

The

PIPELINE

News and Views From WV Bureau for Public Health, WV Department of Environmental Protection, and the Public Service Commission of WV

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The Pipeline

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WATER DEVELOPMENT AUTHORITY DESIGN LOANS AVAILABLE



By: *Rose Brodersen*
WV DEP CWSRF

In order to financially assist communities with moving their projects to construction, the Water Development Authority (WDA) is providing loans for design, PSC activities and right-of-way activities to communities. These loans will be rolled over into the construction loan. For projected CW State Revolving Fund take out, the following criteria must be met:

The project must:

- Have IJDC recommendation of financing,
- Be on the current CW State Revolving Fund FY priority list,
- Have a targeted construction start date within 18 months of design loan closing,
- Have an approved facility plan,
- Have or filed for PSC certificate (if applicable),
- If other construction funding sources are involved, agencies have been approached, and
- Be financially sound (no defaults)

After the IJDC recommendation has been issued, the SRF will contact the community, request that a design application be completed and mailed to the SRF and set up a meeting date acceptable to all parties. The SRF will review the application and request any additional information. The interest rate charged (at this time) will be three percent on funds advanced for the first 24 months, five percent for the remaining term of 18 years. The WDA is not limiting this program to the Clean Water program but also to the Drinking Water program.***

NOT TESTING LARGE METERS COULD BE COSTLY

*By: Dave Foster, Utility Inspector III,
PSC Engineering Division*

Water meter testing can be just as important as metering itself as a tool for unaccountability due to an accounting error, leak, pump inefficiencies or an illegal cross-connection.

Turbine meters two inches and larger must always be tested after installation. Three inch meters must be tested once every three years. Meters four inches and larger must be tested each year. It is recommended that these meters always have a screen directly upstream not only to protect the meter but to help ensure its accuracy. These screens should be cleaned each time the meter is tested; however, as the enclosed picture shows, this may not be often enough. After a large line break on either side of the meter, line flushing or any other disturbance in the distribution system, it is always a good idea to check the screens on large meters. A partially blocked screen on a turbine meter usually makes the meter record fast.

If a meter is found to be more than two percent fast, the utility must refund the overcharge. Based on the corrected meter, the time for calculating the payback will be half the time elapsed since the last test, but not to exceed six months. However, if a date can be determined when the error began, the payback should be calculated retroactively to that date. If the meter has not been tested in accordance with Rule 6.4, the period beyond the test period will be added to the six months.

For example, assume one utility is selling water to another through a four inch master meter. The purchase system has 1,000 customers averaging 100 gallons per day usage giving an annual purchase, including 15 percent water loss, of 41,975,000 gallons. At \$1.50 per 1,000 gallons, the annual cost for water would be \$62,962. In the first case during its annual test, the meter is found to be reading five percent fast. The seller would be required to refund the purchaser \$1,574:

$$\begin{aligned} 41975(\text{M gallons}) \times 5\% &= 2098 \text{ gallons} \\ 2098 \text{ M gallons at } \$1.50/\text{M} &= \$3147 \\ \$3147 / 2 \text{ (6 months)} &= \$1574 \end{aligned}$$

If it could be agreed that, due to a line break or other recognized incident, the meter started reading fast three months prior, the payback would be \$787.

If the meter had not been tested for the past three years, for example, the required payback would be \$7,868.

Although it's the sellers' responsibility to own, operate, repair, maintain and test the meter, the purchaser should always see to it that the meter is tested and that they receive a copy of the test report.*****

**MISS UTILITY
Senate Bill 439**

*By: David Hippchen, P.E.
PSC, Engineering Division*

This article is a resubmission

In the 2006 regular session, the Legislature enacted significant changes to West Virginia Code Sections 24C-1-3 and 24C-1-5 regarding Underground Facilities Damage Prevention. The changes affect the One Call System, commonly referred to as Miss Utility, and how both excavators and facility owners operate within that system. The bill went into effect 90 days from its passage date of March 10, 2006.

After June 10, 2006, an excavator must notify the appropriate first responders (or call 911) of any break or leak in underground facilities, or of any dent, gouge, groove, or other damage made or [observed] in the course of excavation which creates an emergency. An excavator must notify the one-call system within 24 hours of any similar conditions made or observed that do not create an emergency.

