

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**ELECTRONIC INVESTIGATION            )  
INTO THE MEASURING,                 )  
RECORDING, AND REPORTING OF    ) CASE NO. 2018-00394  
WATER LOSS BY KENTUCKY'S         )  
JURISDICTIONAL WATER             )  
UTILITIES                                )**

**RESPONSE OF  
OLDHAM COUNTY WATER DISTRICT  
TO  
COMMISSION'S REQUEST FOR INFORMATION  
DATED DECEMBER 18, 2018**

**FILED: January 11, 2019**

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ELECTRONIC INVESTIGATION</b>	)	
<b>INTO THE MEASURING,</b>	)	
<b>RECORDING, AND REPORTING OF</b>	)	<b>CASE NO. 2018-00394</b>
<b>WATER LOSS BY KENTUCKY'S</b>	)	
<b>JURISDICTIONAL WATER</b>	)	
<b>UTILITIES</b>	)	

**RESPONSE OF OLDHAM COUNTY WATER DISTRICT TO  
COMMISSION'S REQUEST FOR INFORMATION**

Comes Oldham County Water District for its Response to the Commission's Request for Information, and states as shown on the following pages.



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**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

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<b>JURISDICTIONAL WATER</b>	)	
<b>UTILITIES</b>	)	

**CERTIFICATION OF RESPONSE OF OLDHAM COUNTY WATER  
DISTRICT TO  
COMMISSION'S REQUEST FOR INFORMATION**

This is to certify that I have supervised the preparation of Oldham County Water District's Response to the Commission's Request for Information. The response submitted on behalf of Oldham County Water District is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Date: **January 11, 2019**



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Russell D. Rose, Chief Executive Officer  
Oldham County Water District

**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 1**

**Responding Witness: Russell D. Rose**

**Q-1. Explain in detail the manner in which you measure, calculate, and track water loss, and:**

- a. Identify whether you use any manual form (including Excel spreadsheet) or electronic or mechanized system to calculate and track water loss.**
- b. Provide a copy of any form used (including Excel spreadsheet).**
- c. Identify the source of any form or system used.**

A-1. Water loss is tracked and calculated monthly using the total unaccounted-for water loss (Tank Overflows, known Line Breaks, Line Leaks, etc.) divided by the total water produced (based on numbers from the production wells at our water treatment facility).

- a. We use an Excel spreadsheet.
- b. See attached Oldham County Water District **Exhibit A**
- c. Oldham County Water District ("OCWD")

**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 2**

**Responding Witness: Russell D. Rose**

**Q-2. Explain in detail your understanding of the information to be provided in each of the categories on the Water Statistics page (reference page 30) of the annual report required of jurisdictional water utilities, accessed through the Commission's website.**

A-2. The answers provided are my understanding of what the Commission is looking for in this report; it does not mean that OCWD agrees with the theory or the method used.

Water Statistics (Ref Page: 30)

1. Appears to be a Header for Lines 2-4 and pertains to water produced and/or purchased.
2. Water produced by the District.
3. Gallons purchased, if any (OCWD produces all of its water).
4. Total Water Produced and/or Purchased gallons.
5. [Blank]
6. Appears to be a Header for Lines 7-13 and pertains to the total water sold to all customer types.

7. Total Gallons sold for Residential Class.
8. Total Gallons sold for Commercial Class.
9. Total Gallons sold for Industrial Class.
10. Total Gallons sold for Bulk Loading Station Class.
11. Total Gallons sold for Resale Class.
12. Total sales for any Other Classes.
13. Total of water sold to all Classes.
14. [Blank]
15. Appears to be a Header for Lines 16-21 and pertains to the accounted for water other than sales.
16. Total gallons used by the Utility/Water treatment Plant.
17. Total gallons used by Wastewater Plant.
18. Total gallons used for System Flushing.
19. Total gallons used by Fire Departments.
20. Total gallons used by Other.
21. Total gallons of accounted for water other than sales.
22. [Blank]
23. Appears to be a Header for Lines 24-28 and pertains to water loss or unaccounted for water not allowed to be included in accounted for water use.
24. Total gallons from Tank overflows.

25. Total gallons from known Line Breaks.
26. Unaccounted for gallons from assumed Line leakage or from another unknown source.
27. Total unaccounted for gallons from other sources not listed above.
28. Total of all gallons from unaccounted for sources.
29. [Blank]
30. [Blank]
31. [Blank]
32. Appears to be a Header for Line 33.
33. Total line loss is divided by Total purchased and produced and converted to a percentage.

