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July 18, 2014

**Via Facsimile (502) 564-3460
& Regular U.S. Mail**

Ms. Linda Faulkner
Director of Filings
Commonwealth of Kentucky
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

Re: Madison County Utilities District

Dear Ms. Faulkner:

Enclosed please find Madison County Utilities District Response to the Request for Information from the Public Service Commission.

Should you have any questions, please contact me.

Very truly yours,


Jud Patterson

JP:af
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the matter of:

Case No 2009-00272

COMES NOW Madison County Utilities District (MCUD), by and through counsel, and for its response to the request for information from the Public Service Commission and states as follows:

- (1) The Commission granted MCUD a certificate of public convenience and necessity to proceed with the installation of AMR meters in 2010. Since 2010 MCUD has installed 3043 AMR meters. All of the AMR meters have been installed in the Waco service area.
- (2) All of the 3043 AMR meters are read by an employee of MCUD working during regular business hours. This employee replaced an independent meter reader contractor who was paid \$.70 per meter to read the previous meters. This equates to an annual savings of \$25,561.20 (3043 meters x .70 per meter x 12 monthly readings).
- (3) Before the adverse weather of the winter of 2013/2014, which drastically increased water loss, MCUD was experiencing the lowest water-loss rates in company history. It is believed that the AMR meters, which more effectively capture water revenue, contributed to the lower loss rates.
- (4) To our best knowledge and belief the overwhelming majority, and perhaps all, of the meters replaced exceeded the service time period specified in 807 KAR 5:066, Section 16 for the 5/8 x 3/4 inch meters and the 2 inch meters. We are determining the exact number of meters that exceeded the time period requirements and will supplement this report

when we have the information. The Waco service area was selected as the first area for meter upgrades because of the age of the equipment in the area and the prevalence of leaks and other infrastructure deficiencies.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Jud Patterson", written over a horizontal line.

Jud Patterson
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P.O. Box 825
Richmond, KY 40476
(859) 623-6233

Attorney for Madison County Utilities