

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PROPOSED FILING OF GREEN)	CASE NO.
RIVER VALLEY WATER DISTRICT TO AMEND)	2020-00026
ITS TARIFF)	

ORDER

On December 11, 2019, Green River Valley Water District (Green River Valley District) filed a tariff sheet setting forth proposed conditions of service applicable in situations where Green River Valley District's system did not meet a minimum of 30 psi at the customer's meter. Green River Valley District proposed an effective date of February 1, 2020. By Order dated January 31, 2020, the Commission, pursuant to KRS 278.190(2), suspended the effective date of the proposed tariff amendments for five months up to and including June 30, 2020, and established this proceeding to investigate the reasonableness of Green River Valley District's proposed tariff amendments.

By Order dated June 22, 2020, the Commission found it would not conclude these proceedings prior to the expiration of the suspension period. The Commission ordered Green River Valley District to notify the Commission in writing prior to placing the proposed conditions of service in effect, and to maintain its records in a manner that would enable it, the Commission, or its customers to determine the amounts to be refunded and to whom a refund was due in the event the Commission ordered a refund to customers who incurred an expense as a result of the service conditions.¹ On August 24, 2020,

¹ Case No. 2020-00026, *Electronic Proposed Filing of Green River Valley Water District to Amend Its Tariff*, (Ky. PSC June 22, 2020).

Green River Valley District filed a motion for leave to withdraw the proposed tariff revision (Motion for Leave to Withdraw) and its response to Commission Staff's Fifth Request for Information (Response to Staff's Fifth Request). No party sought intervention in this proceeding, and the matter now stands submitted to the Commission for a decision.

In its Motion for Leave to Withdraw, Green River Valley District states that on August 19, 2020, Green River Valley District's Board of Commissioners adopted a written policy on water pressure that differs significantly from the proposed service conditions and renders them obsolete.² Numbered paragraphs three through six of Green River Valley Water District Policy on Water Pressure (Policy on Water Pressure), as set forth in Attachment 12 to Response to Staff's Fifth Request, reads:

3. The District finds any applicant for water service that meets all conditions of service set forth in the District's filed rate schedules shall be permitted to connect to the District's water distribution system so long as the District is able to provide water service at a pressure of at least 30 psig at the point of connection of the customer's service line and the District's facilities ("the customer's meter").

4. If the District is unable to provide water service to an applicant for service at a pressure of at least 30 psig at the customer's meter but can do so if an individual pump is installed on the customer's side of the point of connection, the District shall **at its own expense** install such a pump and shall be responsible for the pump's maintenance and repair. If an installed pump fails and such failure is not the result of the customer's negligence or willful misconduct, the District shall **at its own expense** replace the failed pump and shall be responsible for the replacement pump's maintenance and repair. (Emphasis in original.)

5. If the District is unable to continue providing water service to an existing customer at a pressure of at least 30 psig at the

² Motion to Withdraw, (filed Aug. 24, 2020), at Item 4. The Commission notes that the motion to withdraw indicates the policy was approved on Aug. 19, 2020, but the copy of the policy filed with the Commission as Attachment 12 to Green River Valley's Response to Staff's Fifth Request is marked "Approved August 20, 2020."

meter but can do so if an individual pump is installed on the customer's side of the point of connection, it shall **at its own expense** install such a pump and shall be responsible for the pump's maintenance and repair. If an installed pump fails and such failure is not the result of the customer's negligence or willful misconduct, the District shall **at its own expense** replace the failed pump and shall be responsible for the replacement pump's maintenance and repair. (Emphasis in original.)