**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 3**

**Responding Witness: Russell D. Rose**

**Q-3. State any questions you have regarding how to use the updated Commission Form described and attached as Appendix A to this Order.**

A-3. What is the timeframe for entering the monthly information for each line item? Should these timeframes match for all water systems or could they be consistently different (i.e. with multiple billing periods over different time periods that cannot match to a single water produced period)?



**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 4**

**Responding Witness: Russell D. Rose**

**Q-4. State any suggestions or improvements you have for the updated Commission Form described and attached as Appendix A to this Order.**

A-4.

1. Put all 12 months of the year on one page to allow a better overall view of the water loss situation.
2. For operational purposes and to obtain a representation of the water lost within the system, add a section that removes any water amounts produced and sold for resale and larger customers.
3. Adding a rolling 12-month water loss % as the final % of water loss due to the potential timing differences in the components to calculate the monthly water loss %.

**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 5**

**Responding Witness: Russell D. Rose**

**Q-5. State any questions you have regarding how the information in the updated Commission Form described and attached as Appendix A to this Order is to be incorporated into annual reports.**

A-5. Is the form in Appendix A intended for internal purposes to assist with completing the annual report? Will the annual report be the only PSC filing requirement regarding water statistics/loss?

**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 6**

**Responding Witness: Russell D. Rose**

**Q-6. State any concerns you have regarding the use of the updated Commission Form described and attached as Appendix A to this Order.**

A-6.

1. The form shown does not consider a system that has multiple billing cycles. Matching up the water produced/purchased with the water sold and unsold within the same calendar month time period can operationally be tough, especially if there is more than one billing cycle. Our water district has made a considerable effort to have one billing cycle that coincides with the calendar month, so we can accurately and timely see our water loss with our system.
  - a. With multiple billing periods over different time periods you cannot match to a single water produced period. You cannot use a monthly report to see problems; you must consider a longer time period if you have multiple billing cycles or be able to have only one billing cycle.

b. OCWD has been working to achieve a better system to track water loss for the last several years. Here are a few steps we've taken to arrive at this point:

i. Over 10 years, we replaced our meters to be radio read. This allows us to read our roughly 8,400 customers' meters within 1-3 days, weather depending. This shortens the time period to determine water sales and allows us to match it closer to the water produced for the same time period.

ii. We reviewed our customer service/account receivable procedures to assist with reducing to only one billing cycle.

1. We have sufficient staff to accommodate an on-set of 8,400 bills at one time.

2. We automated payments from customers and provided more information to customers through our website to help reduce the number of calls for balances, due dates, etc.

3. We implemented a web bill option for customers to view their accounts 24/7 for history of water use and payments along with current balances and a way to pay via credit card or over the phone 24/7.

4. We were able to turn the majority of the checks that arrived through the mail from customers' banks to automatic deposits into our account with reports that can be imported.
5. Our credit card system now has reports that can be imported and applied to customers rather than individually keyed.
6. We implemented a program that allows us to import the phone numbers of our delinquent customers and call blast our customized recorded message. This courtesy call informs the customers that if payment is not received by the following day, their water service will be terminated. This helps reduce staff time turning off/on service in the field.

We recognize that not all systems will have the ability to afford or implement the types of improvements we have made to our system. Therefore, provisions should be made to accommodate systems with multiple billing cycles.

**OLDHAM COUNTY WATER DISTRICT**

**CASE NO. 2018-00394**

**Response to Commission's Request for Information**

**Question No. 7**

**Responding Witness: Russell D. Rose**

**Q-7. State whether you believe it is reasonable, proper, and appropriate for the Commission to require jurisdictional water utilities to maintain and use the updated Commission Form described and attached as Appendix A to this Order. Fully explain your answer.**

A-7. OCWD takes our water loss seriously and we continue to improve and move forward. Excessive loss can result in higher rates for customers, while a moderate loss can be attributed to normal business. The key is finding what that number is for each system.

OCWD will be happy to comply with the referenced form but OCWD's current management will be keeping a spreadsheet to track additional information. I believe it is difficult to have a one size fits all form for all utilities.

Other items should be considered when discussing water loss, such as:

1. Miles of pipe.
2. Age of pipe.
3. Type of pipe.

4. Evaluate if you were to lose your largest customers.
5. The cost of water purchased or produced.

All of these factors should be considered when evaluating water loss. I believe that the high water loss in some systems did not occur overnight, and therefore we cannot expect it to be rectified quickly. A unified system of record-keeping may assist in the effort to make systems aware of their water loss issues.

## CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Oldham County Water District's electronic filing of this Response is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Public Service Commission on January 11, 2019; that there are currently no parties that the Public Service Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of this Response will be delivered to the Public Service Commission within two business days.

  
Damon R. Talley



# EXHIBIT A

