

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JAMES RALPH SANDLIN)	
AND DARLA KAY SANDLIN)	
)	
COMPLAINANTS)	
)	
V.)	CASE NO. 2003-00127
)	
PEAKS MILL WATER DISTRICT)	
)	
DEFENDANT)	

O R D E R

On March 31, 2003, James Ralph Sandlin and Darla Kay Sandlin (Complainants) filed a formal complaint against Peaks Mill Water District (Peaks Mill) alleging that water pressure to their home is inadequate. The requested remedy is construction of a constant pressure pumping station for all customers along U.S. 127 in Swallowfield, Kentucky. The Complainants also object to Peaks Mill s refusal to place a meter at the Sandlins rental property in Owen County. Peaks Mill objects to constructing a constant pressure pumping station for the few customers in the affected area, stating that the cost of such a station, approximately \$100,000, is prohibitive and would cost each of its ratepayers approximately \$100. Peaks Mill also contends that, given the problems with the three-inch line that serves Swallowfield, even installation of such a station could not be counted upon to work completely. ¹

¹ Transcript of Evidence (TE) at 74.

BACKGROUND

On June 29, 2003, after negotiations failed to result in settlement,² the Commission held a hearing on this matter. The record includes sworn testimony of utility representatives as well as Complainants, a Commission field investigation report, and reports on water quality and cost filed on September 5, 2003 by Peaks Mill in response to our Order of August 18, 2003. Accordingly, the case is ripe for decision.

It is uncontroverted on the record of this case that pressure to the Sandlins home has not met the regulatory standard: 30 psig is the minimum pressure that must be provided at the meter.³ At times, the Complainants do not receive that minimum pressure. Moreover, Complainants problems are exacerbated by the fact that their residence is uphill from the water line. They allege that others in the immediate vicinity also experience water pressure problems. One neighbor, Jeffrey Quarles, intervened in this proceeding and testified as to his own such problems. There are eight residences allegedly receiving inadequate pressure; however, customers living at five of these residences wrote after hearing to state that they are satisfied with Peaks Mill service.

As Complainants have pleaded, and the record has shown, that pressure at their home fails to meet the regulatory standard, the only issue before us is the nature of the remedy that must be provided. In our decision, we must consider the interests of all the

² The Complainants objected to a number of Peaks Mill's suggestions, including connection to Kentucky-American Water Company's (Kentucky-American) nearby system, TE at 6; installation of a booster pump on Complainants' side of the meter to increase water pressure, TE at 22; and installation of a cistern at Complainants' home, TE at 21.

³ See 807 KAR 5:066 (specifying minimum pressure); Commission Complaint Investigation Report dated September 2002.

customers of Peaks Mill and determine the most reasonable remedy in light of the entire system. The evidence of record reflects that the problems brought to us by the Complainants may be remedied most cost-effectively and equitably by requiring Peaks Mill to connect its system to that of Kentucky-American. We reach this conclusion for reasons of efficiency, equitable distribution of cost, and analysis of engineering issues in low-lying areas near Swallowfield as well as those in Swallowfield itself.

DISCUSSION

In order to extend lines to the higher Swallowfield area, Peaks Mill had to increase the pressure in the low-lying areas nearby. At hearing, Peaks Mill's manager testified that 140 to 150 psi is all our lines can stand in that area.⁴ Recognizing the service problems in the higher area, and unable to increase pressure in the lower area, Peaks Mill had planned to loop a water line into Owen County and connect a higher pressure zone to the Swallowfield area. However, when Kentucky-American purchased Tri-Village Water District (Tri-Village) and placed a water line down U.S. 127, Peaks Mill's potential project became economically unfeasible.⁵ In response to complaints, and to inquiries by Commission Staff, Peaks Mill looked into construction of a constant pressure pumping station to raise the pressure in the Swallowfield area; however, it concluded that the cost would be unreasonably high; that it may not even solve the problem, given the limited capacity of the three-inch line that runs to Swallowfield; and that the pumping station might need to be abandoned as useless when a long-term solution is reached.

⁴ TE at 47.

⁵ TE at 66.

