

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MARTIN)	
COUNTY WATER DISTRICT FOR AN)	CASE NO.
ALTERNATIVE RATE ADJUSTMENT)	2021-00154

NOTICE OF FILING

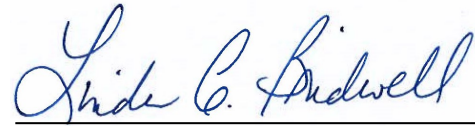
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on September 24, 2021 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on September 24, 2021 in this proceeding;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on September 24, 2021.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at <https://youtu.be/J5-te3blADE>.

Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 4th day of October 2021.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style with a horizontal line underneath it.

Linda C. Bridwell
Executive Director
Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

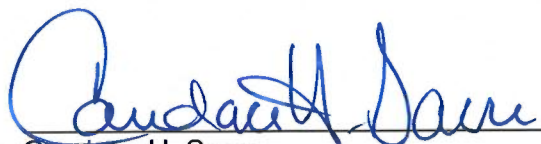
ELECTRONIC APPLICATION OF MARTIN COUNTY)	CASE NO.
WATER DISTRICT FOR AN ALTERNATIVE RATE)	2021-00154
ADJUSTMENT)	

CERTIFICATION


I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on September 24, 2021. The Formal Hearing Log, Exhibit List, and Exhibits are included with the recording on September 24, 2021;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of September 24, 2021; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of September 24, 2021, and the time at which each occurred.

Signed this 1st day of October, 2021.



Candace H. Sacre
Administrative Specialist III



Stephanie Schweighardt
Notary Public State at Large
Commission Expires: January 14, 2023
ID#: 614400



Session Report - Detail

2021-00154 24Sept2021

Martin County Water District (Martin District)

Date:	Type:	Location:	Department:
9/24/2021	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Roger Colton; Jimmy Don Kerr; Nina McCoy; Craig Miller; Ann Perkins; Anthony Sneed
 Judge: Marianne Butler; Kent Chandler; Amy Cabbage
 Clerk: Candace Sacre

Event Time	Log Event	
9:08:52 AM	Session Started	
9:08:58 AM	Camera Lock Deactivated	
9:09:10 AM	Chairman Chandler Note: Sacre, Candace	On the record in 2021-00154, Electronic Application of Martin County Water District for an Alternative Rate Adjustment.
9:09:21 AM	Chairman Chandler Note: Sacre, Candace	My name is Kent Chandler. I am Chairman of the Public Service Commission, and I will be presiding today. Joining me are Vice Chair Amy Cabbage and Commissioner Marianne Butler.
9:09:32 AM	Chairman Chandler Note: Sacre, Candace	COVID and videoconferencing recommendations. (Click on link for further comments.)
9:10:58 AM	Chairman Chandler Note: Sacre, Candace	The hearing today is for the purpose of taking evidence on Martin County Water District's application for alternative rate adjustment. Second hearing, previous hearing on emergency implementation of proposed increase.
9:11:11 AM	Chairman Chandler Note: Sacre, Candace	Entry of appearance of counsel. (Click on link for further comments.)
9:11:17 AM	Atty Cumbo Martin District Note: Sacre, Candace	Brian Cumbo.
9:11:20 AM	Chairman Chandler Note: Sacre, Candace	Note witnesses have available today?
9:11:30 AM	Atty Cumbo Martin District Note: Sacre, Candace	Jimmy Kerr, Chairman, Martin County Water District, and Tony Sneed, Ann Perkins, and Craig Miller with Alliance.
9:11:43 AM	Chairman Chandler Note: Sacre, Candace	Martin County Concerned Citizens?
9:11:45 AM	Atty Cromer MCCC Note: Sacre, Candace	Mary Cromer, and Nina McCoy with me today, Roger Colton remotely, Lisa Stayton unable to attend.
9:11:56 AM	Chairman Chandler Note: Sacre, Candace	Testifying in person and remotely, in introduction of witnesses, also ask what documents in front of them. (Click on link for further comments.)
9:12:32 AM	Chairman Chandler Note: Sacre, Candace	Commission Staff?
9:12:34 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	Brittany Koenig.
9:12:38 AM	Chairman Chandler Note: Sacre, Candace	Public notice. (Click on link for further comments.)

9:12:50 AM	Chairman Chandler Note: Sacre, Candace	Outstanding motions. (Click on link for further comments.)
9:13:07 AM	Chairman Chandler Note: Sacre, Candace	Public comments. (Click on link for further comments.)
9:13:12 AM	Chairman Chandler Note: Sacre, Candace	First witness?
9:14:13 AM	Atty Cumbo Martin District Note: Sacre, Candace	Procedural questions. (Click on link for further comments.)
9:14:39 AM	Atty Cumbo Martin District Note: Sacre, Candace	Call Mr. Kerr.
9:14:48 AM	Atty Cumbo Martin District Note: Sacre, Candace	Move into evidence entire alternative rate application, move evidence from previous hearing.
9:15:10 AM	Chairman Chandler Note: Sacre, Candace	That will be fine.
9:15:11 AM	MARTIN DISTRICT EXHIBITS BY REFERENCE Note: Sacre, Candace	MARTIN DISTRICT APPLICATION FOR ALTERNATIVE RATE ADJUSTMENT FILED APRIL 8, 2021 AND HEARING RECORD MAY 27, 2021, CASE NO. 2021-00154
9:15:21 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
9:15:27 AM	Chairman Chandler - witness Kerr Note: Sacre, Candace	Examination. Name and address?
9:15:43 AM	Chairman Chandler Note: Sacre, Candace	Procedural discussion. (Click on link for further comments.)
9:16:03 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Direct Examination. Explain your relationship to Martin District?
9:16:11 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Application for Alternative Rate Adjustment, emergency hearing, position changed since preliminary hearing?
9:16:29 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	District still require rate adjustment requested?
9:16:46 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Contract with Alliance?
9:16:52 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	What Alliance do for District?
9:16:58 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Contract pays set fee but revenue inadequate?
9:17:06 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Alliance carrying District?
9:17:25 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	When Alliance begin contract operations?
9:17:32 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	When Alliance begin?
9:17:35 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	How characterize job performance?
9:18:43 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	How your role change?
9:19:41 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Mentioned audits completed, '16 '17 '18 '19 '20?
9:19:53 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	All those except '20 past due?
9:19:59 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Alliance helped accomplish those?

9:20:34 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace 2020 audit is unqualified?

9:20:40 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Past due debt to vendors?

9:21:35 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Mentioned monthly shortfall \$50,000?

9:21:49 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Here for application, without rate increase or money not pay back, pretty desperate?

9:23:12 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Loans, explain where are secure loan or loans?

9:24:22 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Tony Sneed?

9:24:27 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Understand PSC approve any loans?

9:24:37 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Alliance performance, hiccups?

9:24:57 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Talked to Alliance about those, talk about lawsuit filed by Xylem?

9:25:54 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Hopefully if can get rate increase and loan?

9:26:19 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Service interruption on 645, tell Commission what situation became and how addressed?

9:30:00 AM Atty Cumbo Martin District - witness Kerr
Note: Sacre, Candace Water levels in reservoir and pump at river, where are in that scenario?

9:31:59 AM Chairman Chandler
Note: Sacre, Candace Questions?

9:32:04 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace Cross Examination. August 5 Order, Staff Report on August 8, District in response said giving a staff response, board approval of that staff report?

9:33:59 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace Xylem, one of vendors authorized paid, have requested there be set of payments to smaller debts, five remaining continuing, current list, Xylem not on list, on list of vendors paid first, \$42,000 paid off?

9:34:48 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace In filing made Oct 10 2018 and Order approving on Oct 16 2018, last rate case, approved pay \$42,000 first set of payments to be paid, while Xylem on list to be paid, not same debt, \$90,000 minus fifteen now owed debt incurred stub year, agree?

9:35:43 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace Aware whether sought PSC approval make \$15,000 payment to Xylem?

9:35:55 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace Service interruption, customers reach out directly?

9:36:14 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace Tell about communications with customers?

9:36:48 AM Atty Comer MCCC - witness Kerr
Note: Sacre, Candace Had customer tried contact office or reach out to you first?

9:37:24 AM Chairman Chandler
Note: Sacre, Candace Questions?

9:37:29 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Cross Examination. 645 outage, only big outage since last hearing, two?

9:38:11 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace When that was?

9:38:20 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Situation send off for part, drive to Virginia, describe situation?

9:39:09 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Describe process outage how alert DOW or PSC about outage?

9:39:23 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Meathouse outage happened before 645 outage?

9:39:27 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace How many affected by that Meathouse outage?

9:39:54 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace How long?

9:40:03 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace On 645, ask Craig process alerting DOW and PSC?

9:40:19 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace How long happening before aware?

9:40:41 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Should have gotten to solution much quicker, what was solution?

9:41:16 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Most recent, on Facebook, outage, related to 645?

9:41:30 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Who running FB for District?

9:41:38 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace Not aware of posting?

9:42:44 AM Asst Gen Counsel Koenig PSC - witness Kerr
Note: Sacre, Candace How many people working right now?

9:43:03 AM Chairman Chandler
Note: Sacre, Candace Questions?

9:43:08 AM Vice Chairman Cabbage - witness Kerr
Note: Sacre, Candace Examination. Minimum usage fee residential, how calculated, better for Miller, Perkins, or you can tell?

9:43:38 AM Chairman Chandler
Note: Sacre, Candace Questions?

9:43:53 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace Examination. Martin District relied on one person who did lot of work, changing a bit, ability to step back, general manager or chair of board, walk through process not involved day to day how as chair of board interacts with District?

