

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

In the Matter of:

ELECTRONIC APPLICATION OF BIG SANDY)	
WATER DISTRICT FOR A CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY TO)	
DEPLOY AN ADVANCED METERING)	
INFRASTRUCTURE AND GEOGRAPHIC)	CASE NO. 2023-00163
INFORMATION SYSTEM, ISSUANCE OF)	
EVIDENCE OF INDEBTEDNESS, AND REQUEST)	
FOR EXPEDITED RELIEF)	

**BIG SANDY WATER DISTRICT'S
RESPONSES TO COMMISSION STAFF'S FIRST
REQUEST FOR INFORMATION**

Big Sandy Water District, (“Big Sandy” or the “Company”) by counsel, files its responses to Commission Staff’s First Request for Information, issued in the above-captioned case on June 26, 2023.

FILED: July 11, 2023

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
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REQUEST NO. 1-1: Refer to the Application, page 2, which states, "As a result of the net cost savings achieved by the Leak Reduction Project, no rate increases will be needed as a result of the Leak Reduction Project." Also, refer to Commission regulation 807 KAR 5:066(6)(3) which states:

Unaccounted-for water loss. Except for purchased water rate adjustments for water districts and water associations, and rate adjustments pursuant to KRS 278.023(4), for rate making purposes a utility's unaccounted-for water loss shall not exceed fifteen (15) percent of total water produced and purchased, excluding water used by a utility in its own operations. Upon application by a utility in a rate case filing or by separate filing, or upon motion by the commission, an alternative level of reasonable unaccounted-for water loss may be established by the commission. A utility proposing an alternative level shall have the burden of demonstrating that the alternative level is more reasonable than the level prescribed in this section.

a. Describe how the reduction of excess water loss will result in no cost impact for the ratepayers, given the water loss in excess of 15 percent is not included in tariffed rates but costs for depreciation, debt service, and working capital for the proposed project will be included in future rate calculations.

b. Explain the impact the proposed project will have on Big Sandy District's "Water Loss Detection and Control Program Surcharge."

RESPONSE: (a) While Big Sandy District recognizes that water loss in excess of 15 percent is not recovered through its existing tariffed rates, Big Sandy District still incurs expenses associated with purchasing wholesale water, even though not recovered through rates. The cost savings in water purchased at wholesale combined with the increased revenue

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to Big Sandy District from more accurate meter readings from the proposed AMI meters is anticipated to equal or exceed the cost of depreciation, debt service, and working capital associated with the Leak Reduction Project. As a result, Big Sandy District expects that its current tariffed rates will allow Big Sandy District the revenue to safely and reliably operate its systems without the need for a rate increase.

(b) If the Commission approves the proposed project, Big Sandy Water will continue to maintain its efforts to decrease water loss with the help from the surcharge proceeds to purchase water leak detection equipment, a suitable truck for leak detection and hiring of a full-time employee to work exclusively on water leak detection, as previously approved by the Commission. The District shall file any other requests to use surcharge funds to cover costs of materials outside of labor used to repair leaks in its system. The only impact the proposed project will have on the expenditures of surcharge proceeds is the District will not need to purchase 1000 new meters, as replacement of all meters is part of the Leak Reduction Project. Please also see Big Sandy District's Response to PSC Nos. 1-21 and 1-22.

Witness: Jessica Sexton

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REQUEST NO. 1-2: Refer to Application, page 6.

- a. State the brand of the 1,500 meters that Big Sandy District replaced in 2020.
- b. State the failure and error rates of the meters purchased in 2020.
- c. Describe Big Sandy District's efforts to resolve issues with the manufacturer for the meters purchased in 2020.

RESPONSE: (a) **The reference in the Application was intended as an approximation of the meters replaced by Big Sandy District in 2020. The exact amount of meters purchased by Big Sandy District in 2020 was 1,100. The brand of those meters are Neptune T-10 Procoder meters.**

(b) **The failure and error rates of the meters purchased in 2020 is 1.9%. Of the 1,100 that were purchased and installed, Big Sandy District has determined that 21 meters were not working properly. There may be more meters not working to their full potential of which the District is currently unaware. Please see Exhibit PSC 1-2(b) for information related to the failure and error rates.**

(c) **Big Sandy District has been in contact with Neptune's Sales Representative on the meters that were defective and those meters have been replaced. Other meters were not working correctly due to dirt, rocks, and other debris clogging the meter and keeping it from reading properly. These meters are not covered under warranty and have to be repaired by the District. The new Mach 10 meters that would be purchased as part of the Leak Reduction**

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**Project do not have any moving parts and such debris will not clog the meters. Additionally,
the Mach 10 meters come with a manufacturer warranty.**

**Witness: Jessica Sexton
 James Blanton**

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REQUEST NO. 1-3: Refer to Application, page 6.

a. State how the 2020 purchase of meters was funded and whether they were purchased under a certificate of public convenience and necessity (CPCN) approved by the Public Service Commission.

b. For the meters purchased in 2020, state the original value, the net book value as of December 31, 2022, and the estimated useful life used to determine depreciation rates.

c. For the meters not replaced in 2020, state the original value, the net book value as of December 31, 2022, the estimated useful life used to determine depreciation rates, and the installation year.

d. Provide the salvage value for the meters purchased in 2020.

RESPONSE: (a) The funding of meters purchased in 2020 was paid for out of the District's General Fund and also borrowed from the District's Interest Bond and Sinking Fund. These meters were not purchased under a certificate of public convenience and necessity.

(b) For the meters purchase in 2020 the original value was \$209,872. The total net book value as of December 31, 2022 was \$188,885 and was placed into service in 2021. The estimated useful life used to determine depreciation rates is ten years.

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(c) For the meters not replaced in 2020, the original value, the net book value, and year placed in service is attached in Exhibit PSC 1-3(c). The estimated useful life for these meters is also ten years.

(d) In the event the Commission approves the CPCN, Big Sandy District has begun seeking to obtain offers for its meters to obtain the highest salvage value possible. At the present time, a vendor has offered to purchase every meter for \$3.50 each, without regard to how the meter tests. This is higher than the expected scrap value of a meter. The District will continue to contact other water utilities to inquire about selling meters that test "good," to determine whether a higher purchase price can be obtained for a "good" meter.