6. If the District is unable to provide to an applicant for service water service at a pressure of at least 30 psig at the customer's meter with the installation of an individual pump, its General Manager and Consulting Engineer shall determine whether the requested extension of service to the applicant is reasonable and report their findings to the District's Board of Commissioners. These findings shall include a description of the actions necessary to increase water pressure at the customer's meter and the cost to undertake those actions.³

Every Kentucky utility is required to furnish adequate, efficient and reasonable service, and may establish reasonable rules governing the conduct of its business and the conditions under which it shall be required to render service.⁴ Water utilities in Kentucky are required to maintain pressure between 30 psi and 150 psi at the customer's service pipe.⁵ The Commission may permit deviations from administrative regulations if good cause is shown.⁶ The Commission has denied previous requests for deviation from minimum pressure requirements, finding that pressures below 30 psi do not conform to good standard engineering practice and pose a potential public health threat.⁷

³ Response to Staff's Fifth Request (filed Aug. 24, 2020), Attachment 12.

⁴ KRS 278.030(2).

⁵ 807 KAR 5:066, Section 5(1). (Previously, 807 KAR 5:066, Section 6(1)).

⁶ 807 KAR 5:066, Section 18.

⁷ See Case No. 10264, *The Application of Tri-Village Water District for a Deviation from the Water Storage Requirements of 807 KAR 5:066, Section 6(1) Regarding Water Pressure* (Ky. PSC Aug. 24, 1988), and Case No. 1992-00183, *The Application of South Shore Water Works Company for a Deviation Pursuant to 807 KAR 5:0066, Section 6(1), Regarding Standard Pressure*. (Ky. PSC May 26, 1992).

In its original filing, Green River Valley District neither requested a deviation nor attempted to show good cause existed. Instead, Green River Valley District proposed a change to its tariff, adding two new rules, one for new retail customers in low pressure areas and one for existing retail customers in low pressure areas. Green River Valley District originally proposed it would not set a meter for any new customer where it could not maintain water pressure at or above 30 psi, unless the prospective customer agreed to install and maintain an individual pressure pump at their own expense to provide water pressure at the required level.⁸ For all existing customers in low pressure areas, Green River Valley District proposed to install an individual pressure pump at Green River Valley District's expense, and to maintain the pump at the utility's expense for no more than one year.⁹

The Commission denied a similar proposed change to Bracken County Water District's (Bracken District) tariff in Case No. 2000-00209. Bracken District proposed to add a Refusal of Service section to its tariff, and refuse new service in an area where its water pressure was at or below the minimum required by the Commission, the Kentucky Division of Water, or any other state or local agency. The Commission found that approval of the proposed tariff provision would permit the Bracken District to operate below the minimum flow required by law and relieve it of any responsibility to grow or improve its system.¹⁰

⁸ Tariff Filing of Green River Valley Water District (filed Dec. 11, 2019), Sheet No. 26.

⁹ *Id.*

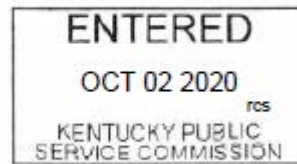
¹⁰ Case No. 2000-00209, *The Tariff Filing of Bracken County Water District to Add Refusal of New Service Section* (Ky. PSC Nov. 30, 2000).

Having reviewed Green River Valley District's Motion for Leave to Withdraw, and Green River Valley District's newly adopted Policy on Water Pressure, and being otherwise sufficiently advised, the Commission finds Green River Valley District's Motion for Leave to Withdraw should be granted. Further the Commission finds the Policy on Water Pressure adopted by Green River Valley District's Board of Commissioners conforms to statutory and regulatory requirements concerning minimum water pressure and Green River Valley District should file a tariff sheet reflecting the policy embodied in numbered paragraphs 3 through 6 of the Policy.

IT IS THEREFORE ORDERED that:

1. Green River Valley District's Motion for Leave to Withdraw is granted.
2. Within 30 days of the date of entry of this Order, Green River Valley District shall file with the Commission, using the Commission's electronic Tariff Filing System, tariff sheets reflecting numbered paragraphs 3 through 6 of the Policy on Water Pressure adopted by Green River Valley District's Board of Commissioners on August 20, 2020.
3. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:



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