9:49:14 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace How long ordinary board meeting last?

9:49:26 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace Walk through a board meeting?

9:49:59 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace Printed copies?

9:50:22 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace How far ahead of meeting get packet from Alliance?

9:50:38 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace Include agenda?

9:50:44 AM Chairman Chandler - witness Kerr
Note: Sacre, Candace Set by you or Alliance?

9:50:47 AM	Chairman Chandler - witness Kerr Note: Sacre, Candace	When make packet public?
9:51:40 AM	Chairman Chandler Note: Sacre, Candace	Questions?
9:51:43 AM	Atty Cumbo Martin District - witness Kerr Note: Sacre, Candace	Redirect Examination. FB, raises issue many customers instead of calling District, put on FB or call PSC, first notice have?
9:55:12 AM	Chairman Chandler - witness Kerr Note: Sacre, Candace	Examination. Do you blame customers for calling PSC?
9:56:03 AM	Chairman Chandler - witness Kerr Note: Sacre, Candace	Recommendation, work closely with KRW, not first utility in America, Kentucky have a trust issue, on issue of interaction use resources operations, good resource on this customer interaction fact?
9:57:09 AM	Chairman Chandler Note: Sacre, Candace	Witness step down, prefer stay.
9:57:38 AM	Chairman Chandler Note: Sacre, Candace	Call next witness?
9:57:42 AM	Atty Cumbo Martin District Note: Sacre, Candace	Tony Sneed.
9:58:28 AM	Chairman Chandler Note: Sacre, Candace	Exhibits to pass out?
10:01:24 AM	Camera Lock PTZ Activated	
10:02:07 AM	Atty Cumbo Martin District Note: Sacre, Candace	Exhibits, tell where to find exhibits? (Click on link for further comments.)
10:02:09 AM	Camera Lock Deactivated	
10:02:54 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
10:03:01 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Examination. Name and address?
10:03:22 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Direct Examination. Explain how employed, capacity?
10:03:33 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Tell Commission education, training, background, experience, certifications?
10:04:25 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Since Alliance, involved in partnership?
10:04:44 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Opinion whether District in need of alternative rate adjustment?
10:05:23 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Calculations Alliance utilized to make application, what exhibit referring to?
10:13:27 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	By board?
10:15:50 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	How arrived rate requested?
10:16:02 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Why did not ask for rate to fund depreciation?
10:17:01 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Alliance carrying District some time, total behind on payments to Alliance?
10:18:14 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Addressed affordability issue?

10:18:49 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace District and Alliance not opposed alternative solutions?

10:19:37 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Whether affordability implemented, issue today crisis mode unless infusion of cash?

10:20:42 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Xylem issue, go ahead?

10:22:04 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Numbers used for alternative rate adjustment application auditor numbers?

10:22:10 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace 2020 audit without qualification?

10:22:16 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Tell Commission about loan working on?

10:23:47 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Service interruptions on 645, what Alliance position?

10:25:41 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Change in Alliance SOP?

10:25:52 AM Atty Cumbo Martin District - witness Sneed
Note: Sacre, Candace Not only Martin County, other districts customers out of water 24 hours?

10:26:22 AM Chairman Chandler
Note: Sacre, Candace Questions?

10:26:26 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Cross Examination. Xylem account, basing what was saying on open records request, talked to PSC read orders what was allowable, in writing, phone call?

10:27:49 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Working with Raymond James, KRW, loan consolidation, separate what Kerr talked local bank?

10:28:24 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Kerr said talked local bank specific terms, pretty good, talking to Raymond James and KRW, different terms?

10:28:56 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Last hearing, testified hopeful rate put in place, continue address water loss, move forward, still feel that hope?

10:29:54 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace District failure pay Alliance timely affected Alliance performance and obligations?

10:30:08 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Believe District cash flow problems hampered ability pump from river?

10:30:15 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace District cash flow problems hampered ability deal with Meathouse and Brown pump failures?

10:31:08 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Think District turnover rate distribution hampered ability deal with pump failures?

10:32:43 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace How many seasoned employees, ask you or Miller?

10:33:05 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Years of experience, how many years working water customers charged what flows through meter?

10:33:28 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Assume not case with military?

10:33:37 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Air in lines shutoff occurred cause usage readings?

10:33:47 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Type District has?

10:34:21 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Trust and customer service, tried help develop protocols for District, finished customer service SOP?

10:36:36 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Acknowledge MCCC reached out, wanting be involved in process?

10:37:22 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Frustration sent letter in Jan 2020, followed up year later, not getting responses?

10:37:55 AM Atty Cromer MCCC - witness Sneed
Note: Sacre, Candace Still willing to work with you on developing process.

10:38:51 AM Chairman Chandler
Note: Sacre, Candace Questions?

10:38:55 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Cross Examination. Described calculation, meet legal requirements?

10:39:20 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Since then, District still meet legal requirements if rate increase on interim emergency status left in place?

10:41:18 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Board not willing ask more, board not approve, Alliance no problem, losing so much each month?

10:43:05 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Speaking time periods make evaluation, what reasonable say given good shot, it worked?

10:43:45 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace What reasonable say talked progress Alliance made but not gotten shot starting from zero, what reasonable assess Alliance job, benchmarks, time it will take?

10:46:19 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace On water loss?

10:47:00 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Think reasonable ask for rate increase more than a year out?

10:47:27 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Reasonable based on numbers in record make projection what going to need?

10:48:16 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Application, Attachment 4-G, last page, who prepared?

10:49:56 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Feel comfortable speak to contents?

10:50:06 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Looks like takes into account annual chemical costs, purchase power for production, associated labor, cost per 1,000 gallons is 93 cents?

10:50:28 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Amounts include depreciation for plant?

10:50:35 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Fixed costs at plant?

10:50:59 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Operating costs but not costs keep facilities open?

10:51:33 AM Asst Gen Counsel Koenig PSC - witness Sneed
Note: Sacre, Candace Does schedule take into account purchased power expensed to pump water through river intake into reservoir?

10:52:10 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	Not included depreciation on river intake or any other equipment?
10:52:29 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	Speak how many plant operators in District to stay in compliance DOW regardless of production, treatment plant operators?
10:53:08 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	Five now, need three keep going?
10:53:26 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	That would be fixed labor expense?
10:53:39 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	River intake, lot of troubles?
10:53:59 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	Ask Miller actual cost pump and treat water from system?
10:54:11 AM	Asst Gen Counsel Koenig PSC - witness Sneed Note: Sacre, Candace	To keep water flowing to treatment plant, actual costs?
10:54:56 AM	Chairman Chandler Note: Sacre, Candace	Enter Exhibits? (Click on link for further comments.)
10:54:57 AM	MARTIN DISTRICT EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY CUMBO MARTIN DISTRICT - WITNESS SNEED MARTIN COUNTY WATER DISTRICT NET INCOME ON A CASH BASIS (SNAPSHOT) EXCLUDES DEPRECIATION (FORMAT REVISED 28 JULY 20)
10:54:58 AM	MARTIN DISTRICT EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	ATTY CUMBO MARTIN DISTRICT - WITNESS SNEED FISCAL YEAR BUDGET - ACTUALS & FYE 2022 ESTIMATE - STATEMENT OF REVENUES AND EXPENDITURES
10:54:59 AM	MARTIN DISTRICT EXHIBIT 3 Note: Sacre, Candace Note: Sacre, Candace	ATTY CUMBO MARTIN DISTRICT - WITNESS SNEED MARTIN COUNTY WATER DISTRICT (IMPACT OF PROPOSED INCREASE)
10:55:00 AM	PSC EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ASST GEN COUNSEL KOEING PSC - WITNESS SNEED ALLIANCE WATER RESOURCES WATER TREATMENT PRODUCTION COSTS MARTIN COUNTY WATER DISTRICT 2020
10:55:28 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:55:36 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Examination. Refinancing, looking to refinance at lower interest rates?
10:57:06 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Looking to clean up, get better quality financing?
10:57:23 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Possible mechanisms clear off debt, same debt covenant 1.2 ratio?
10:59:02 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	1.2 coverage ratio fairly average?
10:59:55 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Monthly minimum, answer how set or someone else?
11:01:20 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Know how many customers 2021 only paying monthly minimum?
11:01:50 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Same true how many customers in arrears paying monthly minimum?
11:02:10 AM	Vice Chairman Cubbage - witness Sneed Note: Sacre, Candace	Helpful know it available?

11:02:24 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:02:32 AM	Commissioner Butler - witness Sneed Note: Sacre, Candace	Examination. Five licensed operators, plant operators?
11:02:59 AM	Commissioner Butler - witness Sneed Note: Sacre, Candace	How may have water distribution license?
11:03:11 AM	Commissioner Butler - witness Sneed Note: Sacre, Candace	How many crews typical day to work on systems?
11:03:40 AM	Commissioner Butler - witness Sneed Note: Sacre, Candace	Run other water districts in Kentucky?
11:03:57 AM	Commissioner Butler - witness Sneed Note: Sacre, Candace	When first started, said Alliance took over District knowing losing money, something Alliance typically does?
11:06:22 AM	Commissioner Butler - witness Sneed Note: Sacre, Candace	Unaccounted for water, quite high, hopefully get to 40 percent, think 40 percent acceptable?
11:07:55 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Examination. Cost to produce water, calculation generally, District selling water to another district, recommend including entirety of costs of supply and production be included?
11:09:12 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	If have district have hydraulics, lack of leaks, run eight hours a day, need five water plant operators?
11:10:13 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	If running through pumps because operate 24 hours a day, wear and tear, operational depreciation, can be avoided, last longer, replacements deferred if running less?
11:11:07 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	District rate regulated, revenues behind, took longer, reference to actual time since application filed or time since board voted on rate increase and time it took from that point until application filed?
11:12:22 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Pre and post application takes longer?
11:12:35 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Cash flow impact ability pump from river, not think did, really the case, issues at river not impacted at all cash flow issues?
11:13:38 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Pump get flooded?
11:13:54 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Rise of water cost District?
11:14:11 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Fixed pump for free even flooded?
11:14:25 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Had adequate flow, could pay to move pump out of way?
11:14:58 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Asked volunteer free equipment get pump out of way?
11:15:24 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Water loss, term using, not necessarily mean, technical terms to use in talking water loss?
11:15:52 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Actual amount produced, some idea how much water takes into plant and going out, revenue water and nonrevenue water, equal amount water leaves plant?
11:16:31 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Revenue water, water runs through read by meter?

11:16:44 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Can include water metered and water paid for and water not, effectively what billed?
11:17:03 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Non revenue, utility use, other uses, water loss?
11:17:17 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Water loss, water running into ground, nonrevenue water higher than 70 percent?
11:18:18 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	30 percent metered, rest 70 percent, been there almost a year, of that pie, have idea how broken out subcategories use to define water loss?
11:21:18 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Misread meters?
11:21:49 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Beyond what life is?
11:22:13 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Best person talk about meters?
11:22:41 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Try get water loss down to 40-50 percent, combination of things doing?
11:24:31 AM	Chairman Chandler - witness Sneed Note: Sacre, Candace	Have conversations with fire department?
11:25:25 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Redirect Examination. Don't think put in record amount of vendor debt, which understand is \$717,000, correct?
11:25:42 AM	Atty Cumbo Martin District - witness Sneed Note: Sacre, Candace	Ties into VC Cabbage question, on books, not paying interest, folks carrying with promise pay?
11:26:21 AM	Session Paused	
11:41:42 AM	Session Resumed	
11:41:48 AM	Chairman Chandler Note: Sacre, Candace	Back on record in Case No. 2021-00154.
11:42:04 AM	Chairman Chandler Note: Sacre, Candace	Witness excused.
11:42:09 AM	Chairman Chandler Note: Sacre, Candace	Next witness?
11:42:11 AM	Atty Cumbo Martin District Note: Sacre, Candace	Ann Perkins.
11:42:29 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:42:38 AM	Chairman Chandler - witness Perkins Note: Sacre, Candace	Examination. Name and address?
11:42:52 AM	Atty Cumbo Martin District - witness Perkins Note: Sacre, Candace	Direct Examination. How employed?
11:43:05 AM	Atty Cumbo Martin District - witness Perkins Note: Sacre, Candace	Education, training, background, experience?
11:43:34 AM	Atty Cumbo Martin District - witness Perkins Note: Sacre, Candace	Had opportunity interact with District?
11:45:01 AM	Atty Cumbo Martin District - witness Perkins Note: Sacre, Candace	2020 audit without qualifications?
11:45:13 AM	Atty Cumbo Martin District - witness Perkins Note: Sacre, Candace	What costs savings help bring to District?

11:45:51 AM Atty Cumbo Martin District - witness Perkins
Note: Sacre, Candace What about billing software?

11:46:53 AM Atty Cumbo Martin District - witness Perkins
Note: Sacre, Candace Expense to the District?

11:47:20 AM Atty Cumbo Martin District - witness Perkins
Note: Sacre, Candace Here today rate adjustment, opinion whether District requires rate adjustment?

11:47:41 AM Atty Cumbo Martin District - witness Perkins
Note: Sacre, Candace Sustain operations without rate adjustment or infusion of cash?

11:47:54 AM Atty Cumbo Martin District - witness Perkins
Note: Sacre, Candace Past due with Alliance \$354,000?

11:48:14 AM Chairman Chandler
Note: Sacre, Candace Questions?

11:48:21 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace Cross Examination. Prepare financials for board packet?

11:48:48 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace Familiar what in financials?

11:49:04 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace Unable to find in packet how much outstanding to Alliance?

11:50:10 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace List of bills for consideration?

11:50:33 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace Not report for last month which bills paid?

11:51:09 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace Now have same software, be able to see?

11:51:55 AM Atty Cromer MCCC - witness Perkins
Note: Sacre, Candace During what months District received most customer assistance funding?

11:52:18 AM Chairman Chandler
Note: Sacre, Candace Questions?

11:52:24 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Cross Examination. Confirm amount now owed more two months District owes Alliance?

11:53:13 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Confirm \$353,478?

11:53:27 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Confirm past due accounts payable owed directly from surcharge or stub period?

11:53:44 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Not make headway rates not adequate?

11:54:01 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Eleven percent increase emergency basis sufficient keep District from falling behind?

11:54:50 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Fifty percent bills being paid?

11:55:23 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Rate increase necessary, which rate increase, staff report recommendation or 11 percent?

11:56:32 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace 11 percent allow District pay Alliance?

11:56:47 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Pay debt to Alliance and be able make headway?

11:57:00 AM Asst Gen Counsel Koenig PSC - witness Perkins
Note: Sacre, Candace Still accrue debt it owes right now?

11:57:20 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:57:26 AM	Vice Chairman Cabbage - witness Perkins Note: Sacre, Candace	Examination. Number of customers paying monthly minimums, from time new billing software June 2020 to present, able to pull aggregate numbers customers paying monthly minimum as well as gallon usage of those customers?
11:58:22 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	VICE CHAIRMAN CUBBAGE - WITNESS PERKINS NUMBER OF CUSTOMERS PAYING MONTHLY MINIMUM AND GALLON USAGE OF THOSE CUSTOMERS
11:58:38 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:58:40 AM	Commissioner Butler - witness Perkins Note: Sacre, Candace	Examination. How many customers took advantage of Healthy at Home and federal dollars that came down, District promote that help with past-due bills?
11:59:29 AM	Chairman Chandler - witness Perkins Note: Sacre, Candace	Examination. Impact of proposed increase, presumed average usage for customers 4,000 gallons, know actual District usage is after new billing system?
12:00:05 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS PERKINS AVERAGE ACTUAL CUSTOMER USAGE USING NEW BILLING SYSTEM
12:00:08 PM	Chairman Chandler Note: Sacre, Candace	Break for lunch, return 1 o'clock.
12:00:30 PM	Session Paused	
1:04:10 PM	Session Resumed	
1:04:20 PM	Chairman Chandler Note: Sacre, Candace	Back on record in Case No. 2021-00154.
1:04:29 PM	Chairman Chandler Note: Sacre, Candace	Additional witness?
1:04:30 PM	Camera Lock Deactivated	
1:04:31 PM	Atty Cumbo Martin District Note: Sacre, Candace	Craig Miller.
1:05:09 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
1:05:17 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Examination. Name and address?
1:05:29 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Direct Examination. How employed?
1:05:36 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Education, training, background, experience?
1:06:18 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Number of crews in distribution system?
1:06:59 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Consider that fully staffed, short staffed, need more folks?
1:07:15 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Number of certified operators, water treatment operators and distribution system operators?
1:08:27 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	In compliance with DOW relative to number of certified operators?
1:08:43 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	How tell customers about public assistance available for them?

1:09:26 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Sources of income?
1:10:12 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Anybody calls struggling options made available to them?
1:10:31 PM	Atty Cumbo Martin District - witness Miller Note: Sacre, Candace	Meters, remember question?
1:10:54 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Cross Examination. Annual report, prepared annual reports for 2018?
1:11:47 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Working on 2018 to get that one completed?
1:12:10 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Anticipate filing all at once?
1:12:35 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	How long anticipate before get filed?
1:12:58 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Distribution pump failures, Meathouse and Brown failures, now a requirement outage more than 24 hours, who notify?
1:13:30 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Board, DOW, and president gets notified when more than 24 hours?
1:13:37 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Notify customers how long anticipated outage be?
1:14:38 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Maintain a list of customers who are out?
1:15:27 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Out of water more than 24 hours, procedures in place to provide bottled water?
1:16:02 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Customers without water substantial time, procedure for compensating them?
1:16:28 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	On Tuesday?
1:16:32 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Pumping from river, establish time line this year, in January, new pump installed, flooded on Jan 26 and pulled, May 27 testified pump back in operation this week, period of time Jan 26 and May 27 not able pump from river?
1:17:19 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	What pump put back in operation week of 27th?
1:18:07 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	May 27 attempted to put 2M gallon pump back?
1:18:35 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	May 27 put a pump back this week, pump work?
1:19:00 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	June 29 video on FB and getting loaner diesel pump installed that day, from Jan 26 to June 29 not able pump from river?
1:19:36 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Loaner pump, flooding on 19th?
1:19:51 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	On 19th pulled pump?
1:19:52 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Able to pump June 29 to August 19?
1:20:26 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	June 29 referred to loaner pump as diesel pump?