Witness: Jessica Sexton

Big Sandy Water District

Prepared By: Olivia Marshall

Lane and Company LLC

PO Box 449

Mt. Sterling, KY 40353

Description	Date Placed in Service	Total Units Purchased	Price per Unit	Purchase Price	Useful Life (years)	Annual Depreciation	Accumulated Depreciation at 12/31/22	Book Value
1" T10 Meter	11/7/2014	1	\$ 230	\$ 230	10	\$ 23	\$ 207	\$ 23
4" Pro	12/12/2014	1	\$ 1,200	\$ 1,200	10	\$ 120	\$ 1,080	\$ 120
1 1/2" & 2 HPT	6/23/2015	1	\$ 325	\$ 325	10	\$ 33	\$ 260	\$ 65
2" Compound	7/28/2015	1	\$ 1,420	\$ 1,420	10	\$ 142	\$ 1,136	\$ 284
1 1/2" & 2 HPT	6/15/2016	1	\$ 325	\$ 325	10	\$ 33	\$ 228	\$ 98
3" Truflo Compond	11/1/2016	2	\$ 2,375	\$ 4,751	10	\$ 475	\$ 3,325	\$ 1,425
5/8"X3/4" T-10 Pro-Coder	7/19/2017	100	\$ 125	\$ 12,500	10	\$ 1,250	\$ 7,500	\$ 5,000
1" T10 Meter	7/28/2017	2	\$ 330	\$ 660	10	\$ 66	\$ 396	\$ 264
3" HPT	9/14/2017	1	\$ 475	\$ 475	10	\$ 48	\$ 285	\$ 190
3" HPT Pro-Coder	1/16/2018	1	\$ 475	\$ 475	10	\$ 48	\$ 238	\$ 238
3" HPT Pro-Coder	3/9/2018	1	\$ 475	\$ 475	10	\$ 48	\$ 238	\$ 238
3" HPT Meter	7/9/2018	1	\$ 1,285	\$ 1,285	10	\$ 129	\$ 643	\$ 643
3" HPT Pro-Coder	11/1/2018	1	\$ 536	\$ 536	10	\$ 54	\$ 268	\$ 268
3" Turbine Meter	11/1/2018	1	\$ 1,205	\$ 1,205	10	\$ 120	\$ 602	\$ 602
5/8"X3/4" T-10 Pro-Coder	6/17/2019	125	\$ 207	\$ 25,838	10	\$ 2,584	\$ 10,335	\$ 15,503
5/8"X3/4" T-10 Pro-Coder	7/17/2019	75	\$ 207	\$ 15,503	10	\$ 1,550	\$ 6,201	\$ 9,302
5/8"X3/4" T-10 Pro-Coder	7/17/2019	750	\$ 207	\$ 155,025	10	\$ 15,503	\$ 62,010	\$ 93,015
5/8"X3/4" T-10 Pro-Coder	10/23/2019	100	\$ 199	\$ 19,872	10	\$ 1,987	\$ 7,949	\$ 11,923
4" HPT Pro-Coder	10/25/2019	2	\$ 843	\$ 1,686	10	\$ 169	\$ 674	\$ 1,011
" HPT Pro-Coder	10/25/2019	1	\$ 386	\$ 386	10	\$ 39	\$ 154	\$ 231
3" HPT Pro-Coder	12/19/2019	2	\$ 694	\$ 1,389	10	\$ 139	\$ 555	\$ 833
4" HPT Pro-Coder	12/20/2019	1	\$ 818	\$ 818	10	\$ 82	\$ 327	\$ 491
4" HPT Pro-Coder	12/20/2019	1	\$ 843	\$ 843	10	\$ 84	\$ 337	\$ 506

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REQUEST NO. 1-4: Refer to Application, page 13. State the inflationary pressures that concern Integrity Water and Energy, LLC (Integrity) with respect to each project component and whether the risk is for an external supplier or costs to Integrity internally. Quantify the risks for each project component and the basis for the assessment.

RESPONSE: Integrity submitted a proposal with a guaranteed cost that Big Sandy District accepted on March 17, 2023. Integrity has not provided Big Sandy District with the risks to any individual cost component or a quantification of the risks. Instead, Integrity has indicated that all costs are greatly increasing, some on a daily basis as the construction world returns to a normal backlog in the post-pandemic world. Specifically, material and labor cost on projects like this are increasing as there are material shortages for meters and AMI material and labor increases as projects are taking longer to award and fulfill. Integrity had to secure all labor and material quoted for this project to provide a guaranteed cost number for the proposal. Meters, valves, pipe, excavator work, repairs, and project management cost are all at risk if the project is not fully approved in July 2023.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-5: Refer to the Application, Exhibit 1.

a. Explain whether Big Sandy District considered requesting proposals for an advanced metering infrastructure (AMI) project or geographic information system (GIS) project, either separately or together, without a guaranteed savings component. If not, explain why not.

b. Explain why Big Sandy District chose "Guaranteed Energy Savings Contract" as the language for its Request for Proposals (RFP).

c. State how the proposed project for water loss reduction meets the advertised bid request for a "Guaranteed Energy Savings Contract."

RESPONSE: (a) **Big Sandy District briefly considered this possibility, but did not believe requesting the proposals separately or together without a guaranteed savings component presented the best option. Big Sandy District believed that bidding the projects with a guaranteed savings component best served the Big Sandy District ratepayers by most efficiently using the financial resources available to Big Sandy District. The guaranteed savings component allows Big Sandy District to have certainty as to costs and shift business risks to the contractor, which Big Sandy District believed best served its ratepayers, as opposed to other traditional mechanisms that do not provide some of these benefits.**

(b) **Big Sandy District chose to use the term "Guaranteed Energy Savings Contract" because that is the term used in KRS 45A.352 authorizing a local public agency to enter into a "guaranteed energy savings contract." Guaranteed energy savings contracts**

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are implemented to achieve an “energy conservation measure,” which is broadly defined to include any reduction in utility consumption by KRS 56.770(5) and (6). Big Sandy District seeks to reduce its consumption of water by implementing the Leak Reduction Project.

(c) The proposed project meets the advertised “Guaranteed Energy Savings Contract” because, if approved to complete the project, the contract entered into with Integrity will include the written annual guarantee from Integrity as required by KRS 45A.352(7), as well as all other provisions of the statute.

Witness: Jessica Sexton

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REQUEST NO. 1-6: Refer to the Application, Exhibit 1.

a. State whether Big Sandy District received any inquiries about the RFP. If so, provide the number of inquiries.

b. Describe how potential bidders would have concluded that the project was potentially for water loss reduction given the advertised description of "Guaranteed Energy Savings Contract" and the absence of bid specifications.

c. Describe the evolution of the decision to pursue a Guaranteed Energy Savings Contract, including any discussions Big Sandy District had with Integrity prior to the RFP advertisement.