Excavators who fail to call Miss Utility, or who fail to follow the reporting provisions, or who violate any other provision of §24C-1-5, will be guilty of a misdemeanor, and upon conviction, could be fined not more than \$5,000. The introduction of penalties as a compliance tool moves West Virginia forward in adopting one of the practices recommended by the Common Ground Alliance (CGA), an association dedicated to ensuring public safety, environmental protection, and the integrity of services by promoting damage prevention.

Pursuant to changes in §24C-1-3, an underground facility owner must notify an excavator that, in the case where no temporary markings have been left at the proposed construction area, the owner has determined there are no buried lines or cables in that location. This notification is a component of CGA's best practices known as *positive response*. A positive response may include one or more of the following: markings or documentation left at the job site, callback, fax, or automated response system. This type of positive response will allow excavators to safely proceed with their proposed work in a timely manner, knowing that the dig site is clear of underground lines.

More information may be obtained at the Miss Utility website, www.muwv.org".*****

30B FILING PROCEDURES FOR WATER AND SEWER UTILITIES

By: Bill Nelson, Utilities Manager
PSC, Water & Wastewater Division

Many water utility companies in West Virginia must purchase their water from another utility for resale. Additionally, some sewer utility companies must also pay another company to treat their effluent. The PSC's 30-B filing is a case designed for water companies to recover only increases in purchased water or sewage treatment expenses. The filing is designed to be processed with an Initial and Final Memorandum from Staff at 35 days from the filing of the case.

A 30-B filing is initiated by the submission to the PSC of the appropriate application by a utility. The Water and Wastewater Division Staff is assigned the responsibility of recommending the amount of rate increase required to recover the water or sewer utility's increased purchased water or sewage treatment costs. Although required by the Commission's *Tariff Rules*, it is not always necessary for the water or sewer utility to propose increased rates when it makes a 30-B filing. Similarly, the need to provide public notice by publishing proposed rates prior to filing has also frequently been waived by the PSC for small utilities. It may not only save costs, but may expedite the filing if a small utility does not calculate the rate increase needed and publish it. Instead, a simple letter requesting a pass through of the increased cost and the waiver of the *Tariff Rules* will constitute a sufficient filing to initiate a 30-B rate proceeding.

Commission Staff develops rates required to recover the increased purchased water or sewage treatment costs and files its Initial and Final Memorandum setting forth the recommended rates. The Commission issues a Procedural Order approving these increased rates and charges. The increased rates and charges are approved on an interim basis for all bills rendered on and after the date of the Commission's Procedural Order. The Commission's Procedural Order also requires the water or sewer utility to publish notice of the interim rates and charges as a Class I legal publication, in a newspaper published and of general circulation in the county(ies) where its customers reside. The utility must file an affidavit of publication from the newspaper within the 30-B case.

The interim rates are routinely approved and the utility is ordered to provide public notice. If substantial protests are received in response to the public notice and the Commission subsequently finds that the interim rates were not justified, refunds will be ordered. If a substantial protest is not received within the protest period stated in the public notice, the Commission will issue a further Order adopting the interim rates as final rates.

It is extremely important that the utility implement the interim rates upon receipt of the first Commission Order. Protest in these types of cases does not occur very often since customers understand this is merely a flow through of an increased cost from the supplier. Staff is aware that some utilities are waiting for the receipt of the Final Commission Order in these cases before implementing the increased rates. Because of the length of time that it may take a utility to obtain the affidavit of publication from the newspaper, the utility that does not

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implement the rates on an interim basis may go for several months without implementation of the rate increase, while at the same time having to pay the increased bills from the supplier. This situation can severely impact the financial health of the purchasing utility and may impact the financial health of the wholesale utility if its bills are not timely paid by the purchasing utility.

Confusion with this process also arises when the wholesale utility applies for a rate increase and, as part of that filing, requests interim or emergency rates. If emergency rate increases are approved for the wholesale utility, then the purchasing utility will have two separate rate increases within the 30-B. The purchased water or sewer treatment utility must apply for a 30-B increase to pass through the wholesale utility's emergency rate increase as well as the final rate increase once approved.

It should be noted that the wholesale utility's emergency rates, if approved, are also approved subject to refund. That would impact the purchasing utility as well if the wholesale utility's final rates resulted in refunds. The purchasing utility would also have to provide a refund. While this is somewhat of an anomaly, it has occurred recently. Commission Staff, when processing a 30-B case resulting from the wholesale utility obtaining approval of an emergency rate increase, would prepare an Initial Memorandum addressing the purchasing utility's level of rates to recover the wholesale utility's approved emergency rate increase. Upon receipt of a final rate recommendation in the wholesaler's case, Staff in the 30-B case would then develop a Final Memorandum with a rate recommendation to address the level of final rates to recover the full purchased water or sewage treatment increased cost. At both stages of the process, the Commission would issue Orders approving the rates and charges on an interim basis subject to refunds and public notice.