1:20:41 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Which pump pulled because river going to flood?
1:21:24 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	The loaner pump pulled on Aug 19, not pumping from river until Sept 7?
1:22:32 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Issues related to electrical service could not install four-million-gallon-a-day pump?
1:24:20 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Two weeks large pump, any electrical issues?
1:24:47 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Unable to pump from river 140-170 days, more than half time, where water coming from?
1:25:18 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	What supplying?
1:25:25 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Process for checking reservoir levels?
1:25:42 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	How often District check it?
1:25:55 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	How often checking visually?
1:26:01 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	One person responsible checking every day?
1:26:17 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Part of their duties?
1:26:25 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Report to DOW?
1:26:35 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Determined been points past year reservoir levels low enough to be concern?
1:26:48 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	When did that happen?
1:27:12 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Last hearing, testimony DOW expressed concern, also concerned in May?
1:27:28 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Last time only time reached level of concern?
1:27:36 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Ask customers to conserve water?
1:28:10 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	When reservoir low early September, still pumping water to prison?
1:28:31 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Water shutoffs, night September 7, how many consecutive nights doing that?
1:29:29 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	List of customers affected by each of shutoffs?
1:30:39 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	All areas shutoffs occurring, method to notify customers other than FB?
1:30:58 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Two FB posts, only two?
1:31:08 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Shutoffs night of Sept 7, posted boil water on FB entire system Sept 11, District issued boil water between 7th and 11th?

1:31:38 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Turnover in staff, office staff how many staff?

1:32:07 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace How many been there since Jan 2020?

1:32:20 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Which two, full time?

1:32:30 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Water treatment plant, how many staff?

1:33:04 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Four of five operators have been there?

1:33:14 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Distribution crew, eight total?

1:33:20 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace All full time?

1:33:24 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Any with Alliance since Jan 2020?

1:33:32 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Two out of eight, remaining six how many more than six months?

1:33:56 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Four fairly new?

1:34:00 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Who does training distribution staff?

1:35:04 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace How long distribution crew member fully trained?

1:35:51 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Customer reports of leaks, May 27 testimony, policy, office worker takes report logs onto mapping system, GeoSync system, crew go out and verify, put in work order, get in list of work orders that need to be done?

1:38:23 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Implementing change, backlog of reported leaks?

1:39:37 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace GeoSync may look like there is backlog?

1:39:51 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Are there actually leaks?

1:40:00 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Customer reports leak causing property damage, expedited?

1:40:15 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Walk me through?

1:40:40 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace LIHWAP, Low Income Household Water Assistance program funding yet dispersed, conversations with Community Action and/or Big Sandy ADD about that?

1:41:09 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Who is Cassandra?

1:41:21 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Customer service SOPs working on, completed?

1:41:34 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace What are different titles?

1:41:54 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Customer complaints, separate SOP?

1:42:08 PM Atty Cromer MCCC - witness Miller
Note: Sacre, Candace Walk me through process how customer complaints resolved?

1:42:55 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Office employee designated handle customer complaints?
1:43:09 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	After hours, how handled, how logged?
1:43:36 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Log book taken to office?
1:43:44 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Information on log book get to customer's account same way as if called during day?
1:44:00 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Log book just a piece of paper?
1:44:06 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	If phone busy, backup number?
1:44:31 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Customer complaints logged in system?
1:44:44 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Able to run reports?
1:44:56 PM	Atty Cromer MCCC - witness Miller Note: Sacre, Candace	Complaints not result in work order?
1:45:14 PM	Chairman Chandler Note: Sacre, Candace	Questions?
1:45:19 PM	Asst Gen Counsel Koenig PSC - witness Miller Note: Sacre, Candace	Cross Examination. Process when outage?
1:46:12 PM	Asst Gen Counsel Koenig PSC - witness Miller Note: Sacre, Candace	What about PSC?
1:46:23 PM	Asst Gen Counsel Koenig PSC - witness Miller Note: Sacre, Candace	In hearing room for Perkins, asked about debt owed Alliance, better information, not sure if 11 percent rate increase designed to pay down debt owed Alliance and maintain billing, any opinion whether 11 percent pay down debt and keep current on billing?
1:49:20 PM	Asst Gen Counsel Koenig PSC - witness Miller Note: Sacre, Candace	No opinion?
1:49:35 PM	Asst Gen Counsel Koenig PSC - witness Miller Note: Sacre, Candace	Agree with Sneed assessment three-year period reasonable time period to assess?
1:49:59 PM	Chairman Chandler Note: Sacre, Candace	Questions?
1:50:09 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	Examination. Areas have trouble getting water to, how may booster pumping stations in system?
1:50:23 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	All operational?
1:50:31 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	Tree distribution system?
1:50:35 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	Not much redundancy anywhere?
1:50:58 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	Plan on putting more redundancy, more gates in system?
1:52:32 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	None of booster stations have generators?
1:52:44 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	Talking about pump went down because of rocks, screens on front?
1:52:53 PM	Commissioner Butler - witness Miller Note: Sacre, Candace	Somehow rock got through?

1:52:57 PM	Camera Lock Witness Activated	
1:53:06 PM	Camera Lock Deactivated	
1:53:09 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Examination. Sneed moved into Martin County lived there four months, you been there since beginning 2020?
1:53:55 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Anything said about distinctions and calculation high level revenue water/non-revenue water you disagree with?
1:54:16 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Non-revenue water for Martin County 70 percent total water used, how break down nonrevenue water based on your experience, opinion how break down pie of non-revenue water among varying components?
1:56:08 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Find those every two or three meter reading cycle?
1:56:18 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Combination going around meter or being served without a meter?
1:59:40 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	No portion of the system fire rated?
2:01:32 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	How much system using, how much you all using?
2:01:47 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	How much for system usage, like flushing?
2:02:47 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Flushing through hydrants?
2:03:26 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Estimating flushing, variable know pressure, how many minutes, gauge gallons, problem do not know pressure?
2:04:12 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Have any hydrant keys, or all hydrants locked and need keys?
2:04:57 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	District not propose charge fire departments?
2:05:06 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	For not telling you?
2:05:08 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	No intention charging for water use?
2:05:35 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Identified areas of theft, have referred to county attorney?
2:06:03 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Any finality to any of those?
2:06:20 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	System use, work on that, better job, accurately estimate on water loss reports, nontechnical losses or theft, inaccuracy of meters registering usage between 10 and 15 percent?
2:07:10 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Does that leave anything else but leaks, anywhere else water going?
2:07:33 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	In terms of ROI and fixing water loss, producing less or getting paid for water supplying, ROI to fix this, high rates/cash infusion, capital to fix water loss, where is it would dedicate money?
2:10:38 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Think better use of money distribution system rehabilitation than even meters?
2:13:24 PM	Chairman Chandler - witness Miller	
	Note: Sacre, Candace	Hydraulics of system, water treatment plant past prime?

2:13:43 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	If initiate water into system, where best place put source of water into system be?
2:15:59 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Prison, aware of agreement?
2:16:16 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	If only make money pumping to prison and not cost if not pump to it, worth it, running system still pump up there?
2:20:17 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Power flicker often?
2:20:46 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Staff Exhibit 1, calculation of production costs, you did that calculation?
2:21:04 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	93 cents effectively truly truly instantaneous cost of production of water?
2:21:22 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Only work treatment plant eight hours able use one of those plant operators in field, may not lose cost, not be directly related to this, even looking avoidable cost differently than marginal, those not necessarily included in calculation?
2:22:47 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Truly instantaneous marginal cost as calculated by you from plant meter back?
2:23:05 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Expect with new pump situation, electricity savings or use more electricity?
2:23:30 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	At least until reservoir at adequate level?
2:23:43 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Application utility file increase rates receive RD money with it, source of water, seen any of those?
2:24:09 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	Route 3 done, supplemented by Tug, based on experience, necessarily accurate Crum reservoir supplemented by river, can reservoir provide water to feed system?
2:24:53 PM	Chairman Chandler - witness Miller Note: Sacre, Candace	How dependent getting water from river into reservoir?
2:26:32 PM	Chairman Chandler Note: Sacre, Candace	Questions?
2:26:36 PM	Chairman Chandler Note: Sacre, Candace	Step down.
2:26:38 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
2:26:40 PM	Atty Cumbo Martin District Note: Sacre, Candace	Concludes case for District.
2:26:48 PM	Chairman Chandler Note: Sacre, Candace	Recess until 2:45.
2:26:58 PM	Session Paused	
2:47:42 PM	Session Resumed	
2:47:50 PM	Chairman Chandler Note: Sacre, Candace	Back on record in Case No. 2021-00154.
2:48:01 PM	Camera Lock Deactivated	
2:48:04 PM	Chairman Chandler Note: Sacre, Candace	Witnesses?

2:48:07 PM	Atty Cromer MCCC Note: Sacre, Candace	Roger Colton, remotely.
2:48:23 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
2:48:32 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Examination. Name and address?
2:48:52 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	Direct Examination. By whom employed, in what capacity?
2:49:15 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	Cause prepared written direct testimony?
2:49:28 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	Asked same questions, answers same?
2:49:32 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	Adopt and confirm?
2:49:41 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	What documents in front of you?
2:51:13 PM	Chairman Chandler Note: Sacre, Candace	Questions?
2:51:29 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	Cross Examination. How formed study, based study on, other resources helped provide basis for study?
2:52:40 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	Any reference to state or area implemented policies suggested District implement?
2:54:05 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	Models comparable to District that has problems, situation in, and affordability, examples of implementing these policies that helped in those situations?
2:55:45 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	Recent?
2:56:13 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	City of Philadelphia implementing programs, how affect overall rate for all ratepayers?
2:57:55 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	Take into account how implementing program suggested affect rates other customers not low use or low income?
3:00:31 PM	Asst Gen Counsel Koenig PSC - witness Colton Note: Sacre, Candace	Mentioned not offer specific rate, explain why not present low-use rate?
3:02:15 PM	Chairman Chandler Note: Sacre, Candace	Questions?
3:02:21 PM	Vice Chairman Cabbage - witness Colton Note: Sacre, Candace	Examination. Have direct testimony handy?
3:02:30 PM	Vice Chairman Cabbage - witness Colton Note: Sacre, Candace	Turn to page 14, undertake analysis of impact ordering suggestions 1, 2, and 3 would have on other classes of ratepayers?
3:04:28 PM	Vice Chairman Cabbage - witness Colton Note: Sacre, Candace	Have evidence not in testimony or report demonstrates low-income households tend to be low-use households?
3:06:24 PM	Chairman Chandler Note: Sacre, Candace	Questions?
3:06:28 PM	Commissioner Butler - witness Colton Note: Sacre, Candace	Examination. Interested in studies show lower income lower users, recall lower income did not have energy efficient appliances, tended to use more water, supply research point in that direction?