RESPONSE: (a) **Big Sandy District received one inquiry about the RFP via telephone; however, this firm did not submit a response to the RFP.**

(b) Big Sandy District used language similar to other RFPs for projects seeking a guaranteed energy savings contract, which Big Sandy District believed to be known in the industry. The published bid advertisement directed potential bidders to contact the District for a copy of the RFP packet, which is what contained the bid specifications. A copy of the RFP packet is attached hereto as Exhibit PSC 1-6(b).

(c) Big Sandy Water heard about the progress Integrity Water and Energy had made with its neighboring water utility in reducing non-revenue water. The District invited Integrity to speak with the management team and discuss what they could do for the District in terms of reducing the non-revenue water. Based on the information learned from Integrity, the management team had many meetings and discussions about the water loss in the system and possible solutions before bidding a Guaranteed Energy Savings Contract was

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brought to the Board of Commissioners as the best solution. Based upon this work, Big Sandy District believed that the benefits of a proposed Guaranteed Energy Savings Project presented the best outcome for the Big Sandy District and its ratepayers as compared to more traditional contracting mechanisms that have been historically used by Big Sandy District.

Witness: Jessica Sexton

**Big Sandy Water District
Request for Proposal
For
Guaranteed Energy Savings Contract**

1. Project Purpose, Goals, and Background

A. Goals

Big Sandy Water District requests proposals for providers to analyze, design, implement and measure improvements for the utility system that will make the system more energy and financially efficient. Big Sandy Water District has issued this RFP to select a quality energy services provider to implement a guaranteed energy savings contract per KRS 45A.352.

B. Desired project outcomes

Big Sandy Water District requires below improvements after entering into a guaranteed energy savings contract with a contracted provider.

- Reduced energy and operating costs
- Reduced water losses and waste
- Improved water measurement accuracy

C. Included facilities and systems

Big Sandy Water District is interested in any improvements to any facility or utility system.

D. Proposed Schedule

Issuance of RFP	January 27th
Mandatory walk-through	February 3rd
Submission of Proposal	March 10th
Notification of Selection of Provider	TBD

E. Site visits

Interested providers should contact Jessica Sexton at Big Sandy Water District for scheduling site visits.

F. RFP due date

To be considered for the project, 6 proposals shall be submitted to Jessica Sexton at Big Sandy Water District Office by 1:00 on DATE.

G. Proposal Information

All proposals submitted to Big Sandy Water District will become property of the commission and will not be returned to the provider.

2. Request for Proposal Format

A. Executive Summary

Include an executive summary no longer than 5 pages in length.

B. Description of Company

- Provide description of business legal structure
- Provide country that any parent company of company is headquartered
- Provide address of corporate headquarters
- Clarify if the company is solely an Energy Service Company or has manufacturing, service provider, or other business or business units
- Provide names of project team and all the names and authorities that must approve the project and their financial authorities

C. Project Team

- Provide a description of the entire project team and their experience
- Provide a description of the project communication plan

D. Insurance and Bond

- Provide evidence of bonding capacity of proposed project size prior to award of the contract
- Provide evidence of project plan for proposed project size prior to award of the contract

E. Project Technical Solutions

- Proposal shall include detailed description of Big Sandy Water District technical opportunities. This shall include a description of the identified opportunity and the proposed solution
- Provide a description of how the project will be developed and implemented inclusive of project meetings and project management
- Provide a summary of project savings and a proforma illustrating the project payback

F. Measurement and Verification

- Provide categories of savings that the project will provide and plan for ongoing measurement and verification of savings

G. Project Financial Approach

- Provide an explanation of project funding
- Provide an explanation of project guarantee and how guaranteed savings could fund the project
- Provide a proforma of project financials

3. Provider Selection Criteria

- A. The selection of a provider per RFP is a combination of total financial benefit, project team, company, etc. The attached table illustrates the intent of the utilities committee. Although it is at the discretion of the Big Sandy Water District to select the provider, we feel it is best for our system and the commission may choose different criteria after further discernment of providers' proposals.

Selection Category	Available Point	Percentage Award (0-100%)	Award Points
Company	35		
Company Structure	10		
Company Home Office	15		
Project Team	10		
Technical Solution	35		
Technical Solution	20		
Project Management	15		
Measurement of Verification	15		
Financial Solutions	15		
Total Points	100		

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REQUEST NO. 1-7: Refer to Application, Exhibit 2, page 1, "Figure 1: Expected reduction in % NRW over time." Describe the sources of savings in 2006 through 2043 and quantify, in dollars, any inflation included in the amounts.

RESPONSE: Figure 1 on Page 1 of Exhibit 2 is an illustration of the possible improved performance of the project, and is not based on the actual anticipated savings. The sources of savings upon which the guarantee was based are the reduction in costs to Big Sandy District of purchasing water at wholesale through a reduction in leaks, as well as increased revenue to Big Sandy District through more accurate meters. To account for possible rate increases, the purchase price of wholesale water and increases in water meter revenue were both estimated with a 2.5% annual increase. For an analysis of the estimated project savings with an assumption that CPI is 0%, please see Big Sandy District's Response to PSC No. 1-16(c).

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-8: Refer to the Application, Exhibit 2, page 3 which states, "The extended team also includes many of your staff that are invested in our team by assisting us with site surveys, data acquisition, question and answers, etc." By quarter from inception of the project, quantify the estimated hours that will be required for Big Sandy Staff participation. List position, hourly rate, hours required, and number of required hours in excess of each employee's presumed regular weekly hours of 40.

RESPONSE: Big Sandy District anticipates that its employees will need to help Integrity locate meters on less than 5% of the system. The employee(s) expected to do this work are Laborers/Meter Readers that have an hourly rate of \$15.00. It is not expected that this will require an employee to work outside of the 40 hour work week.

Witness: Jessica Sexton

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REQUEST NO. 1-9: Refer to the Application, Exhibit 2, page 5 and Exhibit 6, page 3.

a. Explain the time period over which Integrity will be responsible for repairs to Big Sandy District's pipelines to achieve reduced water loss.

b. Provide the estimated cost of any repairs performed by Integrity and confirm those costs are included in the contract price.

RESPONSE: (a) Integrity will be responsible for repairs to achieve the water loss during the construction phase of the project, which Integrity expects to last 12-14 months. Leak detection and repair will be conducted anywhere from 2-3 months, up to the entire length of the 12-14 months, until the goal is achieved.

(b) When preparing its bid, Integrity estimated the costs associated with locating leaks and repairing those leaks as total lump sum amount. The total costs Integrity estimated for leak detection and repairs was [REDACTED] These costs are included in the contract price.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-10: Refer to the Application, Exhibit 2, page 11. Provide a revised project schedule.

RESPONSE: A revised project schedule has not yet been completed. Depending upon the timing of the Commission's final order, Integrity is hopeful a substantial variation to the project schedule will not be required. However, if a project schedule becomes necessary, it will require coordination with suppliers and extended team members outside of Big Sandy District and Integrity. If an updated project schedule is completed, Big Sandy District will supplement this Response.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-11: Refer to the Application, Exhibit 2, page 22.

- a. Provide the calendar years that correspond with the project years.
- b. Explain why program savings begin in year 0.
- c. Provide the charts in Excel spreadsheet format, with all formulas, columns, and rows unprotected and fully accessible.

RESPONSE: (a) The project years do not directly align with the calendar year because the Leak Reduction Project is expected to begin as soon as Commission approval and financing are obtained. Thus, Big Sandy District is hopeful the project may be approved in time to begin in late 2023. On the referenced Exhibit and page, the model is set up so that year 0 is the project start date through the first 12 months. Accordingly, assuming a late 2023 start date, year 0 would coincide with parts of calendar years 2023 and 2024, year 1 would coincide with parts of calendar years 2024 and 2025, and so on and so forth.

(b) It is expected that leaks will be repaired and AMI meters will be installed during year 0, and there will be savings derived from those activities. These savings will continue to be realized gradually throughout the construction phase of the project. However, it is currently expected that debt service payments will not begin until after construction phase is complete. As a result, it is expected that savings will be realized in Year 0.

(c) The charts contained on Page 22 of Application Exhibit were not prepared utilizing the Excel program. The charts were created using proprietary software developed

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by Integrity. Moreover, due to the size and variation of the inputs considered and functionality of Excel, the charts are not capable of being replicated utilizing the Excel program.

Witness: Brandon Marcum (Integrity)

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DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
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REQUEST NO. 1-12: Refer to the Application, Exhibit 2, page 22.

- a. Explain why the “Additional Client Repair Budget” is \$0.
- b. Provide the methodology used to project the 13 percent reduction in purchased water and 5 percent reduction in maintenance water usage.
- c. Explain whether the wholesale production cost estimate was escalated over 20 years.

RESPONSE: (a) **The “Additional Client Repair Budget” is set at \$0 because the District already budgets for repairs throughout the year in its general budget.**

(b) Integrity requested and was provided by Big Sandy District historical data upon which to project the reduction in purchased water. The projected 13% reduction in purchased water was determined as an achievable objective based on extensive analysis of this historical data (Integrity validated the volume of water loss, how it trends over time, how different factors may impact it); an understanding of current metering technology (the current meters are expected to represent a certain portion of the measured water loss, but Integrity expects more loss to be in leaks); physical inspection of key components of the water system (purchase meters from source providers, pipe materials and joints, pump station locations, high/low pressure areas, existing zoning meters, length of pipe runs and surrounding geography that could potentially drive water loss, etc.); and focused discussion with the District’s leadership (how does water loss normally surface, how is it resolved, how

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old are different sections of the system, etc.). All of this factors into the estimated reduction in purchased water.

“Maintenance Water Used” in this model does not represent a reduction in maintenance water, but is rather recognizing that in any water system, some portion of water loss is inevitable due to maintenance activities. This reduces the available opportunity to reduce water loss in the form of leaks or meter inaccuracy, so Integrity accounted for the estimated water loss that is inevitable when performing maintenance of any water system to prevent overstating the water loss opportunity. 5% was estimated based on the historical data provided by Big Sandy District.

(c) Yes, that is in the CPI Increase box in the Financial Inputs, estimated at 2.50% annual increase.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-13: Refer to the Application, Exhibit 2, page 22.

a. Provide the methodology used to project the 5.5 percent increase in meter accuracy and explain what time period the increase would occur.

b. Provide the methodology used to project the 2.5 percent "Annual Rate Increase" and explain how this number is used in the calculation.

RESPONSE: (a) The 5.5% estimate is based on historical industry experience of the impact of replacing positive displacement meters with solid state meters. Based upon limited testing of current meters, Big Sandy District is hopeful the increase in meter accuracy will actually be higher than 5.5%. Regarding timing, the increase in meter accuracy is expected to start as soon as the solid state AMI meters are installed and continue for the life of the meter.

(b) The 2.5% annual rate increase was used as a proxy for potential future rate increases of Big Sandy District, which would impact the revenue generated from the new solid state AMI meters. This number was used in the calculation to determine the projected additional revenue.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-14: Refer to the Application, Exhibit 2, pages 22 and 25 and Exhibit 6, pages 27 and 33.

- a. Explain how and over what period “new savings and increase in revenue” will be guaranteed.
- b. Explain how and over what period meter accuracy will be guaranteed.
- c. Explain how and over what period non-revenue water reductions will be guaranteed.

RESPONSE: (a) **Because the Leak Reduction Project was bid pursuant to KRS 45A.352, the final contract negotiated and signed with Integrity will comply with the provisions of KRS 45A.352(7), which provides as follows:**

The guaranteed energy savings contract shall include a written guarantee of the qualified provider that either the energy or operational cost savings plus capital cost avoidance will meet or exceed the costs of the energy conservation measures within the term of the contract. The qualified provider shall, on an annual basis, reimburse the local public agency for any shortfall in guaranteed energy savings projected in the contract.

(b) The water meter accuracy improvement is for 20 years and a sample of meters will be pulled and tested each year to prove the accuracy. The leaks located and resolved during the implementation period are monitored by the zoning program to provide the utility with data to document the non-revenue water and provide focus to improve even beyond the Integrity contract. Integrity will also provide an annual report calculating the savings from the project. Please also see Big Sandy District's Response to PSC No. 1-14(a).

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(c) **The non-revenue water reductions will be guaranteed for the term of the contract. Please see Big Sandy District's Response to PSC No. 1-14(a).**

**Witness: James Blanton
Brandon Marcum (Integrity)**

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REQUEST NO. 1-15: Refer to the Application, Exhibit 2, Integrity Proposal in general.

a. Describe the qualifications of each Integrity team member and their role in the proposed project.

b. Provide a list of similar projects, project start and completion dates, and describe the success history of each project in quantifiable terms including projected and actual results excluding inflation impacts.

RESPONSE: (a) The qualifications and role of each Integrity team member are as follows:

1. **Brandon Marcum**
CEM, CGD, CSDP, CDSM
Account Executive

Brandon is a Rose-Hulman graduate, with 23 years of Performance Contracting experience. He has successfully implemented over \$400M in projects to reduce energy expenditures and Non-Revenue Water.

Responsibilities

- Identification, acquisition and development of Non-Revenue Water and energy projects.
- Concept development, contract negotiations, account management, and long-term customer satisfaction.

Relevant Experience

- Delivered over \$400M in successful projects in municipal, federal government, and healthcare.

Education

Bachelor of Science, Mechanical Engineering, 2000

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Rose-Hulman Institute of Technology, Terre Haute, IN

Association of Energy Engineers, Fundamentals of Energy Management

2. JD Bowyer
Data Analytics Leader

JD is a US Air Force Academy graduate, with an MBA and Six Sigma Blackbelt. JD also has extensive experience in data analytics, leading business teams toward innovative solutions in manufacturing, customer service, and healthcare.

Responsibilities

- **Data aggregation, forensic auditing, and analysis.**
- **Identify and recommend process and technology improvements.**

Relevant Experience

- **Led several high performing reporting and analytics teams recognized across the country for innovative solutions with high impact.**
- **Hands on expert in analyzing various data formats and translating data into insights using leading edge business intelligence tools.**

Education

**Bachelor of Science (minor in Mathematics), Space Operations, 2000
US Air Force Academy, Colorado Springs, CO**

Master of Business Administration, University of La Verne, La Verne, CA

Certified Six Sigma Blackbelt, Breakthrough Management Group, Longmont, CO

3. Justin Prather
Project Management Leader

Justin is a graduate of University of Southern Indiana and has 20+ years of experience leading teams and driving process improvement. His expertise in leading edge project management approaches has successfully led to significant improvements in the manufacturing industry.

Responsibilities

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- **Organization and oversight of project implementation across all teams.**

Relevant Experience

- **7+ years experience directly leading teams of 100+ individuals toward successful completion of major projects in manufacturing, engineering, and maintenance.**
- **Consistently outperformed targets and goals.**
- **Extensive experience driving continuous process improvements resulting in significant savings.**

Education

**Bachelor of Science, Mechanical Engineering Technology, 2001
University of Southern Indiana, Evansville, IN**

- (b) **Grayson Utilities Commission**
Start Date: 5/1/22
Completion Date: (estimated) 8/31/23
Integrity Water and Energy has reduced Grayson Utilites Water from 50% NRW to 30% NRW delivering the guarantee that was contracted.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-16: Refer to the Application’s discussion of savings in general.

- a. State whether each year's asserted savings is independent of other years.
- b. If savings during a measurement period exceeds projected savings, state whether the excess savings will be banked against future years.
- c. Provide copies of all financial analysis (tables and charts) presented in the application excluding inflation and system growth assumptions.

RESPONSE: (a) Each year’s asserted savings will have unique calculations, and each year’s savings will be independent of other years.

(b) Project savings will not be “banked.” Anything that goes further or beyond what the project is projected to save will be welcomed by both Integrity and Big Sandy District.

(c) The financial analysis presented in Integrity’s RFP response did not include system growth assumptions. The financial analysis included within Integrity’s RFP response with the Consumer Price Index set at 0%, which is an indicator of inflation, is set forth below.

BIG SANDY INPUTS	
Project Term (years):	20
All-In Interest Rate:	4.50%
CPI Increase:	0.00%
Project Investment Amount	\$ 3,991,369
Additional Client Repair Budget	\$ -
Project Total Investment	\$ 3,991,369

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BIG SANDY INPUTS	
Leak Reduction:	13.00%
Meter Accuracy Increase:	5.50%
Maintaince Water Used:	5.00%
Wholesale Production Cost:	\$2.76

BIG SANDY INPUTS				
	Residential	Commercial	Industrial	Other-Schools
Accuracy Increase:	5.50%	5.50%	5.50%	5.50%
Annual Rate Increase:	2.50%	2.50%	2.50%	2.50%

Year	AMI				Additional			
	Debt Services	Services above AMR	M&V Services	Total Costs	Revenue from Meters	Savings from Leaks	Total Savings and Revenue	Net Savings
0	\$ -	\$ -	\$ -	\$ -	\$ 79,252	\$ 67,188	\$ 146,440	\$ 146,440
1	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 178,294	\$ 134,376	\$ 312,670	\$ (9,499)
2	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 181,149	\$ 134,376	\$ 315,525	\$ (6,644)
3	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 184,059	\$ 134,376	\$ 318,435	\$ (3,734)
4	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 187,026	\$ 134,376	\$ 321,402	\$ (767)
5	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 190,051	\$ 134,376	\$ 324,427	\$ 2,258
6	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 193,135	\$ 134,376	\$ 327,511	\$ 5,342
7	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 196,279	\$ 134,376	\$ 330,655	\$ 8,487
8	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 199,486	\$ 134,376	\$ 333,862	\$ 11,693
9	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 202,755	\$ 134,376	\$ 337,131	\$ 14,962
10	\$ 293,628	\$ 23,541	\$ 5,000	\$ 322,169	\$ 206,089	\$ 134,376	\$ 340,465	\$ 18,296
11	\$ 293,628	\$ 23,776	\$ 5,000	\$ 322,404	\$ 209,489	\$ 134,376	\$ 343,865	\$ 21,460
12	\$ 293,628	\$ 24,014	\$ 5,000	\$ 322,642	\$ 212,956	\$ 134,376	\$ 347,332	\$ 24,690
13	\$ 293,628	\$ 24,254	\$ 5,000	\$ 322,882	\$ 216,492	\$ 134,376	\$ 350,868	\$ 27,986
14	\$ 293,628	\$ 24,497	\$ 5,000	\$ 323,125	\$ 220,099	\$ 134,376	\$ 354,475	\$ 31,351
15	\$ 293,628	\$ 24,742	\$ 5,000	\$ 323,370	\$ 223,778	\$ 134,376	\$ 358,154	\$ 34,785
16	\$ 293,628	\$ 24,989	\$ 5,000	\$ 323,617	\$ 227,531	\$ 134,376	\$ 361,907	\$ 38,290
17	\$ 293,628	\$ 25,239	\$ 5,000	\$ 323,867	\$ 231,359	\$ 134,376	\$ 365,735	\$ 41,868
18	\$ 293,628	\$ 25,492	\$ 5,000	\$ 324,119	\$ 235,264	\$ 134,376	\$ 369,640	\$ 45,521
19	\$ 293,628	\$ 25,746	\$ 5,000	\$ 324,374	\$ 239,248	\$ 134,376	\$ 373,624	\$ 49,250
20	\$ 293,628	\$ 26,004	\$ 5,000	\$ 324,632	\$ 243,313	\$ 134,376	\$ 377,689	\$ 53,057
Total	\$ 5,872,556	\$ 484,164	\$ 100,000	\$ 6,456,720	\$ 4,257,102	\$ 2,754,710	\$ 7,011,812	\$ 555,093

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-17: Refer to the Application's discussion of GIS in general.

a. State who will conduct the GIS mapping and state the time required both in terms of elapsed time and actual work-hour effort that will be required.

b. Describe the process for determination of GIS requirements.

c. State whether Integrity or Big Sandy District has made any assessment of mapping information available from the Kentucky Infrastructure Authority's (KIA) Water Resource Information System Portal (WRIS) for Big Sandy District at https://kygeonet.ky.gov/kia/dw/?config=config_zoom.json&esearch=KY0100944&slayer=2&expnum=0 and whether the information could be utilized to reduce the cost of the proposed project.

RESPONSE: (a) Integrity personnel or subcontractors will perform the work of capturing GIS coordinates and making them available in electronic format for Big Sandy District's use. The GIS mapping will be conducted during the process of installing the AMI meters, which is expected to be completed within 12-14 months. The actual work-hour effort that will be required is unknown, but is included within the contract price with Integrity.

(b) Integrity is going to provide a GIS point for every water meter installed, and most fire hydrants and valves that will be inspected during the project. Big Sandy District will continue to expand the GIS after this project.

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(c) Integrity has downloaded available data from WRIS including water lines, tanks, valves, pumps, and meters, which has already been used to develop initial system survey maps for Big Sandy District in order to allow Integrity to respond to the RFP. However, additional GIS mapping is required. The Leak Reduction Project will result in additional GIS coordinates, as well as the location of each individual meter. Currently, Big Sandy District uses addresses and experience/knowledge of the system to locate meters, but the proposed GIS mapping will provide the latitude/longitude of the billing and zone meters themselves.

Witness: Brandon Marcum (Integrity)

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REQUEST NO. 1-18: Describe the financial accounting under Generally Accepted Accounting Principles (GAAP) for guaranteed performance contracts in relation to the following:

a. If savings are not achieved during a fiscal year, state whether the utility will be permitted under GAAP to record a deferred asset (or receivable) for an unmitigated settlement amount with Integrity.

b. Describe how Big Sandy District will be able to ensure that rate payers are not burdened with the costs of the proposed project (depreciation, debt service, working capital) for the test year that is used for any future rate case.

RESPONSE: (a) **KRS 45A.352(7) requires an annual reimbursement from Integrity if savings are not achieved in any year. In the event such payment requirement were not fulfilled, Big Sandy District would follow GAAP procedures for booking the unpaid annual guarantee from Integrity.**

(b) **Big Sandy District can track all costs of the proposed projects separately, including depreciation, debt service, and working capital, so that all such expenses (which will be recovered through cost savings to the District) can be removed from the revenue requirement for rate making purposes.**

Witness: Jessica Sexton

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REQUEST NO. 1-19: Provide a current capital plan for Big Sandy District and respond to each of the following:

a. If a current capital plan is not available, state the last time that Big Sandy District updated its capital plan.

b. Provide a list of anticipated waterline replacements, the age of the lines being replaced, the percentage of total lines in the distribution system, the diameter, linear footage to be replaced, estimated cost, anticipated sources of funding, customers directly affected by the replacement, and anticipated start and completion dates for each project.

c. Explain whether Big Sandy District will replace lines with leaks or will only repair leaks individually.

RESPONSE: (a) A proposed Capital Improvement Plan, which is prepared to include the Leak Reduction Project, is attached hereto as Exhibit PSC 1-19(a).

(b) Please see Exhibit PSC 1-19(b).

(c) Big Sandy Water has the intention to replace the lines listed in Exhibit PSC 1-19(b). Other leaks will continue to be repaired as they are found without replacing the lines unless it is determined that a replacement of the line is needed upon discovery of the leak.

Witness: Jessica Sexton
James Blanton

**Big Sandy Water District
Capital Improvement Plan**

<u>Description</u>	<u>Funding Source</u>	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Land												
Structures and Improvements												
New Meter building \$150,000					X							
Office Building												
Transmission and Distribution Mains												
Water Line Extension in Lawrence county \$867,000	CWGP KIA		X	X								
Line replacement on Rt. 3 \$4,000,000	KIA/CWGP			X	X							
Line Replacement on Silver Rn.	KIA/ARC						X					
Line Replacement on Whites Creek	KIA/ARC						X					
Transportation Equip.												
Purchase of new trucks \$45,000	Ford Credit	X										
Purchase of new truck	Surcharge funding		X									
Meters												
Installation and GIS Services [REDACTED]	Project with IWE		X	X								
Zone Metering [REDACTED]	Project with IWE			X								
NRW Tool and AMI [REDACTED]	Project with IWE		X	X								
Hydrants												
Hydrant placement on Silver Rn.								X				
Tools, Shop, and Garage												
Purchase new testing bench \$15,000	Surcharge Funding				X							
Leak Detection and resolution [REDACTED]	Project with IWE		X	X								
Power Operating Equip.												
Purchase mini excavator \$150,000	RD Grant									X		
Purchase side by side 15,000	RD Grant											X
Pumping Equip.												
VFD's and spare motors \$129,800	ARC/KIA							X				
Generator \$90,000												
Spare Pumps (60,00)												
Communication Equip.												
Office Furniture and Equip.												
Distribution Reserve and Standpipes												

<u>Project Name</u>	<u>Age of Line Being Replaced</u>	<u>% in System</u>	<u>Diameter</u>	<u>linear footage</u>	<u>Estimated Cost</u>	<u>Anticipated sources of funding</u>	<u># of Customers</u>	<u>Anticipated start and completion dates</u>
Rt. 3/Donithon Rd Line Replacement	25 years	3.38%	8" and 3"	7 Miles and 1/2 n	\$4,351,300	ARC Grant	162	1/1/2024-1/1/2025
Line Replacement on Silver Rn.	approx 28 years old	0.83%	4"	2.2 Miles	Unknown	Potential Grant	40	Unknown
Line Replacement on Whites Creek	Approx.33 years old	0.94%	3"	2200'	Unknown	Potential Grant	45	Unknown
Mocking Bird Line Replacement	Approx. 44 Years	0.44%	4"	1600'	Unknown	Potential Grant	21	Unknown

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REQUEST NO. 1-20: Refer to Case No. 2019-00275, final Order dated October 7, 2019.

a. Describe the activities that were completed in reference to “beginning the process of G.P.S. mapping of the system” that is referenced in the project description on page two of the October 7, 2019 final Order.

b. Provide the cost incurred and supplier who performed the activities.

c. State how the activities performed under the authority of this CPCN will benefit or be utilized by Integrity in conjunction with their proposed GIS activities.

RESPONSE: (a) Big Sandy District used proceeds from this project to start the implementation of a GIS system as stated. These funds did purchase two handheld devices, protective cases, and a free trial with Diamond Mapping was started by District personnel. The system was never developed due to understaffing during the COVID-19 pandemic. The District still possesses these handheld devices and can still be used with future mapping.

(b) The total costs incurred for beginning the process of the GPS mapping of the system were \$756.81, which was for the cost of the handheld devices. No costs were incurred for the use of the Diamond Mapping software as the District obtained a free trial, but did not incur the costs of subscribing as a result of the staffing issues identified in subpart (a). Big Sandy Water personnel performed the limited activities associated with the project.

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(c) **The activities performed under the authority of this CPCN will benefit the project because Big Sandy District and Integrity will be able to utilize the handheld devices purchased in the performance of the GIS activities, avoiding additional equipment costs.**

**Witness: Jessica Sexton
 James Blanton**

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REQUEST NO. 1-21: State whether any of the requested items or projects in this case overlap with any of the items that the Commission authorized Big Sandy District to purchase using water loss surcharge funds granted in Case No. 2022-00301.

RESPONSE: In Case No. 2022-00301, the Commission granted the District approval to use surcharge funding for a listening device, leak logging devices, hiring of a full time leak detection employee, and a truck. The purchase of these items will not overlap with the proposed Leak Reduction Project, and Big Sandy District will purchase these items using water loss surcharge funds as approved in Case No. 2022-00301.

The Commission also granted the District approval to purchase 1,000 new meters to replace old meters in the ground. If the Commission approves the project with Integrity, the District will no longer need to purchase 1,000 meters as the requested funding for the Leak Reduction Project will provide the funding necessary to replace all meters with Neptune Mach 10, solid state AMI meters.

Witness: Jessica Sexton

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FIRST REQUEST FOR INFORMATION

REQUEST NO. 1-22: State whether Big Sandy District purchased the 1,000 water meters authorized in Case No. 2022-00301, and if so whether Big Sandy District intends to replace those meters with the AMI meters.

RESPONSE: The District has not purchased the 1,000 meters that were authorized in Case No. 2022-00301. The District will not purchase these meters out of the surcharge funds if the proposed project is approved with Integrity.

Witness: Jessica Sexton

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
INFORMATION SYSTEM, ISSUANCE OF EVIDENCE OF INDEBTEDNESS,
AND REQUEST FOR EXPEDITED RELIEF
CASE NO. 2023-00163

BIG SANDY WATER DISTRICT'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

REQUEST NO. 1-23: State how this will affect the employee that Big Sandy District was authorized to hire to work exclusively on leak detection and repair in Case No. 2022- 00301.

RESPONSE: The employee that was authorized to be hired to work exclusively on leak detection is not expected to be impacted, other than this project will provide new leak detection equipment and more personalized training with Integrity. After the project, the leak detection efforts will be more focused with more robust reporting of Non-Revenue Water by zone.

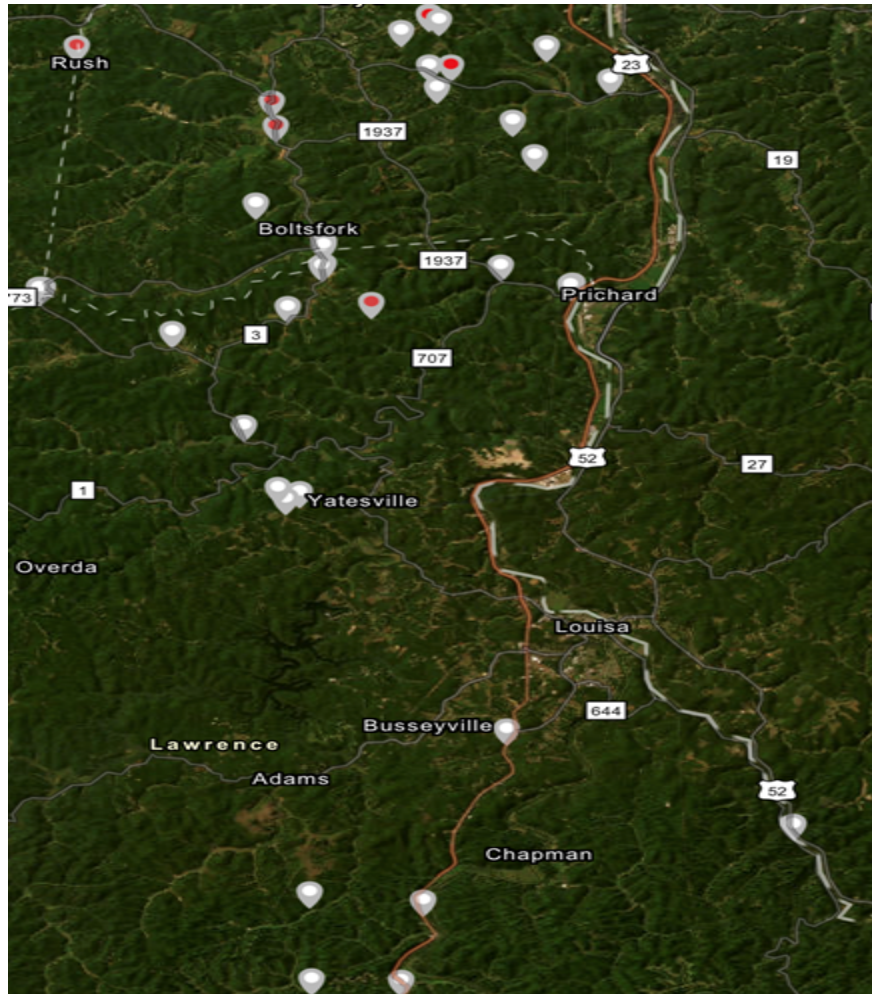
Witness: Jessica Sexton

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
INFORMATION SYSTEM, ISSUANCE OF EVIDENCE OF INDEBTEDNESS,
AND REQUEST FOR EXPEDITED RELIEF
CASE NO. 2023-00163

BIG SANDY WATER DISTRICT'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

REQUEST NO. 1-24: Provide a map indicating the location of the proposed fourteen new meter pits and identify them by zone.

