

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC INVESTIGATION INTO)	
MILBURN WATER DISTRICT TO DETERMINE)	
THE FEASIBILITY OF MERGER WITH A)	CASE NO.
PROXIMATE UTILITY PURSUANT TO KRS)	2021-00341
74.361 OR ABANDONMENT PURSUANT TO KRS)	
278.020(6), KRS 278.021)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO GRAVES COUNTY WATER DISTRICT

Graves County Water District (Graves District), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on September 22, 2023. The Commission directs Graves District to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Graves District shall make timely amendment to any prior response if Graves District obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Graves District fails or refuses to furnish all or part of the requested information, Graves District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Graves District shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the email dated January 20, 2023 (January 20 email) from Brent Shultz to Commission Staff, attached as Appendix A to this request, regarding an estimate for projects deemed necessary by Graves District to get the Milburn District system to a more manageable status, including the installation of AMI (requiring a propagation study); SCADA/communications; mapping and meter tech identification of District Metered Area (DMA) sites; and tank rehab and painting for an estimated total of \$585,000.

a. Confirm whether the estimate provided by Graves District in the January 20 email is still valid. If not, provide a current estimate for these proposed projects.

b. Confirm whether any further projects are currently deemed necessary by Graves District for the Milburn District system to achieve a manageable status. If any additional projects are deemed necessary, provide an estimate for the cost of the additional projects.

2. Confirm whether Graves County is still under any emergency orders and provide the dates that Graves County has been under an emergency order since this proceeding was initiated.

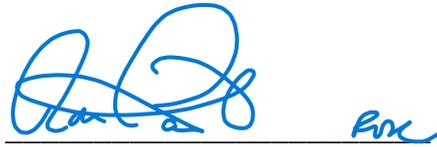
3. Refer to the letter dated July 6, 2022 (July 6 letter) from Graves District to the Commissioners, attached as Appendix B to this request, of Milburn Water District that states that Graves District did not wish to pursue a merger with Milburn District at that time. Also refer to KRS 74.361(1), Merger of water districts – Hearings – Orders.

a. State whether Graves District's position has changed since the July 6 letter.

b. Provide an update of any new circumstances that would preclude a merger between Graves and Milburn Districts from being executed.

c. Provide a time range upon which Graves District will be willing to consider a merger with Milburn District, irrespective of whether funding has been secured

to address Milburn District's perceived near term infrastructure needs noted in the first question in this data request.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED SEP 07 2023

cc: Parties of Record

Case No. 2021-00341

APPENDIX A

APPENDIX TO A REQUEST FOR INFORMATION OF THE KENTUCKY
PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00341 DATED SEP 07 2023

TWO PAGES TO FOLLOW

Abshire, Jeff A (PSC)

From: Brent Shultz <bshultz@mewsbb.com>
Sent: Friday, January 20, 2023 10:41 AM
To: Abshire, Jeff A (PSC)
Cc: Marty Ivy; Bridwell, Linda C (PSC); R. Brent Shultz
Subject: Re: Follow Up Request, Case No. 2021-00341, Feasibility of Merger

This Message Originated from Outside the Organization

This Message Is From an External Sender.

Report Suspicious

Jeff,

I appreciate you reaching out, I have provided estimates for the immediate needs as I see them. The listed items need to be addressed in order to bring the system up to the standard that MEWS & GCWD expect and they would assist in reducing the logistical and staffing burden.

AMI system, M400B2 collector, will require propagation study = \$50,000

Approximately 130 Sensus AMI meters, smartpoints, lids = \$60,000

SCADA/Communications/Controls/Actuator Valve = \$50,000

**Mapping/Meter Tech time to identify DMA sites & Change out meter sets
= \$50,000**

DMA Sites = \$25,000

Tank Rehab & Painting = \$350,000

Total : \$585,000

Description	Quantity	Total Cost
DMA Sites		
Water Readers and AMI		
Tank Auto Shut Off Valve		
SCADA		
Tank Painting		
Total		\$ -

On Dec 14, 2022, at 11:55 AM, Abshire, Jeff A (PSC) <jeff.abshire@ky.gov> wrote:

Mr. Shultz,

Thank you for your time and input on the subject case. We currently have one request for additional information. You mentioned that the approximate cost of the items noted in your July 6, 2022 letter to Milburn District (attached) would be about \$500,000. Will you please provide a cost estimate for each of the items below by January 25, 2023. Quotes are not necessary, just your estimates. Also, we weren't sure if the \$300,000 for tank painting was included in your \$500,000 estimate or not so we included it.

<image002.png>

Thank you,

Jeff Abshire
Public Utilities Rate Analyst
Kentucky Public Service Commission
502-782-0072

<oledata.mso><0.0 Letter Graves to Milburn Jul 6, 2022 - Reasons for Not Merging.pdf>

Brent Shultz
Customer Operations & Energy Services Manager
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Mayfield Electric & Water Systems
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APPENDIX B

APPENDIX TO A REQUEST FOR INFORMATION OF THE KENTUCKY
PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00341 DATED SEP 07 2023

ONE PAGE TO FOLLOW



July 6, 2022

To:

Jeff Crider, Commissioner of Milburn Water District,

We appreciate and understand the request by Milburn Water District for Graves County Water District to “take over” Milburn Water District. In response to your letter dated April 27, 2022, GCWD is not interested in a merger/consolidation at this time. The cost to maintain and upgrade the Milburn system would be a financial burden on the rate payers of GCWD. The Milburn system has many needs that would have to be addressed to prevent adding a financial burden to GCWD. The system has about 129 customers and 9 miles of water main. GCWD would need to install DMA sites to monitor and reduce water loss. GCWD does not have meter readers and all meters would have to be replaced with AMI meters and radios to match GCWD meters capability. The valve that must be manually operated to fill the Milburn tank would have to be replaced with an automated valve and connected to SCADA to monitor tank levels remotely and fill the tank. GCWD is currently using Graves County ARPA funds to paint two existing GCWD tanks. We know that it cost approx. \$300,000.00 to paint an elevated storage tank, the Milburn tank will need painting and is located in Carlisle County. These are a few reasons GCWD cannot agree to “take over” and operate the Milburn Water District at this time.

Sincerely,

GCWD Board

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Mayfield, KY 42066

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