
≤ 8
≤ 10
≤ 12
≤ 16
> 16

EXHIBIT B

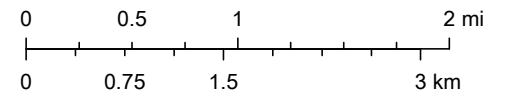
Baumgardner Road Solution



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- | | | | |
|---------------------------|------------------------|----------------------------|-----------------------------|
| Water Lines | Water Treatment Plants | Water Meters | Water Pumps |
| Proposed Water Extensions | Water Tanks | Surface and Spring Sources | Non-Community Points |
| Well Sources | Pump Stations | Purchase Sources | Proposed Water Improvements |

1:72,224



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS,