McKinney Water District

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Matt Rankin, Chairman

March 19, 2025

Kentucky Public Service Commission

P.O. Box 615

Frankfort, Kentucky 40602-0615

Case No. 2025-00022

Dear Commissioners:

As Chairman of the McKinney Water District, I am writing in response to the public comment submitted by the General Manager of the City of Stanford Waterworks regarding McKinney Water District's application to construct an interconnection with the City of Danville Municipal Utilities water system.

First and foremost, McKinney Water District's decision to seek an interconnection with Danville is rooted in our responsibility to provide our customers with the highest quality and most reliable water possible. While Stanford has made progress in addressing water quality issues, they still lag in providing sufficient quantities of water both raw water and treated water to meet their customers' needs during extreme events. McKinney has continued to experience concerns regarding long-term reliability and supply stability.

McKinney Water District had received an Agree Order (DOW#150283) in October 2016. A Corrective action plan was submitted in April 2017. We acknowledge that McKinney Water District has not experienced issues with disinfection byproducts since 2019 after Stanford addressed deficiencies in its Water Treatment Plant. We appreciate Stanford's efforts in resolving those concerns and maintaining improved water quality.

However, the reliability of Stanford's water supply remains a significant concern. The December 2022 flash-freeze and another occurrence again in December 2024 in freezing weather when Stanford Waterworks notified McKinney Water of possible interruption of service. These events highlighted the need for additional capacity to handle such events. The incidents highlighted vulnerabilities in Stanford's system, which resulted in Stanford temporarily closing the Neals Creek master meter to manage water loss. While McKinney understands this decision was necessary to stabilize Stanford's supply, it significantly impacted on our ability to serve our customers.

Further concerns arose in the fall of 2023 when Stanford experienced a water shortage due to the raw water supply lake falling below operational levels during a dry period.

Additionally, while no termination of service occurred, Stanford issued a notice during the Christmas season of 2023 indicating that water demand was exceeding the treatment plant's raw water supply capacity — another indication that Stanford's system is vulnerable to periods of high demand.

McKinney Water District acknowledges and appreciates Stanford's investment in infrastructure improvements, including the replacement of water lines feeding McKinney's pump station. This project was completed in 2020 after filing a McKinney project with BGADD in mid-2018 for the Phase 1A (Danville Connection) water project. This is a further

indication of the lack of communication between Stanford Waterworks and the McKinney Water District. Regardless of the communication problems, McKinney Water District has an obligation to supply water to its customers in the best way possible. The interconnection with Danville will enhance our system's redundancy, improve reliability, and ultimately provide a more secure and stable water supply for our customers. The project will ultimately reduce the cost of purchased water since Danville's rates are lower. This is of course offset by construction funding costs for a time.

Additionally, the proposed project includes the replacement of old asbestos cement water lines within McKinney's distribution system. These improvements will directly benefit McKinney customers by improving water quality and increasing overall system efficiency. The project will also increase the size of water supply mains to handle current and future customer demands for the next 50 years.

It is important to note that McKinney Water District's goal is not to sever ties with Stanford but to enhance our ability to serve our customers effectively. Having a third source of supply will strengthen our overall system, provide operational flexibility, provide emergency capabilities, and allow us to better manage future challenges.

In conclusion, McKinney Water District remains committed to providing our customers with safe, clean, and reliable water. The proposed interconnection with Danville is a necessary and strategic step toward achieving that goal. We appreciate the Commission's attention to this matter and welcome any further questions or requests for clarification.

Sincerely,

Matt Rankin

Chairman

McKinney Water District