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**PUBLIC SERVICE
COMMISSION**

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
PSC CASE 2025-00232**

**IN RE MATTER OF: ELECTRONIC SOUTHERN WATER AND SEWER
DISTRICT UNACCOUNTED FOR WATER LOSS REDUCTION PLAN,
SURCHARGE & MONITORING**

**NOTICE OF FILING
JULY 2026 WATER LOSS REPORT**

Comes Southern Water and Sewer District ("Southern Water"), by and through counsel, and provides the Public Service Commission with a notice of filing the July 2026 Water Loss Report. This report is filed in compliance with the order filed on August 15, 2025, in case 2025-00232, page 7, numerical paragraph 11.

During July of 2026, Southern Water produced and purchased 68,535,000 gallons of water. Of those 68,535,000 gallons: 21,108,000 gallons were sold; 3,868,000 gallons were accounted for as other water used; and 43,559,000 gallons were accounted for as water loss.

The total water loss percentage for July 2026 was 63.56%. Approximately 43.41% of water loss was due to line breaks. Approximately 48.39% of water loss was due to line leaks. Approximately 3.21% of water loss was due to tank leaks located at Brush Creek and Ned's Fork. Please refer to the attached Monthly Water Loss Report for a complete analysis and supporting information. Please see the Monthly Manager's Report for August 2026 for in-depth information regarding production, purchasing, sales, work orders, leaks, illegal hookups, delinquent accounts, and meter counts.

During the month of July 2026 Southern Water installed 163 meters that were received back, that had previously been submitted for warranty repair to the manufacturer, RG3 Meter Company ("RG3").

Southern Water still awaits the return of 582 meters that were returned to RG3 for warranty repairs. Due to the substantial delay in warranty work, Southern Water continues to be limited in their ability to correctly monitor water usage. Please refer to page 5 of the Monthly Manager's August 2026 Report.

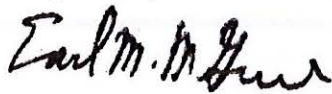
In the month of July, the district experienced a significant loss of water storage capacity. The storage tank at the head of Ned's Fork has developed substantial leaks. The tank is shut down to enable repairs. Southern Water has been forced to rent a temporary storage tank that had to be brought in to continue service to customers. Southern Water is currently obtaining repair estimates and will be filing a request to use restricted surcharge funds to pay for necessary repairs.

Southern Water's Board of Director's approved and signed the Bell Engineering contract on Monday, June 22, 2026. As stated in the contract, Bell Engineering may begin work within 30 days of approval from the Public Service Commission. A Motion to Approve the Bell Engineering Contract was filed on June 24, 2026. Southern Water is awaiting the approval of said motion for the infrastructure to improve water loss to begin.

CERTIFICATION

These responses are true and accurate to the best of preparer's knowledge, information and belief formed after reasonable inquiry. Filed on this 17th day of August 2026.

Respectfully Submitted by:



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PUBLIC SERVICE COMMISSION

Monthly Water Loss Report

Water Utility: Southern Water & Sewer

For the Month of: July Year: 2026

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED AND PURCHASED	
2	Water Produced	51,038
3	Water Purchased	17,497
4	TOTAL PRODUCED AND PURCHASED	68,535
5		
6	WATER SALES	
7	Residential	17,209
8	Commercial	2,625
9	Industrial	
10	Bulk Loading Stations	
11	Wholesale	1,274
12	Public Authorities	
13	Other Sales (explain) _____	
14	TOTAL WATER SALES	21,108
15		
16	OTHER WATER USED	
17	Utility and/or Water Treatment Plant	1,531
18	Wastewater Plant	
19	System Flushing	2,000
20	Fire Department	21
21	Other Usage (explain) <u>Leak Adjustments</u>	316
22	TOTAL OTHER WATER USED	3,868
23		
24	WATER LOSS	
25	Tank Overflows	
26	Line Breaks	21,079
27	Line Leaks	21,080
28	Excavation Damages	
29	Theft	
30	Other Loss (explain) <u>Brush Crk and Neds Frk Tank Leak</u>	1,400
31	TOTAL WATER LOSS	43,559
32		
33	Note: Line 14 + Line 22 + Line 31 MUST Equal Line 4	
34		
35	WATER LOSS PERCENTAGE	
36	(Line 31 divided by Line 4)	63.56%

Southern Water and Sewer District

Monthly Report for August

Produced

December – 47,783,000 gallons for an average of 1,547,387 gallons per day

January – 47,340,000 gallons for an average of 1,527,027 gallons per day

February -44,919,000 gallons for an average of 1,604,250 gallons per day

March – 50,713,000 gallons for an average of 1,635,000 gallons per day

April – 49,533,000 gallons for an average of 1,651,100 gallons per day

May – 50,974,000 gallons for an average of 1,644,323 gallons per day

June - 51,254,000 gallons for an average of 1,708,467 gallons per day

July – 51,038,000 gallons for an average of 1,646,387 gallons per day

Purchased from Pikeville

December – 14,093,000 gallons

January – 12,892,000 gallons

February – 12,548,000 gallons

March – 11,800,000 gallons

April – 11,638,000 gallons

May – 14,999,000 gallons

June – 14,383,000 gallons

July – 15,285,000 gallons

Purchased from Knott Co

December – 0 gallons

January – 0 gallons

February – 1,456,000 gallons

March – 386,000 gallons

April – 203,400 gallons

May – 297,000 gallons

June – 1,422,900 gallons

July – 1,649,300 gallons

Purchased from Prestonsburg

December - 0 gallons

January - 0 gallons

February – 7,136,000 gallons

March – 155,600 gallons

April - 0 gallons

May – 0 gallons

June – 2,089,000 gallons

July – 562,300 gallons

Sold to Hindman

December – 1,942,289 gallons

January – 2,486,659 gallons

February – 2,396,790 gallons

March – 2,532,236 gallons

April – 1,464,300 gallons

May – 1,589,259 gallons

June – 1,825,344 gallons

July – 1,247,900 gallons

Sold to Knott Co.

December – 17,372 gallons

January – 27,377 gallons

February – 26,138 gallons

March – 21,385 gallons

April – 22,106 gallons

May – 29,878 gallons

June – 29,928 gallons

July – 26,011 gallons

Total Work Orders

December – 330

January – 357

February – 337

March – 308

April – 343

May – 308

June – 282

July – 492

Main Line Leaks

December – 3

January – 2

February – 6

March – 3

April – 4

May – 3

June – 4

July - 2

Service Line Leaks

December – 18

January – 16

February – 14

March – 11

April – 13

May – 17

June – 15

July - 23

Illegal Hookups

December – 2

January – 1

February – 1

March – 1

April – 1

May – 0

June – 2

July - 3

Leaks in Base

December – 12

January – 2

February – 4

March - 6

April – 4

May – 6

June – 4

July - 4

Delinquent Accounts

December – 55

January – 45

February – 44

March – 27

April – 51

May – 27

June – 15

July - 12

Meter Count

June – 582 meters at RG3 for Repairs

948 Dead in the system

150 Meters that have been replaced by Zenner's

We got 100 meters back from RG3 to work back into the system

July – We installed 163 meters that we received from RG3 which leaves a estimated 785 dead in the system now.

Zenner officially shut us out of their network so we have to manually read those meters. They tried to charge us roughly 1500.00 to use their network, when this was not in the original deal.