

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC POWELL'S VALLEY WATER)	
DISTRICT UNACCOUNTED-FOR WATER LOSS)	CASE NO.
REDUCTION PLAN, SURCHARGE AND)	2024-00314
MONITORING)	

ORDER

On February 9, 2026, Powell's Valley Water District (Powell's Valley District) submitted a quote for a new truck intended to be utilized by its new hire for water leak detection seeking approval to complete the purchase with water loss surcharge funds.¹ For the reasons outlined below, Powell's Valley District's request to expend surcharge funds to purchase a new truck is granted.

BACKGROUND INFORMATION

By Order issued December 9, 2024, in Case No. 2023-00387, the Commission approved an unaccounted-for water loss reduction surcharge for Powell's Valley District and ordered Powell's Valley District to file a qualified infrastructure improvement plan (QIIP) with the Commission.² The Commission opened this proceeding to monitor Powell's Valley District's surcharge billings, collection, deposits, and expenditures.

¹ Bid for New Truck (filed Feb. 9, 2026) (The Commission notes that this bid was filed into the record but did not include a corresponding motion. Commission Staff issued a request for information to confirm that the bid was a request to use surcharge funds on February 18, 2026).

² Case No. 2023-00387, *Electronic Application of Powell's Valley Water District for a Rate Adjustment Pursuant to 807 KAR 5:076* (Ky. PSC Dec. 9, 2024).

On March 31, 2025, Powell's Valley District filed a proposed QIIP.³ The QIIP included the following actions over the next four years:⁴

Year 1 (total expenditures: \$67,204)

- Purchase and install 10 bypass meters for a total of \$18,870
- Purchase and install 3 isolation valves for a total of \$6,936
- Purchase a new truck for a total of \$41,398

Year 2 (total expenditures: \$66,486)

- Hire new employee for \$40,716
- Purchase and install 10 bypass meters for a total of \$18,870
- Purchase digital leak detector for \$6,900

Year 3 (total expenditures: \$69,618)

- New employee salary \$40,716
- Purchase and install 10 bypass meters for a total of \$18,870
- Purchase and install 4 isolation valves for a total of \$10,032

Year 4 (total expenditures: \$66,216)

- New employee salary \$40,716
- Purchase a Subsurface Dual Leak Correlator for \$25,500

DISCUSSION AND FINDINGS

Powell's Valley District requested to expend surcharge funds to purchase a new truck intended to be used its new employee,⁵ and submitted a quote for the 2026 Chevrolet Silverado totaling \$42,125.⁶ Powell's Valley District stated the new employee's start date was February 25, 2026.⁷ In its QIIP, Powell's Valley District explained that

³ Powell's Valley District's QIIP (filed Mar. 31, 2025).

⁴ Powell's Valley District's Response to Commission Staff's First Request for Information (Staff's First Request) (filed May 21, 2025), Item 4(b).

⁵ Powell's Valley District's Response to Commission Staff's Third Request for Information (Staff's Third Request) (filed Feb. 19, 2026), Item 1.

⁶ Powell's Valley District's Response to Staff's Third Request, Attachment.

⁷ Powell's Valley District's Response to Staff's Third Request, Item 2.

hiring a new employee and paying 75 percent of their salary with water loss surcharge funds would reduce unaccounted-for water loss as the new employee would dedicate 75 percent of their time to the reduction of water loss and the district's current employees do not have the allotted time it takes for leak detection and repairs.⁸ Additionally, Powell's Valley District stated that in order for that employee to help perform tasks, it would require a new truck for transportation and storage of the leak detection equipment.⁹

Based on the evidence in the record, the Commission finds that Powell's Valley District's request to purchase a new truck, in the amount of \$42,125, should be granted as it will primarily be used to help reduce unaccounted-for water loss, and Powell's Valley District has the funds in the water loss surcharge account to reimburse for these costs.¹⁰ The Commission notes that Powell's Valley District did not make a request for reimbursement for the employee's salary at this time; however, when the time comes for Powell's Valley District to do so, it should include details as to how the district plans to pay the employee once the surcharge funds are exhausted.

IT IS THEREFORE ORDERED that:

1. Powell's Valley District request to purchase a new truck, in the amount of \$42,125, is granted.
2. Powell's Valley District shall file proof of these expenditures from the water loss surcharge account with its monthly activity report that follows the expenditures.

⁸ QIIP at unnumbered PDF page 7.

⁹ QIIP at unnumbered PDF page 6.

¹⁰ As of the January Monthly Bank Statement Filing, Powell's Valley District had water loss surcharge account balance of \$48,999.12. See January 2026 Bank Statement (filed Feb. 12, 2026).

PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

ATTEST:

Executive Director



Service List for 2024-00314

* Powell's Valley Water District
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