Connection to Kentucky-American's system, which includes a water line that extends to about 100 to 200 feet of the county line,⁶ would solve Peaks Mill's pressure problems. It would also do so economically, and for the long term, without subjecting Peaks Mill's customer base to huge expense.

Complainants, as well as other concerned customers, have objected to this solution due to concerns regarding the quality of water provided by the city of Owenton, which supplies water to this portion of Kentucky-American's system. However, Linda Bridwell, Director of Engineering for Kentucky-American, testified at the hearing in this matter that Kentucky-American has worked on water quality issues at the former Tri-Village since prior to Kentucky-American's acquisition of the utility in 2001. She stated that neither Tri-Village nor the city of Owenton received a single notice of violation of any Environmental Protection Agency water quality standard in 2002.⁷ She further testified that blending Kentucky-American's chlorine-treated water with Peaks Mill's chloramine-treated water should not result in a taste and odor problem.⁸

In response to our Order of August 18, 2003, Peaks Mill supplemented the record with the results of a blending study of the water of Peaks Mill when mixed with that of Kentucky-American (formerly Tri-Village). We required Peaks Mill to demonstrate disinfectant residuals from both water systems before and after blending, as well as results to the quality of water, including taste and color, of the disinfectants

⁶ Testimony of Linda Bridwell, Director of Engineering of Kentucky-American, TE at 94.

⁷ TE at 88-89.

⁸ TE at 91-92.

used in the two systems. The study, conducted by Fouser Environmental Services (Fouser), was filed September 5, 2003.

Neighbors of the Complainants subsequently filed comments on the Fouser report, citing Kentucky Division of Water (DOW) water quality regulations and noting that Tri-Village water, as well as a blend of 75 percent Tri-Village water and 25 percent Peaks Mill water, would fail to meet the January 1, 2004 maximum level for total trihalomethanes. Peaks Mill has filed a response asserting that there is no reasonable proof that blending the water will adversely affect public health. We understand the concerns raised in these comments. However, the record in this case demonstrates that Kentucky-American and the city of Owenton are making every effort to improve water quality for all citizens who receive water from the city of Owenton, and that their efforts have already resulted in significant improvement. In addition, the regulations at issue are those of DOW, and water quality issues are properly within DOW s jurisdiction. A copy of this Order shall be served upon DOW to ensure that it is fully apprised of the water quality issues that have arisen in this case.

CONCLUSION

The Commission finds that connecting to Kentucky-American s system is a cost-effective, viable, and long-term means of relieving pressure problems to the Swallowfield area without subjecting Peaks Mill s other customers to undue expense. The Commission does not, however, decide the manner in which Peaks Mill should connect its system to that of Kentucky-American to ensure adequate pressure to its customers in the Swallowfield area. Under the circumstances, it should do what is necessary to ensure adequate pressure to its customers no later than December 31,

2003. However, it should not connect its system in such a way as to blend the water for the two systems prior to submitting to DOW its plan for an opinion of the effect the blending would have on water quality. At such time as the two systems water is compatible, Peaks Mill should make the connection in such a way as to take full advantage of the pressure available from Kentucky-American to improve Peaks Mill's hydraulic characteristics. Finally, Peaks Mill should provide service to Complainant's rental property in Owen County as soon as pressure in the area is adequate.

As a final matter, we address, and grant, motions by Peaks Mill to amend its answer and for extensions of time to file certain documents and accept those documents into the official record in this case.

The Commission, having been sufficiently advised, HEREBY ORDERS that:

1. Peaks Mill shall, no later than December 31, 2003, complete the connection of its water line to that of Kentucky-American in such a manner as to ensure that the water pressure provided to its customers in the Swallowfield area is adequate.

2. Peaks Mill shall place a meter at the Complainant's rental property upon proper payment, as provided in its contract with Complainant dated May 15, 2003, immediately upon completion of the connection described in Ordering Paragraph 1.

3. A copy of this Order shall be served upon the DOW, Kentucky Natural Resources and Environmental Protection Cabinet.

4. The motions of Peaks Mill filed April 25, April 28, and August 28 in this docket are hereby granted, and the documents that are the subjects of those motions are hereby accepted into the record of this case.

5. This case is closed and is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 9th day of October, 2003.

By the Commission

ATTEST:


Executive Director

Case No. 2003-00127