3:08:49 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Examination. Watched today's hearing?

3:08:53 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Heard District folks discuss electricity provider for District in relation to voltage and power quality issues relating to pumps, remember that?

3:09:29 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Testimony District referring to AEP, aware of AEP?

3:09:56 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Reason believe AEP not own Kentucky Power operates in far east counties of state?

3:10:20 PM Chairman Chandler - witness Colton
Note: Sacre, Candace District sits in Kentucky Power territory, homogenous service territory, average Kentucky Power customer uses significantly more electricity than other investor-owned subsidiaries across state, 1064 kW a month, small housing and use of less energy or water, given data point, speak to those?

3:14:47 PM Chairman Chandler - witness Colton
Note: Sacre, Candace National literature have experience educate ordinary reader households lower incomes use less electricity?

3:16:17 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Experience been homes receive assistance with home energy bills tend use less than average customer?

3:17:55 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Be surprised LIHEAP numbers customers in rural Kentucky and Eastern Kentucky customers on LIHEAP use more than average utility customer?

3:19:22 PM Chairman Chandler - witness Colton
Note: Sacre, Candace No reason to not believe evidence shows average usage LIHEAP customer and residential customer, LIHEAP customers use more electricity than residential customer?

3:20:59 PM Chairman Chandler - witness Colton
Note: Sacre, Candace National literature LIHEAP customers use less, not experience in Eastern Kentucky, presumption from testimony lower income homes smaller, smaller homes use less water, proposed rate will benefit low-income customers, formed by broader studies, discussing within Martin County, not based on specific knowledge use of water, house size, or income as relates to Martin County?

3:23:57 PM Chairman Chandler - witness Colton
Note: Sacre, Candace One of items mentioned in testimony, portion of bills paid 85 percent, 85 out of 100 bills paid?

3:24:54 PM Chairman Chandler - witness Colton
Note: Sacre, Candace That appear be bills not paid for more than bills are paid, distinction can draw from that?

3:25:32 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Not have set price per month, could draw your conclusion everybody charged same for usage, expect within class, number bills paid equal monthly dollars paid of proportionate total, but why draw distinction instead of bills not paid be larger bills paid?

3:26:45 PM Chairman Chandler - witness Colton
Note: Sacre, Candace Taking out idea of how monthly bill calculated, charged certain dollar sum per consumption, talking about higher bills being unpaid, people use more water not paying, why benefit or reduction compared to average user be for low usage customers instead of high usage customers?

3:28:11 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Not necessarily bills not being today?
3:28:52 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Post-hearing data request, distribution of bills each month, around average or spread out between either end average use?
3:28:54 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS COLTON
	Note: Sacre, Candace	DISTRIBUTION OF MONTHLY BILLS
3:29:22 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	One of ideas of low-usage proposal you present, incent customers reduce water consumption and more affordable bills, our perspective, what evidence have is necessarily case, change customer behavior?
3:31:24 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Flip side of calculation, benefits of reduced rate for rates tied to income or lower usage, should look at net follow-on system benefit from this balance what rate reduction be?
3:35:06 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	If offsets balanced with additional cost shifts, answer is no?
3:35:49 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Support rate design looks like electricity customers have, fixed amount and direct customer-related costs as fixed charge and everything else variable?
3:37:22 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	If Commission order fixed customer charge with stair-step increments of 3,000 gallons, still propose low-use customers not charged surcharges?
3:39:38 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Characterization of debt, debt any relation to infrastructure, not necessary the case, infrastructure being used?
3:40:07 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Insofar as low income and mobility, based on what criteria District use determine who does and does not receive a surcharge?
3:41:05 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Surcharges waived for customers receive third-party assistance administered through fund directly to District?
3:41:29 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Depth and breadth, terms you used?
3:41:50 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Depth and breadth, rate proposal not related income or poverty but specific to usage, depth and breadth so wide, what consideration five customers do pay remaining costs low-usage not pay not necessarily as great of issue, effectively rates and bills higher than would be otherwise if not have rate structure?
3:44:23 PM	Chairman Chandler - witness Colton Note: Sacre, Candace	Depth and breadth issue, not looking at amending LIHEAP program, clear that no adoption or proposal as relates to customers not low income but as much concern as those low usage other than your proposal surcharges and third-party assistance?
3:46:40 PM	Chairman Chandler Note: Sacre, Candace	Questions?
3:46:51 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	Redirect Examination. Potential impact near- low-income customers, any additional recommendations in report protect those customers from shut-offs and provide additional protections?

3:49:57 PM	Atty Cromer MCCC - witness Colton Note: Sacre, Candace	Low-income low-use rate and waiver of surcharges for low-income customers, if implemented as recommended, how long take have data whether effective protecting customers and increasing overall revenues?
3:52:13 PM	Chairman Chandler Note: Sacre, Candace	Witness is excused.
3:52:25 PM	Chairman Chandler Note: Sacre, Candace	Recess until 4 pm.
3:52:40 PM	Session Paused	
4:01:36 PM	Session Resumed	
4:02:29 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in 2021-00154.
4:02:34 PM	Chairman Chandler Note: Sacre, Candace	Witness?
4:02:37 PM	Atty Cromer MCCC Note: Sacre, Candace	Nina McCoy.
4:02:52 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
4:03:02 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Examination. Name and address?
4:03:16 PM	Camera Lock Deactivated	
4:03:17 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Direct Examination. Position with MCCC?
4:03:27 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Chance to review testimony May 27?
4:03:39 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	12 percent emergency increase, possibility larger increase, talk about what additional increase might mean?
4:05:51 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Last hearing, evidence of data from PSC compared District minimum rates other utilities, found interim rate increase rate in effect District highest minimum rate in Kentucky, anything new change analysis?
4:06:55 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Number of things heard today going on since May hearing, anything would like to add in light of what going on?
4:08:41 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Wrote letter include in record as public comment letter, is that letter submitted?
4:09:09 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Why felt need to submit letter and what conveyed?
4:12:13 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Pictures of reservoir, sampling for grant, tell us where you took pictures?
4:13:13 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Go to reservoir with some regularity?
4:13:38 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Customer service, efforts to have input in customer service protocols, able track complaints, recent things heard from community show why important?
4:18:52 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Examination. When you say "they" want you to shut up and go home, who are you referring to?

4:19:56 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Asking specifically, who "they" is when "they" want you to shut up and go away?
4:20:25 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Not suggesting PSC wants us to shut up and go home?
4:20:41 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Mentioning what Kerr testified to MCCC saying call PSC, complain first, no response go to utility, and then go to PSC?
4:21:19 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Kerr testified board fought against MCCC did not want Alliance to come in and we were fighting for that, comment on that?
4:22:16 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	MCCC make any specific motion regarding general manager?
4:22:44 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Low income and low use in county, average water use in Martin County lower, anything explain Martin County customers use less water?
4:23:52 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Highlighted Colton report District not include meter read dates, why important?
4:25:04 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Asking for opt-in ability have low-use rate, customers will understand and how to opt in and what it means?
4:26:03 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Asked District be required to establish customer-assistance fund funded by late-payment fee, accept charitable contributions, why that important?
4:27:40 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Examples, people given bottled water donations?
4:28:24 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Other things aware of District not doing to provide protections to customers?
4:28:36 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	With regard to deposits?
4:31:14 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Infrastructure projects, grant funding, current issues regarding projects concern you?
4:33:12 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Get an answer?
4:33:27 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	The \$2 million?
4:33:50 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Community Center office, concerns?
4:34:24 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Examination. Talking about Commission Order, when "they" say they have two offices, speaking of PSC?
4:34:53 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	That's what Order says?
4:35:04 PM	Vice Chairman Cabbage Note: Sacre, Candace	Rehashing things already discussed and aren't needed from previous hearing, suggest move on, make record that you want to, but don't think want to rehear things not relevant newest phase of this when all have record available.
4:35:44 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Finished answering?

4:36:50 PM Atty Cumbo Martin District - witness McCoy
Note: Sacre, Candace Cross Examination. You got my back up today, how sit here and claim anybody associated with District you shut up and go away?

4:38:21 PM Atty Cumbo Martin District - witness McCoy
Note: Sacre, Candace Don't want them to be quiet, encourage come to meetings, different board, welcomes input.

4:39:23 PM Atty Cumbo Martin District - witness McCoy
Note: Sacre, Candace Heard testimony we hear from PSC about complaint, and that's the first notice we've heard, suggesting testimony less than truthful?

4:40:08 PM Chairman Chandler
Note: Sacre, Candace Questions?

4:40:17 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Examination. Reason asked last question, Order this Commission entered July 9, assertion from Mountain Citizen, reading (click on link for further comments), District paying for two offices or your concern or Alliance has separate office in Martin County?

4:41:55 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Not what you're saying, saying Commission lied about District not having two offices in Martin, not in the past, we said there aren't two offices, seen it with your own two eyes, per Order not referring to, two offices District pays for, factual distinction?

