

**COMMON WEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

**ELECTRONIC BIG SANDY WATER )**  
**DISTRICT'S UNACCOUNTED-FOR WATER )**  
**LOSS REDUCTION PLAN, SURCHARGE, AND )**  
**MONITORING )**

**CASE NO. 2022-00301**

**RESPONSE ON PROGRESS AND EXPENDITURES OF WATER LOSS DETECTION AND REPAIR**  
**PROGRAM**

Big Sandy Water District ("the District") received an order on September 13, 2022 for the approval of a monthly surcharge of \$6.42 to be billed to its customers every month for 60 months to fund its unaccounted-for water loss reduction efforts. The District began billing its customers on November 1, 2022.

In October of 2023, the District purchased a Listening Device from United Systems as recommended by the Kentucky Rural Water Association. This device has been very useful in detecting leaks and is used often by the District.

In the winter months of 2023-2024, the District's water loss started to climb due to the large amount of leaks showing up all over the system. The District worked diligently to find and fix the leaks, however, with the weather at play it took some time to get the water loss back down.

In March of 2024, the District had enough funding to purchase 500 Mach-10 meters from Neptune to replace meters that were 10 years old or older. Due to the high demand of the meters, they weren't delivered until June of 2024. Most of these meters have already been put in the ground and 500 more Mach-10 meters were recently delivered and are waiting to be placed by our field staff. It is estimated that the water loss will decrease 5% after all 1,000 meters are replaced.

The District is currently looking to hire a full time employee to explicitly work on water loss management. Due to the high demand of workers, it's been difficult to find an employee that is qualified to effectively fulfill the position at the pay rate the Commission is allowing the District to pay. The District will file with the Commission to increase the pay rate for this position if needed. The District Board has placed an agenda item for their September 19<sup>th</sup> regular scheduled Board meeting to discuss the wages and rates as they compare to surrounding utilities.

The latest water loss report for BSWD is at 36.9% for the month of July. The yearly average is at 42.6%. The battle of decreasing the water loss is a very slow and frustrating process as the District is doing all they can to stay on top of leaks.

The District plans to file with the Commission an updated infrastructure improvement Plan to replace aging waterlines that were placed in the ground over 40 years ago and have been problematic. Replacing these water lines with HDPE (high density poly ethylene) waterlines will ensure many more years of use and less frequent water leaks. It's expected that the water loss will decrease by 6% if they are replaced. These roads consist of:

Silver Run Road (5.1 miles of 4" PVC waterline feeding 39 customers)

Bear Creek Road/Friendship Road (4.0 miles of 3" PVC waterline regularly feeding 114 customers but can feed 1,353 customers)

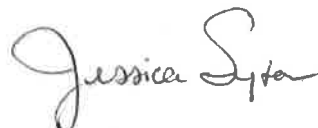
Deer Park Drive (0.9 miles of 3" PVC exposed waterline in solid rock feeding 8 customers)

Redbud Subdivision Road (0.3 miles of 4" and 3" PVC exposed waterline in solid rock feeding 7 customers)

The old lines above are significant in length. The field conditions and locations are very difficult to work in and some are imbedded in solid rock. General Manager James Blanton believes they are all beyond what his staff can replace alone. Because of the hard conditions, these replacements will have significant cost and must be submitted to KDOW. The District additionally requests that Surcharge funding pay for the preliminary engineering on these locations. Sisler-Maggard Engineering is working on the drawings and cost estimates for each of these waterline replacements which will be submitted to PSC for approval within a few weeks. The District also plans to ask for funding for more zone meters and a hydro excavator to effectively find and fix leaks.

In conclusion, the District is working hard to reduce its non-revenue water loss. It's proven to take a lot of time and planning to reach the goals set by the District but the staff at BSWD will continue to work hard and plan on new ways to reach the target of 15%.

Respectfully,



Jessica Sexton  
Office Manager  
Big Sandy Water District