Keep in mind the 30-B process is an expedited method for water and sewer utilities to pass through and recover the cost of purchased water or sewage treatment from its customers. Depending on the wholesale utility's rate needs, the process can require additional steps and rate adjustments. By understanding the 30-B procedures, requirements, processing timeline, and interim and final approvals, a utility will assure that its purchased water or sewage treatment costs are sufficiently and adequately addressed. As always, if you have any questions on the process either before or during a 30-B case, please don't hesitate to contact the Staff****

2009 SEMINAR INFORMATION

PSD Board Members Seminar – February 12-14	Charleston -Embassy Suites
Safety Seminar– March 25-26	Wheeling - Oglebay Resort
Safety Seminar – May 19-20	Pipestem State Park
Termination – May 21	Pipestem State Park
Safety Seminar – June 9-10	Martinsburg - Holiday Inn
Safety Seminar – August 11-12	Flatwoods - Days Inn
Main Extension – August 13	Flatwoods - Days Inn
Termination – August 14	Flatwoods - Days Inn
**Annual Report Workshop – October 14	Burlington- DOH
**Annual Report Workshop – September 22	Charleston - PSC
**Annual Report Workshop – September 11	Clarksburg - DOH
**Annual Report Workshop – September 17	Princeton - DOH
Manager’s – September 9-10	Morgantown - Waterfront Place
PSD Board Members – October 15-17	Canaan Valley Resort State Park
Cases Seminar – November 5	Charleston - Summit Conf. Center

Not confirmed

NEW EMPLOYEE NEWS

Sharon Godwin transferred her employment with AT&T from Woodlake, California, to West Virginia in 1989, to be closer to her family in Virginia Beach. She was recently hired as a Consumer Affairs Technician in the Water and Wastewater Division where she plans to use her talents of negotiation that she learned working in a CPA firm that administered Class Action Suits. Sharon earned a Bachelor's Degree from West Virginia State University. Although she has now made her home in West Virginia, Sharon has lived in many places including Massachusetts, Virginia, South Carolina, Hawaii and California. She has traveled through most every state in the U.S., including Alaska.

Nancy Tincher was recently hired at the PSC as an Office Assistant in the Water and Wastewater Division. She lives in Marmet, but grew up in Boone County and graduated from Sherman High School. Nancy has worked for several state agencies and Brickstreet Mutual Insurance Company. She enjoys spending time with family and friends and putting miles on her Harley when the weather permits.



Public Service Commission of West Virginia
*Our Staff is Ready to Help You, Do Not Hesitate to Call
or Write*

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Chairman

Edward H. Staats
Jon W. McKinney
Commissioners

WATER AND WASTEWATER DIVISION

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Vickie Miller, Administrative Secretary—340-0482

Edwina Strickland, Secretary—340-3749 Nancy Tincher, OA—340-0440

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Bill Nelson, Chief Utilities Manager 340-0445
David Acord, II, Utilities Analyst Supervisor 340-0475
David Hatten, Utilities Analyst Supervisor 340-0366
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Troy Eggleton, Utilities Analyst II 340-0397
Pam Latocha, Utilities Analyst II 340-0422
Pete Lopez, Utilities Analyst II 340-0823
Sandra Mitchell, Utilities Analyst II 340-0447
Nathan Nelson, Utilities Analyst II 340-0488
Michael Quinlan, Utilities Analyst I 340-0869
C. Sue Stephenson, Utilities Analyst I 340-0868

ASSISTANCE SECTION

Geert Bakker, Chief Utilities Manager 340-0467
Conrad Bramlee, Utilities Analyst III 340-0471
Bonnie Boston, Utilities Analyst I 340-0479
Versie Hill, Utilities Analyst I 340-0870
Pina Sangani, Utilities Analyst I 340-0769

INFORMAL COMPLAINTS

James F. Aucremanne, Consumer Affairs Tech 340-0379
Sharon Godwin, Consumer Affairs Tech 340-0494
Sharra Huffman, Consumer Affairs Tech 340-0826

ENGINEERING DIVISION

Earl Melton, PE, Director - 340-0392 Victoria Trent, Secretary - 340-0370 Lynn Pringle - 340-0395

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David W. Dove, PE, Chief Utilities Manager 340-0436
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