4:43:03 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace May be perception, you can appreciate are expenses and what levied District has two offices, difference perception and facts, Commission discussed in Order expenses for the two what ratepayers are paying for in bill, appreciate frustrating?

4:44:03 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Don't disclaim perception issue, we regulate rates and services, not expert on perception and public opinion, issue on your part even though Alliance pays for other building out of other shareholder funds, you believe Alliance should not pay for separate office in that building?

4:45:23 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace When took picture in July, take picture in July because concern about level of reservoir?

4:45:44 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Did you have concern about level of reservoir?

4:45:58 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Saw reservoir in July, saw again in September, saw post on FB, third post on Sept 11?

4:46:19 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Took water out and saw post on Sept 11, call District to ask about low level of reservoir?

4:46:56 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Seem to infer that low reservoir and water shut off at night were directly related?

4:47:17 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Based on that both occurring at same time?

4:47:51 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Saw the post, looking post here Sept 8, later Sept 11 post that says, reading, (click on link for further comments), take from that just cutting off water at night to save water?

4:48:57 PM Chairman Chandler - witness McCoy
Note: Sacre, Candace Have you confirmed that with utility in any way, fixing leaks and low reservoir, you or anyone contact District, curious trying to save water?

4:49:37 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Don't know how much would save cutting people's water off 12-4, not following up before sending letter to us, reading, (click on link for further comments), most often search for water leaks at night, not all water off, fix leaks and find leaks, jumped to conclusion, goes both ways, where things are now, we got letter and comment before reached out to them and clarify, devolved to that point?
4:52:09 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Unacceptable amount of information?
4:52:42 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	2016 started participating in 2016-00142?
4:53:08 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Been doing this for four years, concerns, lived in community for several years, in terms of communication to customers, have specific proposal or particular actions utility take in terms of active communication?
4:55:50 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Crawls across bottom of screen?
4:56:00 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Get TV from Huntington?
4:56:33 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Aware usage of water by fire departments, aware issue fire departments use water but not report use any water to District?
4:57:02 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Can you speak about that?
4:57:44 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Unaware any communities not charge public fire departments, only ask for abide by tariff provision let know how much think used, local pressure for fire departments to just send Miller monthly usage?
4:59:01 PM	Chairman Chandler - witness McCoy Note: Sacre, Candace	Just make this assertion, have case in front of us, recommendation, all on same page, move on to areas of disagreement.
5:00:05 PM	Chairman Chandler Note: Sacre, Candace	Move exhibits into record?
5:00:15 PM	MCC EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY CROMER MCCC - WITNESS UNDATED LETTER FROM NINA McCOY TO KENTUCKY PUBLIC SERVICE COMMISSION
5:00:16 PM	MCC EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	ATTY CROMER MCCC - WITNESS McCoy PSC WATER UTILITY COMPLAINTS: 1/1/2020 - 8/25/2021 BY WATER DISTRICT/ASSOCIATION
5:00:52 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Redirect Examination. Copied on email Sept 8, tell us was there email to Tony and Greg about that?
5:01:54 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Who email from?
5:01:58 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Who to?
5:02:08 PM	Atty Cromer MCCC - witness McCoy Note: Sacre, Candace	Mention photos of reservoir?
5:02:22 PM	Atty Cumbo Martin District Note: Sacre, Candace	One follow-up relative to email question, insightful to read email into record.

5:02:32 PM	Chairman Chandler Note: Sacre, Candace	When say think insightful, to what end? (Click on link for further comments.)
5:03:07 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests, briefs. (Click on link for further comments.)
5:10:03 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
5:10:12 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
5:10:31 PM	Session Ended	



Name:	Description:
MARTIN DISTRICT EXHIBIT 1	MARTIN COUNTY WATER DISTRICT NET INCOME ON A CASH BASIS (SNAPSHOT) EXCLUDES DEPRECIATION (FORMAT REVISED 28 JULY 20)
MARTIN DISTRICT EXHIBIT 2	FISCAL YEAR BUDGET - ACTUALS & FYE 2022 ESTIMATE - STATEMENT OF REVENUES AND EXPENDITURES
MARTIN DISTRICT EXHIBIT 3	MARTIN COUNTY WATER DISTRICT (IMPACT OF PROPOSED INCREASE)
MARTIN DISTRICT EXHIBITS BY REFERENCE	MARTIN DISTRICT APPLICATION FOR ALTERNATIVE RATE ADJUSTMENT FILED APRIL 8, 2021 AND HEARING RECORD MAY 27, 2021, CASE NO. 2021-00154
MCC EXHIBIT 1	UNDATED LETTER FROM NINA McCOY TO KENTUCKY PUBLIC SERVICE COMMISSION
MCC EXHIBIT 2	PSC WATER UTILITY COMPLAINTS: 1/1/2020 - 8/25/2021 BY WATER DISTRICT/ASSOCIATION
PSC EXHIBIT 1	ALLIANCE WATER RESOURCES WATER TREATMENT PRODUCTION COSTS MARTIN COUNTY WATER DISTRICT 2020

Martin County Water District

Net Income on a Cash Basis (Snapshot) EXCLUDES DEPRECIATION (format Revised 28 July 20)

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
REVENUE												
Customer Count	3,388	3,369	3,386	3,370	3,390	3,424	3,463	3,481	3,490	3,496	3,501	3,501
Payments Received	\$234,262	\$207,152	\$195,082	\$199,144	\$221,999	\$195,535	\$207,448	\$237,043	\$188,022	\$213,095	\$178,105	\$201,732
EXPENSES												
Operations Account	\$286,613	\$249,774	\$223,121	\$223,319	\$221,129	\$227,410	\$236,598	\$228,784	\$239,610	\$247,224	\$233,190	\$232,012
Transfers for debt serv funding	\$19,150	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800	\$17,800
Payment Plans	\$6,625	\$6,500	\$6,500	\$5,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DSS EXP/ (FUNDING)	(\$8,978)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MIS EXP / (FUNDING)												
Sub total	\$303,410	\$274,074	\$247,421	\$246,619	\$238,929	\$245,210	\$254,398	\$246,584	\$257,410	\$265,024	\$250,990	\$249,812
NET INCOME												
Cash Basis	-\$69,148	-\$66,922	-\$52,339	-\$47,475	-\$16,930	-\$49,675	-\$46,950	-\$9,541	-\$69,388	-\$51,929	-\$72,885	-\$48,080

Monthly Avg = -\$50,105

Notes:

- 1: **Payments Received** are those received for the full month
- 2: **Expenses** are those planned and presented in the Board Packet for the referenced month
- 3: **Payment Plans** are payments towards outstanding debt not funded by DSS *Current balance= \$277,383 (Some fin charges forgiven & Prestonburg City decreased)*
- 4: **Operations Account Includes** the estimated DSS and MIS transfers (See list of Bills in Board Packet)
- 5: **MIS EXP** estimated funds applied to AWR Invoice (An Operations Account Expense) estimated DSS and MIS transfers
- 6: MIS fund beginning balance January 2020-of \$12,244 applied to AWR fee in June
7. Balance of debt -payments to be funded with unused DSS= **\$502,572**
- 8: **Based on the requirements there will be deposits and subsequent withdrawals in DSS/MIS accounts with a likely sum of zero monthly**

Martin County Water District
Fiscal Year Budget-Actuals & FYE2022 Estimate

Statement of Revenues and Expenditures
(In Dollars)

Cash Needs Basis

	<u>Actual</u> <u>2019</u>	<u>Budget</u> <u>2020</u>	<u>Actual</u> <u>2020</u>	<u>Budget</u> <u>2021</u>	<u>Budget Est</u> <u>2022</u>	<u>Notes</u>
Revenue Source						
Water Sales	\$ 2,220,203	\$ 2,177,390	\$ 2,204,780	\$ 2,425,375	\$ 2,450,000	
All Other Revenue, Connection Fees	<u>308,885</u>	<u>300,844</u>	<u>268,646</u>	<u>267,027</u>	<u>300,000</u>	
Total Revenue	\$ 2,529,088	\$ 2,478,234	\$ 2,473,426	\$ 2,692,402	\$ 2,750,000	
Expenditures						
All General & Operating Expenses	\$ 2,424,794	\$ 2,453,450	\$ 2,477,000	\$ 2,437,429	\$ 2,485,000	
Interest Expense(s)	<u>93,472</u>	<u>85,521</u>	<u>85,496</u>	<u>80,458</u>	<u>85,000</u>	
Total Operating Expenditures	\$ 2,518,266	\$ 2,538,971	\$ 2,562,496	\$ 2,517,886	\$ 2,570,000	
Net Revenue B4 Principal Payments	\$ 10,822	\$ (60,737)	\$ (89,070)	\$ 174,516	\$ 180,000	
Debt Service Coverage Calculation						
Net Revenue B4 Principal	\$ 10,822	\$ (60,737)	\$ (89,070)	\$ 174,516	\$ 180,000	
Plus Above Interest Expense	<u>93,472</u>	<u>85,521</u>	<u>85,496</u>	<u>80,458</u>	<u>85,000</u>	
Net Revenues Available for Coverage	\$ 104,294	\$ 24,784	\$ (3,574)	\$ 254,973	\$ 265,000	
P&I Debt Service	\$ 208,111	\$ 215,995	\$ 215,995	\$ 210,110	\$ 207,375	
Net Revenue after Oper & Debt Exp.	\$ (103,817)	\$ (191,211)	\$ (219,569)	\$ 42,491	\$ 54,890	
Debt Service Coverage (Required Coverage 1.2)	0.50	0.11	-0.02	1.21	1.28	
Projected YE Unrestricted Cash Reserves	\$ 104,294	\$ -	\$ -	\$ 42,491	\$ 54,890	Before Capital
Projected CI Funded Outside Sources	\$ 142,500	\$ 104,500		\$ 5,859,518	\$ 5,859,518	
Projected CI Funded from Operations or Unfunded	\$ 125,000	\$ 275,000		\$ 1,293,606	\$ 1,293,606	
Total Capital Improvements (CI)				\$ 7,153,124	\$ 7,153,124	

