

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ALLEN COUNTY WATER	)	CASE NO.
DISTRICT UNACCOUNTED-FOR WATER LOSS	)	2023-00212
REDUCTION PLAN, SURCHARGE MONITORING	)	

ORDER

On September 3, 2025, Allen County Water District (Allen District) filed a motion requesting to expend surcharge funds and to amend its qualified infrastructure improvement plan (QIIP) to include an Equipment Purchase Plan.<sup>1</sup> On February 25, 2026, the Commission entered an Order granting Allen District’s request to expand its QIIP and addressed four of the five requested equipment purchases.<sup>2</sup> The remaining request, purchase of a one-ton truck, was continued until Commission Staff could request additional information.<sup>3</sup> Allen District responded to Commission Staff’s Fourth Request for Information (Staff’s Fourth Request) on February 27, 2026.<sup>4</sup> For the reasons outlined below, Allen District’s request to purchase a one-ton truck with service bed in the amount of up to \$68,940 is approved.

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<sup>1</sup> Allen District’s Motion to Amend QIIP and Motion for Authority to Expend Water Surcharge Proceeds to Purchase Equipment (Motion) (filed Sept. 3, 2025).

<sup>2</sup> Order (Ky. PSC Feb. 25, 2026).

<sup>3</sup> Order (Ky. PSC Feb. 25, 2026) at 5, ordering paragraph 4.

<sup>4</sup> Allen District’s Response to Commission Staff’s Fourth Request to Information (filed Feb. 27, 2026).

## BACKGROUND INFORMATION

By Order issued February 3, 2021, in Case No. 2020-00296, the Commission approved an unaccounted-for water loss reduction surcharge for Allen District and ordered Allen District to file a QIIP with the Commission.<sup>5</sup> The Commission opened this proceeding to monitor Allen District's surcharge billings, collection, deposits, and expenditures.

On August 17, 2023, Allen District filed its proposed QIIP. The QIIP included the proposal to use surcharge funds for previous expenditures to perform 31-E emergency repairs consisting of 1,500 linear feet of water main replacement, completed in July of 2021, and installation of pressure zone meters and water meters.<sup>6</sup> The QIIP also included the proposal of future projects including on-going water meter replacements, installation of pressure reducing stations on five branch lines, and the installation of a new transmission main from an existing State Park Master Meter.<sup>7</sup>

By Order issued December 16, 2024, the Commission approved the expenditure of water loss surcharge funds for the 31-E emergency repairs.<sup>8</sup> By Order issued April 3, 2025, the Commission denied Allen District's requested expenditures of \$58,721.92 for the purchase and installation of pressure zones and meters and \$21,100 for the purchase

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<sup>5</sup> Case No. 2020-00296, *Electronic Application of Allen County Water District for an Alternative Rate Adjustment* (Ky. PSC Feb. 3, 2021).

<sup>6</sup> QIIP (filed Aug. 17, 2023) at 6.

<sup>7</sup> QIIP at 7.

<sup>8</sup> Order (Ky. PSC Dec. 16, 2024).

and installation of water meters because those projects were completed prior to the approval of the surcharge.<sup>9</sup>

### DISCUSSION AND FINDINGS

On February 25, 2026, the Commission entered an Order granting Allen District's September 3, 2025 request to use water loss surcharge funds to purchase a CV SGT vacuum excavator and a dynasonics DXN portable hybrid ultrasound flow meter and denying the requests for a new 305 mini-excavator and a one-ton Chevrolet 3500HD Silverado truck 4x4 gooseneck body.<sup>10</sup> As mentioned above, the remaining request, to purchase a one-ton truck, was continued until Commission Staff could request additional information.<sup>11</sup>

Allen District stated that the one-ton Chevrolet 3500HD Silverado truck with service bed would be used to pull the vacuum excavator, and a bid was submitted with the total cost of \$68,940.<sup>12</sup> Allen District argued that the vacuum excavator would allow for precise and non-destructive digging, and the additional truck would be required to pull the excavator.<sup>13</sup> Additionally, Allen District provided that, although it owned several  $\frac{3}{4}$  and  $\frac{1}{2}$  ton trucks, for safety reasons, the district does not pull equipment with them.<sup>14</sup> Allen District asserted that the  $\frac{1}{2}$  ton trucks have a towing capacity of 12,500 pounds and the

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<sup>9</sup> Order (Ky. PSC Apr. 3, 2025).

<sup>10</sup> Order (Ky. PSC Feb. 25, 2026) at 5, ordering paragraphs 2 and 3.

<sup>11</sup> Order (Ky. PSC Feb. 25, 2026) at 5, ordering paragraph 4.

<sup>12</sup> Allen District's Response to Commission Staff's Third Request for Information (Staff's Third Request) (filed Dec. 31, 2025), Item 1(b) and Motion at 2.

<sup>13</sup> Allen District's Response to Staff's Third Request, Item 1.

<sup>14</sup> Allen District's Response to Staff's Third Request, Item 4.

$\frac{3}{4}$  ton trucks have a towing capacity of 15,000 pounds.<sup>15</sup> Furthermore, the CV SGT vacuum excavator, recently approved for the district to purchase, weighs 4,800 pounds, and the trailer needed to carry the excavator weighs 14,000 pounds.<sup>16</sup>

Based on the evidence in the record, the Commission finds that Allen District's request to purchase a one-ton Chevrolet 3500HD Silverado truck with service bed, up to \$68,940, should be granted as the truck is needed to take full advantage of the recently approved vacuum excavator and will assist Allen District in plans to reduce its unaccounted-for water loss. Further, Allen District has the funds available in the water loss surcharge account.<sup>17</sup>

IT IS THEREFORE ORDERED that:

1. Allen District is authorized to use water loss surcharge funds to purchase a new one-ton Chevrolet 3500HD Silverado truck with service bed at an estimated cost of \$68,940.
2. Allen District shall file proof of purchase of this approved expenditure from the water loss surcharge account with its monthly activity report that follows the expenditure.

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<sup>15</sup> Allen District's Response to Staff's Fourth Request, Item 1(a).

<sup>16</sup> Allen District's Response to Staff's Fourth Request, Item 2.

<sup>17</sup> Although it does not account for the recently approved pieces of equipment, as of the January Monthly Bank Statement Filing, Allen District had \$377,302.10 in the surcharge account. See Jan\_Bank\_Statement\_2026 (filed Feb. 13, 2026).

PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:

 RP  
Executive Director



## Service List for 2023-00212

\* Allen County Water District  
330 New Gallatin Road  
Scottsville, KY 42164

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