



**Andy Beshear**  
Governor

**Rebecca W. Goodman**  
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Energy and Environment Cabinet

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**Kent A. Chandler**  
Chairman

**Amy D. Cabbage**  
Vice Chairman

**Marianne Butler**  
Commissioner

December 21, 2021

## PARTIES OF RECORD

Re: Case No. 2019-00041

Attached is a copy of a memorandum, which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum, please do so within five days of receipt of this letter.

If you have any questions, please contact Brittany Koenig, Assistant General Counsel at [Brittany.koenig@ky.gov](mailto:Brittany.koenig@ky.gov) or by phone 502-782-2591.

Sincerely,

A handwritten signature in blue ink that reads "Linda C. Bridwell".

Linda C. Bridwell, PE  
Executive Director

Attachment

## INTRA-AGENCY MEMORANDUM

### KENTUCKY PUBLIC SERVICE COMMISSION

**TO:** Case File No. 2019-00041

**FROM:** Brittany Koenig, Assist. General Counsel

**DATE:** 12-17-21

**RE:** Informal Conference for Big Sandy Water District of Nov. 9, 2021

Pursuant to a Staff Notice issued on September 14, 2021, a virtual informal conference (IC) was conducted on November 9, 2021. Attached is a copy of the attendance roster.

The purpose of the IC was to comply with Commission's Order of July 30, 2021 in Case No. 2019-00041, to discuss the utility's progress on improving its water loss reduction, its water audit filed January 28, 2021, its water meter testing policy, its water meter and valve testing schedule and the status of its general manager position. Staff would like to discuss any new policies implemented since the Case No. 2019-00041 hearings and order to address better business practices or the frequency of rate cases. Staff will also discuss whether the utility has performed a recent rate sufficiency study.

Commission Staff, Brittany Koenig, began the meeting by advising representatives of Big Sandy Water District (Big Sandy District) that notes would be taken during the conference and that Staff would prepare and enter into the record a memorandum regarding the conference. Staff further advised that the utility has five days after the memorandum is entered into the record to file comments on the memorandum.

Big Sandy District's field manager, James Blanton, explained that the utility put in 7 more zone meters for a total of 20 zone meters. Staff confirmed that Big Sandy District already had by-pass meters. Mr. Blanton explained the employees read meters everyday and look for leaks at night. Mr. Blanton also confirmed Big Sandy District is testing 32 meters a day, but the utility is still behind in meter testing and in the third quarterly report there will still be 199 meters left to test.

Jessica Sexton became office manager in October 2020 and James Blanton became full time field manager in July 2021. The utility found that meter inaccuracies made up a large part of its water loss. The water loss reported for July 2021 was 28.5% and for August water loss was 40.3%. The utility is looking to get a new meter shop to test meters quicker. Staff discussed some of the questions regarding the financial filings and concern for rate sufficiency. The utility has performed a rate sufficiency review and plans to apply for a rate increase by the end of January 2022 and ask for a surcharge with a detailed plan.

There being no further discussion, the IC was then adjourned.

cc: Parties of Record

**Attendance Log for Virtual IC on November 9, 2021**

Commission Staff:

Brittany Koenig

Ariel Miller

Sam Reid

Erin Donges

Eddie Beavers

John Park

Andrew Bowker

Moriah Tussey

Justin Young

Jason Colyer

Heather Temple

Big Sandy District:

Gerald Wuetcher, Counsel

James Blanton, Field Manager

Jessica Sexton, Office Manager

Kathy Smith, Financial Advisor

\*Estill County Water District #1  
Estill County Water District #1  
76 Cedar Grove Road  
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\*Honorable Earl Rogers III  
Attorney at Law  
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\*Hyden-Leslie County Water District  
Hyden-Leslie County Water District  
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\*Rattlesnake Ridge Water District  
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