Martin County Water District (Impact of Proposed Increase)

	Base	\$/1000	AVG Use (1,000 gals)	Total	
Water					
DSS	\$ 2.63			\$ 2.63	
MIS	\$ 4.72			\$ 4.72	6000 Gallon User
Current	\$ 33.32	\$ 8.43	4.00	\$ 57.53	\$ 74.39
Increase	\$ 37.32	\$ 9.36	4.00	\$ 63.38	\$ 82.10
Difference	12.00%	11.00%		\$ 5.85	\$ 7.71
Additional Revenue	Residential Customer Count		3,177	\$ 223,200.77	
% Increase For Avg User				10.18%	10.36%

MCUD Connection Fees			Commercial Customers	
	Residential	Larger Sized Taps		
Water			<1"	197
Current	\$1,000	Actual Cost	1"	19
No increase			1.5"	2
Difference			2"	16
			3"	4
			4"	1
			Government	
			<1"	22
			1"	5
			1.5"	3
			2"	9
			Non Residential	278
			Total Customer Count	3,455

Meter Size	Minimum Usage	Minimum Bill	Increase to Minimum	New Base Bill	
5/8 x 3/4"	2000	\$33.32	\$4.00	\$37.32	\$13,584.00
1"	5000	\$58.59	\$10.00	\$68.59	\$240.00
1.5"	10000	\$100.70	\$20.00	\$120.70	\$100.00
2"	20000	\$184.93	\$40.00	\$224.93	\$1,000.00
3"	30000	\$269.17	\$60.00	\$329.17	\$240.00
4"	50000	\$437.63	\$100.00	\$537.63	\$100.00
Base Bill Additional Annual Revenue Estimate:					\$183,168.00
Usage Additional Annual Revenue Estimate					\$67,666.43
Total Additional Annual Revenue Estimate					\$250,834.43

MCCC EXHIBIT#

PSC WATER UTILITY COMPLAINTS: 1/1/2020 - 8/25/2021

	NUMBER OF	
WATER DISTRICT/ASSOCIATION	COMPLAINTS	REASON FOR COMPLAINT
1 Martin County Water District	43	Service quality/Repair;Billing
2 Northern Kentucky Water District	30	Billing
3 Mountain Water District	23	Disconnection;Billing
4 Southern Water & Sewer District	11	Billing
5 South Eastern Water Association	11	Billing
6 Western Pulaski County Water Dis	9	Disconnection;Rates/Policies
7 Big Sandy Water District	9	Service quality/Repair;Billing
8 North Manchester Water Associat	8	Service quality/Repair;Billing
9 Farmdale Water District	8	Service quality/Repair;Billing
10 Black Mountain Utility District	8	Service quality/Repair
11 Wood Creek Water District	7	Billing;Rates/Policies
12 Hardin County Water District #1	7	Billing
13 Cannonsburg Water District	7	Billing
14 Laurel County Water District #2	6	Billing
15 Knox County Utility District	6	Billing
16 Jessamine-South Elkhorn Water D	6	Billing
17 Hyden-Leslie County Water Distric	6	Billing
18 Hardin County Water District #2	6	Disconnection;Rates/Policies
19 Sharpsburg Water District	5	Billing
20 Ohio County Water District	5	Billing
21 McKinney Water District	5	Billing;Rates/Policies
22 Southern Madison Water District	4	Service quality/Repair
23 Rowan Water	4	Service quality/Repair
24 Rattlesnake Ridge Water District	4	Service quality/Repair
25 Powell's Valley Water District	4	Disconnection;Billing
26 Nicholas County Water District	4	Rates/Policies
27 Muhlenberg County Water Distric	4	Service quality/Repair
28 Morgan County Water District	4	Disconnection
29 Meade County Water District	4	Disconnection
30 Western Rockcastle Water Associa	3	Service quality/Repair
31 Western Fleming County Water Di	3	Billing
32 West Laurel Water Association	3	Billing
33 Muhlenberg County Water Distric	3	Billing
34 Marion County Water District	3	Service quality/Repair
35 Letcher County Water and Sewer I	3	Service quality/Repair
36 Ledbetter Water District	3	Rates/Policies
37 Green River Valley Water District	3	Billing
38 Estill County Water District	3	Refuse to Provide Service;Billing;Rates/Policies
39 East Laurel Water District	3	Disconnection
40 Bullock Pen Water District	3	Billing
41 Bath County Water District	3	Billing
42 Allen County Water District	3	Disconnection
43 Western Lewis-Rectorville Water	2	Billing
44 Peaks Mill Water District	2	Billing;Rates/Policies
45 Oldham County Water District	2	Disconnection;Rates/Policies

PSC WATER UTILITY COMPLAINTS: 1/1/2020 - 8/25/2021

WATER DISTRICT/ASSOCIATION	NUMBER OF COMPLAINTS	REASON FOR COMPLAINT
46 North Shelby Water Company	2	Disconnection;Billing
47 North Mercer Water District	2	Billing;Rates/Policies
48 Monroe County Water District	2	Billing
49 Magoffin County Water District	2	Service quality/Repair
50 Madison County Utilities District	2	Billing;Rates/Policies
51 Larue County Water District #1	2	Billing
52 Kirksville Water Association	2	Billing
53 Henderson County Water District	2	Service quality/repair;Rates/Policies
54 Edmondson County Water District	2	Service quality/Repair
55 East Casey County Water District	2	Service quality/Repair
56 Bracken County Water District	2	Rates/Policies
57 Webster County Water District	1	Rates/Policies
58 Union County Water District	1	Billing
59 U.S. 60 Water District of Shelby	1	Billing
60 Trimble County Water District	1	Refuse to Provide Service
61 South Anderson Water District	1	Billing
62 Simpson County Water District	1	Billing
63 Pendleton County Water District	1	Disconnection
64 North Marshall Water District	1	Billing
65 McCreary County Water District	1	Billing
66 Knott County Water & Sewer District	1	Billing
67 Jonathan Creek Water District	1	Disconnection
68 Jackson County Water Association	1	Disconnection
69 Harrison County Water Association	1	Disconnection
70 Grayson County Water District	1	Billing
71 Garrard County Water Association	1	Billing
72 Fountain Run Water District	1	Billing
73 Fleming County Water Association	1	Rates/Policies
74 East Pendleton Water District	1	Disconnection
75 East Clark County Water District	1	Billing
76 Dexter-Almo Heights Water District	1	Billing
77 Crittenden-Livingston County Water District	1	Disconnection
78 Cawood Water District	1	Billing
79 Caldwell County Water District	1	Line Extension
80 Bronston Water Association	1	Service quality/Repair
81 Boone County Water District	1	Billing

From: Bruner, Brandon S (PSC) on behalf of PSC Executive Director
To: [REDACTED]
Subject: Martin County Water District (2020-00154 and 2021-00154)
Date: Monday, September 20, 2021 3:16:00 PM
Attachments: [Letter to PSC about water outage.pdf](#)

Thank you for your comments on the cases related to the Martin County Water District. Your comments in the above-referenced matter have been received and will be placed into the case files for the Commission's consideration. The documents in these cases are available at [View Case Filings for: 2021-00154 \(ky.gov\)](#) and [View Case Filings for: 2020-00154 \(ky.gov\)](#).

Thank you for your interest in this matter.

From: PSC Public Information Officer <PSC.Info@ky.gov>
Sent: Friday, September 17, 2021 1:59 PM
To: PSC Executive Director <PSCED@ky.gov>
Cc: Bridwell, Linda C (PSC) <linda.bridwell@ky.gov>
Subject: FW: Martin County Water District (2020-00154 and 2021-00154)

From: Nina McCoy <[REDACTED]>
Sent: Monday, September 13, 2021 4:27 PM
To: PSC Public Information Officer <PSC.Info@ky.gov>
Cc: [REDACTED]; Lisa Stayton <[REDACTED]>
Subject: Martin County Water District (2020-00154 and 2021-00154)

Sent from [Outlook](#)

To: Kentucky Public Service Commission (psc.info@ky.gov)

From: Nina McCoy [REDACTED] P.O. Box 922 Inez, KY 41224 [REDACTED]

Re: Martin County Water District (2020-00154) and (2021-00154)

I am writing to the PSC regarding a recent crisis for customers of the Martin County Water District. However, if one did not see the dates, with the years attached, these might well be complaints from 2017 when another group of commissioners sat in your seats, another group sat on the local water board of commissioners and another manager oversaw the operations at the plant.

In 2017 the water district often shut down water to various parts of the county with little or no explanation. School was often called off due to these shutoffs because even though the water district said it would have water back on by the time school started it often took too long and the cooks could not prepare meals and the schools could not be assured that the bathrooms would have running water.

I am not sure if you can imagine the feeling of hopelessness and helplessness this type of déjà vu has on our shell-shocked community after 4 long years of vigilance and scrutiny from the Martin County Concerned Citizens with the constant help of Appalachian Citizens Law Center, the Martin County Water Warriors, the Mountain Citizen, and from the paying customers at large.

