Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812 Charleston, West Virginia 25323



Phone: (304) 340-0300 Fax: (304) 340-0325

Ms. Kathy Emery, P. E.
Office of Water Resources
Department of Environmental Protection
601 57th St.
Charleston, West Virginia 25304

Re: Public Service Commission Staff Review Comments

Project No. 2016S-1658

Sophia, Town of – WWTP Replacement

Use of Contingency Request

Dear Ms. Emery:

As requested, the Technical Staff of the Public Service Commission of West Virginia has completed its review of the above-referenced use of contingency request. In light of Technical Staff's comments enclosed herewith, we are recommending the request be:

____ Approved by the Technical Review & Funding Committee

___ X Denied by the Technical Review & Funding Committee

Please advise if you have any questions.

Sincerely,

Brandon Crace Engineering Division

Brandon Crace

Enclosures BC

ENGINEERING: Brandon Crace

- 1. Scope: The Town of Sophia (Sophia) is requesting to utilize \$84,465.76 of construction contingency to pay Beckley Water Company (BWC) to construct a water line to the new Sophia Wastewater Treatment Plant. The proposed scope includes: 1,550 LF of 2-inch PVC water line, and all necessary appurtenances.
- 2. Need: The request indicates that the waterline was included in the original scope of work to be bid; however, BWC noted during design that they would be doing the water line installation on their own system and the plans were modified to include notes on the waterline stating it would be "installed by Beckley Water Company".
- 3. Feasibility: The request appears to be technically feasible. However, the request is not in compliance with PSC Water Rules.

4. Deficiencies/Comments:

- This request is a water main extension, which is defined by PSC Water Rules §150-7-7.5.
- The request states that BWC's Utility Share is "\$TBD after one year of usage calculation.", which is not in compliance with PSC Water Rules.
- PSC Water Rules §150-7-7.5 and Water Form No. 5 indicates that a utility is required to provide a "Utility Share", which is defined as the estimated total net revenue per customer calculated pursuant to Rule §150-7-7.5.5.e.
- PSC Water Rules define "point of service" as the point in which the utility pipe and the appurtenances connect to the utility service pipe with the inlet connection of a customer's service pipe at or near the customer's property line, or elsewhere if provided for in a user's agreement. The utility shall own and maintain all facilities located between the point of service and the main. Therefore, the proposed 1,550 feet of 2-inch pipe will be owned and maintained by BWC.
- The new Sophia Water Treatment Plant is located outside the current BWC service area.
- A customer service line has been installed on site by the Contractor.
- PSC Water Rule §150-7-7.5.5.c identifies that a utility will provide a written estimate calculated using Water Form No. 5 to the customer in the form of Water Form No. 6, no more than forty (40) days from the receipt by the utility of the written request for service. If the prospective customer believes that any part of the estimate is unreasonable, the customer is free to pursue an informal request for assistance from the Commission staff or to file and complaint with the Commission. Further, the utility and the customer shall execute a Main Line Extension Agreement.