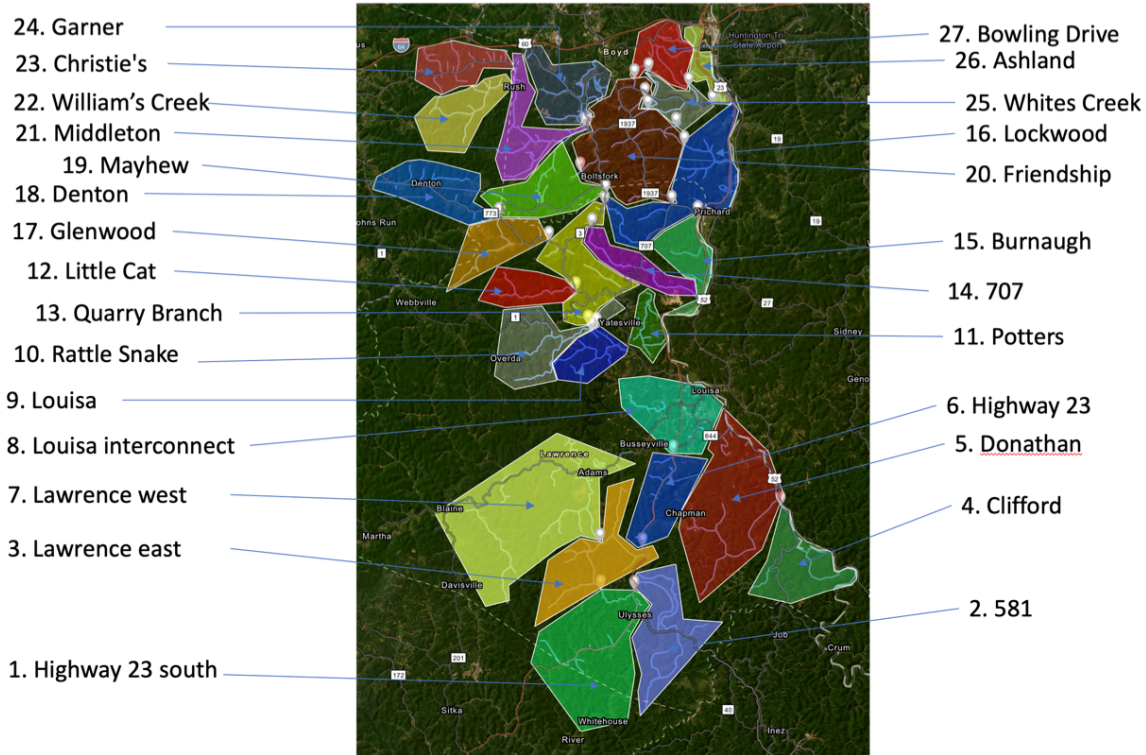
RESPONSE: The Leak Reduction Project includes installation of new zone meters in all proposed zones, existing or new. The proposed installation of the new zone meters are indicated as pinpoints in the map below.



ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
 FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
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BIG SANDY WATER DISTRICT’S RESPONSES TO COMMISSION STAFF’S
 FIRST REQUEST FOR INFORMATION

A map showing the corresponding zone for each of the proposed zone meters is below.



**Witness: James Blanton
 Brandon Marcum (Integrity)**

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
INFORMATION SYSTEM, ISSUANCE OF EVIDENCE OF INDEBTEDNESS,
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CASE NO. 2023-00163

BIG SANDY WATER DISTRICT'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

REQUEST NO. 1-25: State whether Big Sandy District considered any other meter brand besides Neptune and explain why Neptune was chosen over any others.

RESPONSE: Integrity has strategic partnerships with multiple manufacturers. Prior to submitting its bid, Integrity investigated three scenarios for both AMI and meters. Integrity proposed Neptune Mach 10 meters based on their value, best in class accuracy, and Big Sandy District's long-term service relationship with the local Neptune office.

As a result, Big Sandy District was comfortable accepting the proposal to use Neptune meters.

Witness: Brandon Marcum
James Blanton

ELECTRONIC APPLICATION OF BLUEGRASS WATER UTILITY OPERATING
COMPANY, LLC FOR ADJUSTMENT OF SEWAGE RATES
CASE NO. 2022-00432

BLUEGRASS WATER UTILITY OPERATING COMPANY, LLC'S RESPONSES TO THE
COMMISSION STAFF'S SUPPLEMENTAL REQUEST FOR INFORMATION

REQUEST NO. 1-26: State whether Big Sandy District considered any other model of meter than the Neptune MACH 10, and if so explain why the Neptune MACH 10 was chosen over any others.

RESPONSE: Big Sandy District did consider other models of meters other than the Neptune Mach 10, however, for the longevity of the District and its customers, the District felt best about investing in the best meters that are offered by Neptune which is the Mach 10. These meters should last longer, and be more accurate giving the District a more accurate reading and providing the best water to its customers.

Witness: James Blanton

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
INFORMATION SYSTEM, ISSUANCE OF EVIDENCE OF INDEBTEDNESS,
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CASE NO. 2023-00163

BIG SANDY WATER DISTRICT'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

VERIFICATION

I, Jessica Sexton, verify, state, and affirm that the information request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Jessica Sexton, Office Manager

Name

Title

Big Sandy Water District

Date: 7/7/2023

COMMONWEALTH OF KENTUCKY)

) ss:

COUNTY OF BOYD)

SUBSCRIBED AND SWORN TO before me on this the 7th day of July, 2023.

My commission expires: 10/14/2023



Bobbi Burton
Notary Public

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
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CASE NO. 2023-00163

BIG SANDY WATER DISTRICT'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

VERIFICATION

I, James Blanton, verify, state, and affirm that the information request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

James H. Blanton

Name

Title

Big Sandy Water District

Date: 7/7/2023

COMMONWEALTH OF KENTUCKY)

) ss:

COUNTY OF BOYD)

SUBSCRIBED AND SWORN TO before me on this the 7th day of July, 2023.

My commission expires: 10/14/2023



Bobbi Burton

Notary Public

ELECTRONIC APPLICATION OF BIG SANDY WATER DISTRICT
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
DEPLOY AN ADVANCED METERING INFRASTRUCTURE AND GEOGRAPHIC
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CASE NO. 2023-00163

BIG SANDY WATER DISTRICT'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION

VERIFICATION

I, Brandon Marcum, verify, state, and affirm that the information request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Brandon Marcum

Name

Title: Account Executive

Integrity Water and Energy

Date: 7/10/23

SUBSCRIBED AND SWORN TO before me on this the 10 day of July, 2023.

My commission expires: June 18, 2031

Larissa Mattingly
Notary Public