While a little over 8 million dollars has been appropriated for the district only about 2 million has been used. Of that 2 million over half a million was spent to build 2 raw water intake pumps. One of those (the 2 million gallon per day pump) was flooded in January and had to be sent back to the manufacturer. Unfortunately, for the citizens, the money that had been appropriated to pull it out of the flood zone was overbid. The second (the 4 million gallon per day) pump could not be used until the electrical system was upgraded at the river, but that was also overbid at the time.

The very thought that one of the few things our public water system had been granted was ruined by negligence or inability to bring it out of the flood plain (which is flooded every single year) is enough to bring tears to anyone's eyes out of frustration if not sheer sorrow. But the most harmful part of this particular replay of events- four years later - is the continuation of the lack of honesty from those who are in charge, leading to even more distrust and despair from our poor citizens.

In 2019 the PSC required this district to hire an outside management company and I for one was very hopeful that this would bring some expertise and accountability to the system. But we now find ourselves back in the exact same position we were in four years ago, just as we did in the 2002 PSC investigation and again in the 2006 PSC investigation where the citizens are being disregarded and disrespected, while the district is being coddled.

The proposal of the PSC staff that our rates be raised by 24.31% instead of the 11.7% rate increase proposed by Alliance flies in the face of the continued water loss rate (65-70%) and Alliance's lack of respect for customer complaints and concerns. To add insult to injury the July 9 PSC order (page 16) included a slur on the local paper, the Mountain Citizen, claiming that they had lied when, in fact, both allegations are true.

I am hoping in reading the following events with the photos attached as evidence from this one example (among the others that have been reported to you) that the Commissioners

will gain a better understanding of the vexations and frustrations of a customer base that finds itself again not being heard and unable to trust the system.

September 7, 2021 – I, Nina McCoy went to the Crum Reservoir for a sample collection of the source water for a UK- NIEHS grant regarding DBP's in drinking water. I was alarmed at how much lower the water level was than in the two previous sample collections. This is the lowest I have ever seen the reservoir. Below I am including two pictures of the reservoir. The first I took on September 7, 2021. The second I took on July 21, 2021. I want you to see how much the reservoir levels dropped during those 7 weeks (about 1 and a half months):

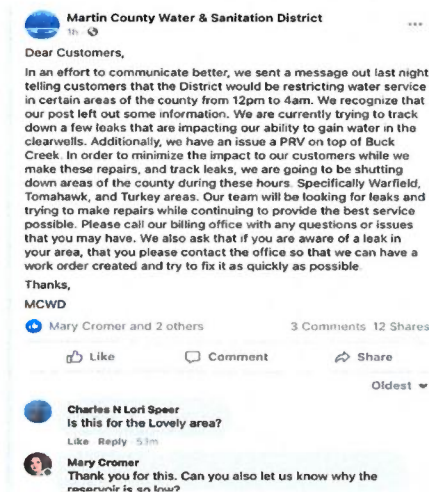


As you can see from the July 21 photo, the reservoir had already been low for some time, as evidenced by the grass growing on what should be covered if the reservoir was "full." Also, if you could zoom in, the rock directly across has always been our guide since it is worn more (lighter) below the normal water level.

The next day, September 8, 2021, the water district posted this Facebook message at 1:15 am:



Naturally, this was unsatisfactory since it did not tell where water was being shut off or why. After much consternation from Facebook readers and a letter from Mary Cromer to Alliance employees, Craig Miller and Tony Sneed, a new Facebook post was put up on Sept. 8, 2021, at 3:25 pm:



As you might imagine, this was still not acceptable to the customers since, as one reader pointed out it would be impossible to find leaks when a.) the water is off and b.) it is dark between 12pm and 4 am.

During this period the Mountain Citizen, our local newspaper was trying to find out what was going on. I reported to them that the water levels were extremely low at the reservoir, and they sent a reporter to the reservoir. The Mountain Citizen reporter videoed Alliance employees installing a diesel pump to pump water from the reservoir because the water level was below the gravity feed pipes on the evening of Sept. 8. The Mountain Citizen posted the video to Facebook. The next day on Sept. 9, 2021, the Mountain Citizen posted these photos:



The Mountain Citizen
September 9 at 2:11 PM · 🌐

...

Reservoir level critically low Thursday in Martin County. The lake was below the gravity feed (photo 2). A portable diesel-fired pump that Alliance Water Resources brought to the reservoir just before dark Wednesday night had been removed but hoses remained as did a pool of oil or diesel on the ground where the pump was parked (photo 3).

Photos: Roger Smith/Mountain Citizen



Finally, a third post was put up by the water district on September 11, at 1:39 pm:



Martin County Water & Sanitation District
September 11 at 1:39 PM · 🌐

...

Attention Customers:

We would like to let you know that we are struggling to keep levels in tanks. We are pumping 2.4 million to the reservoir from the river and 1.8 million from the reservoir to the plant. We have crews out fixing leaks and we are trying to move water around as much as possible. Some people are going to experience intermittent outages while we get ahead of this situation. We are pumping, we are just playing catch-up. We appreciate your continued patience.

Thank you.
-MCWD

👍👎👏 14

21 Comments 41 Shares

Obviously, this is closer to an honest explanation than we had gotten thus far. However, the previous attempts should serve as a red flag to the customers, the water district, Alliance Water Resources, and the PSC concerning the ability of this system to develop a positive relationship with a customer base that needs, more than anything, to be heard and respected.

In a rural community and a small-town word gets around well beyond Facebook and Instagram. If the water district and the water commissioners would ever try to develop a trust with the community and actually listen to and make a serious effort to log the complaints and leak reports of the people who call Martin County home and then respond with honesty and integrity, they might get a real handle on what is going on. This adversarial relationship and dishonesty are toxic.

For the current PSC commissioners, I want you to be aware and to beware of how previous iterations of your entity (PSC case 2002-00116 and PSC case 2006-00303) as well as

other well-meaning groups have let this system rot from the inside while barely scraping the surface of the problem before moving on. An assessment by Judith Hansen, an expert brought here by Eastern Kentucky University (https://martincounty.eku.edu/sites/martincounty.eku.edu/files/Ind_eval_MCWD_Feb06.pdf) should show you why we in Martin County feel like we are living in a warped version of "Groundhog Day." Here is an excerpt from page 6:

Joe Hammond was recently hired as General Manager of the MCWD

- He has the life experience and temperament to meet the challenges inherent in running the MCWD and has the requisite operational and technical expertise. In addition, he appears to use a common sense approach to problem solving and has the managerial and business skills needed to be effective. He appears to be uniquely qualified to steward the utility at this juncture in its development.
- He seems to care deeply about the community and the utility and is well aware of the problems and challenges he faces. Among his frustrations is seeing so many areas that need attention that he does not know what to tackle next.
- **Joe understands the need to re-instill confidence in the customers of the MCWD and he has made it his mission to handle customer issues and complaints personally. As a life-long member of the community, he understands his customers and is able to gain their trust and resolve outstanding issues without compromising the position of the MCWD.** **Emphasized by Nina McCoy
- Joe seems to have the attention and respect of his Board.

And from page 9:

- A formal system to track and categorize complaints should be instituted. Joe and his office staff are well aware of the nature and relative amounts of these calls on an anecdotal basis and respond to all inquiries promptly. However, tracking these calls in a database would allow more detailed analysis of these issues to be performed.

The 2nd PSC investigation (2006-00303) was started 3 months later. I worked with ECU and met with Judith Hansen during her visit. I know Joe Hammond, who was still manager when the 2016-00142 investigation began and our local paper, The Mountain Citizen reported honestly on each and every iteration of this water district and the investigations. If the current PSC does NOT require attention to customer complaints, customer relations, honesty and integrity, then all the money that the citizens of Martin County might ever have will never be enough to fix this water district.

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Inez, KY 41224

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317 Main Street
Whitesburg, KENTUCKY 41858



WATER TREATMENT PRODUCTION COSTS

Basic Costs of Water Production Only

DIV #

Year:

System Name:

PWSID:

Total Gallons Treated:

MG Produced per FTE:
Number of FTE:

Man-Hours Cost

# of Manhours assigned to	Total Wages	Total Fringe	Annual Costs
9360	\$144,144	\$43,243	\$187,387

This report does not include analytical and other water system operational or maintenance costs. For determining customer and wholesale rates consider a cost of service study.

Total Annual Man-Hours Cost

Labor Costs /1,000 Gals

Chemical Cost

Chemical Name	Units (lbs or gals)	Cost per Unit	AVG Monthly Cost	Chemical Name	Units (lbs or gals)	Cost per Unit	AVG Monthly Cost
DELPAC			\$3,413	PHOSPHATE			\$21
POLYMER			\$268	CAUSTIC			\$474
HYPOCHLORIT			\$1,864	COPPER SULFATE			\$699
FLUORIDE			\$826	CARBON			\$749
SODIUM PERM			\$1,149				\$0

Total Annual Chemical Cost:	\$113,575
Total Electrical Cost:	\$294,668
Total Heating Cost:	\$0
Total Labor	\$187,387
TOTAL COSTS	\$595,630

Energy Cost & Consumption (Annual)		
Treatment Facility:	Cost	KWH
WTP	\$107,155.11	765393.6429
Other Associated	\$187,513.18	1375572
	Cost	BTU (MM)
Gas for heating (BTU):	\$0.00	0
Total Energy Cost Annual:	\$294,668	
Total Energy Consumption (KWH)	2140966	
MG PROD/ KWH CONSUMED	300.2	

Production Cost Per Thousand Gallons:

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