

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE	)	
OPERATING CAPACITY OF MARTIN	)	CASE NO.
COUNTY WATER DISTRICT PURSUANT TO	)	2016-00142
KRS 278.280	)	

ORDER

On April 11, 2016, the Commission entered an Order opening this investigation into deficiencies identified in the Commission Staff's December 12, 2014 Utility Inspection Report (Inspection Report) of Martin District's facilities and records. The investigation also includes Martin District's compliance with the Required Action plan set forth in Appendix A of the Commission's April 2, 2008 Order in Case No. 2006-00303<sup>1</sup> and allegations of service quality deficiencies identified by Gary Ball, a customer of Martin District, through his complaint to the Commission.<sup>2</sup>

The Commission has conducted a public meeting, and six hearings to take evidence on these issues and, in particular, on Martin District's water-loss-reduction planning and efforts, leak-reduction planning and efforts, including the prioritization of finding and repairing major leaks, unmetered service and theft of water, bad debt expense, and the status of the surcharge that the Commission approved for paying its accounts payable.

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<sup>1</sup> Case No. 2006-00303 *An Investigation into the Management and Operation of Martin County Water District* (Ky. PSC Apr. 2, 2008).

<sup>2</sup> Order (Ky. PSC Apr. 11, 2016) at 8.

In order to continue this investigation, the Commission finds that a hearing should be held, pursuant to 807 KAR 5:001, Section 9(3), to take evidence on all issues subject to this investigation. Martin District should be prepared to discuss at the hearing all of the issues within the scope of this investigation, including its responses to the various requests for information; service quality issues; its water loss reduction planning and efforts; its leak reduction planning and efforts, including the prioritization of finding and repairing major leaks, unmetered service and theft of water; its bad-debt expense; its efforts to collect on past-due accounts; its progress in reducing its accounts payable; the status of the surcharge that the Commission approved for paying its accounts payable; and to determine the progress that Martin District has made since the issuance of the November 5, 2018 Order in Case No. 2018-00017, which has been incorporated by reference.<sup>3</sup>

Furthermore, the Commission finds that Martin District should provide notice of the hearing to its customers by publication.

IT IS HEREBY ORDERED that:

1. A hearing for the purpose of taking evidence on the issues within the scope of this investigation in the instant case shall be held on February 20, 2019, at 9 a.m. Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

2. All parties shall adhere to the procedural schedule set forth in the Appendix to this Order.

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<sup>3</sup> The record of Case No. 2018-00017 was incorporated by reference by Order dated August 28, 2018.

3. a. Responses to requests for information shall be appropriately bound, tabbed, and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Martin District shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which Martin District refuses to furnish all or part of the requested information, Martin District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

f. Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

4. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8, and shall also file an original and six copies in paper medium. The copies in paper medium should be appropriately bound, tabbed, and indexed.

5. Martin District shall appear at the formal hearing scheduled on February 20, 2019, and shall present witnesses who are prepared to discuss the issues within the scope of this proceeding, the topics identified in this Order *supra*, and the information filed into the record through Martin District's responses to requests for information.

6. Martin District shall file with the Commission, no later than February 14, 2019, a list of witnesses and exhibits to be presented at the February 20, 2019 hearing. Martin District shall provide six copies of any exhibit it intends to introduce into evidence at the hearing.

7. Martin District shall publish notice of the scheduled hearing in accordance with 807 KAR 5:001, Section 9(2)(b), no more than 21 days and no less than 7 days before the day of the scheduled hearing in all areas in which it provides water service. In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, [psc.ky.gov](http://psc.ky.gov)." At the time the notice is mailed or publication is requested, Martin District shall forward a duplicate of the notice and request to the Commission.

8. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video transcript shall be made of the hearing.

9. The Commission shall serve a copy of this Order to the Kentucky Division of Water and also on the Martin County Judge/Executive.

By the Commission



ATTEST:

  
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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00142 DATED **NOV 14 2018**

- All requests for information to Martin District  
shall be filed no later than..... 12/07/18
- Martin District shall file responses to all requests  
for information no later than..... 01/04/19
- All supplemental requests for information to Martin District  
shall be filed no later than..... 01/22/19
- Martin District shall file responses to all supplemental  
requests for information no later than ..... 02/11/19
- Public Hearing to be held in Hearing Room 1  
of the Commission's offices at 211 Sower Boulevard,  
Frankfort, Kentucky, for the purpose of  
cross-examination of witnesses of Martin District .....02/20/19

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