

# 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



March 5, 2026

Meredith J. Vance, Director  
Environmental Engineering Division, WVBPH  
Katheryn Emery, P.E., Program Manager  
CWSRF & DWTRF, Division of Water and Waste Management, WVDEP

Re: Public Service Commission Staff Review Comments  
Application No. 2023W-2455  
Whitmer Water Association – Distribution System Improvements  
Infrastructure Preliminary Application

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

- Forwarded to the Funding Committee  
 Forwarded to the Consolidation Committee  
 Returned to the Applicant

Please advise if you have any questions.

Sincerely,

*Brandon Crace*

Brandon Crace  
Engineering Division

Enclosures

**PUBLIC SERVICE COMMISSION STAFF  
TECHNICAL REVIEW**

**DATE:** March 4, 2026

**PROJECT SPONSOR: WHITMER WATER ASSOCIATION – (WATER)**

**PROJECT SUMMARY:** The Whitmer Water Association has revised its previously approved project scope to prioritize replacement and upgrades to its distribution system.

<b>PROPOSED FUNDING:</b> IJDC Grant	\$485,000
DWTRF Principal Forgiveness	<u>485,000</u>
Total	\$970,000

**CURRENT/  
PROPOSED RATES:** \$64.50 3,400 gallons (Min. based on 4,000 gallons)  
\$64.50 4,000 gallons (Min. based on 4,000 gallons)

Application No. 2023W-2455

**RECOMMENDATION:**  forward to the Funding Committee.  
 forward to the Consolidation Committee.  
 return to the Applicant.

**FINANCIAL:** William Nelson

1. Current rates (\$64.50 for 3,400 gallons) are above the rates attributable to 1.25% (\$26.88), 1.5% (\$32.26), 1.75% (\$37.63), and 2% (\$43.01) of the Median Household Income. Note: The Association’s minimum bill is based on 4,000 gallons.
2. For purposes of this review, Staff is assuming 100% grant funding. In addition, the Applicant has not provided updated financial information. Therefore, no cash flow is provided.
3. Notes to Comments:
  - A. Staff notes, the Applicant currently has pending Case Nos. 22-0993-W-DU and 23-0590-W-19A-PC which involve determining whether the Association is a failing utility and providing for the operation and possible future acquisition by the City of Elkins. These cases will affect the Association’s water operations.

## **ENGINEERING:** Brandon Crace

1. Pursuant to House Bill 2742 passed in the 2025 Legislative Session, this project will not require a Certificate of Convenience and Necessity from the PSC.
2. Scope: The Whitmer Water Association is proposing to revise its previously approved project scope (May 2024), which had included water treatment, storage, and distribution system improvements. The proposed revised project scope includes: replacement of 105 water meters, new meter reading equipment, 6 leak detection meters, locate and lock out 40 water meters that are not in use, mixer for existing water storage tank (including temporary water storage tank), purchase an in-line valve installation machine, purchase ten (10) 6-inch valves (material only), miscellaneous repairs and materials, and all necessary appurtenances. The estimated construction cost is \$608,000 (includes 10.16% construction contingency), and the estimated total project cost is \$970,000.

Need: The City of Elkins is operating the Whitmer Water Association facilities and is evaluating a consolidation study for Harman and Whitmer. The revised request indicates that water treatment plant is operating over 9 hours per day, recent unaccounted water loss has been calculated at 81.2%, and suggests the proposed improvements will reduce the operating time of the water treatment plant.

Customer Density: This project is an upgrade project; therefore, customer density will remain unchanged.

Cost per Customer: Based upon the estimated total project cost is \$970,000, and having approximately 94 customers, the cost per customer will be approximately \$10,320. However, the cost per customer in terms of proposed borrowing is \$0, as the proposed funding is 100% grant.

3. Project Feasibility: The project appears to be technically feasible and poses little technical risk.
4. Project Alternatives: The filing for this revised request did not provide a detailed discussion or evaluation of alternatives. The previous Technical Review Comments (November 2023) did note that this project should consider deductive alternatives, and/or prioritization of scope items. The proposed revised scope does prioritize certain distribution system items.

5. Consolidation: Currently, Whitmer Water Association is being operated under an operation and maintenance agreement with the City of Elkins. PSC Case No. 22-0993-W-DU Final Order established that Whitmer Water Association is a failed utility and the assets will be acquired by the City of Elkins.
6. Operation and Maintenance (O&M) Expenses: The revised filing did not include a discussion or breakdown of changes to O&M. However, the proposed scope should decrease the unaccounted water quantity and thus reduce the water plant operating times, resulting in a decrease in O&M.
7. Engineering Agreement: The application includes information to determine compliance with West Virginia Code §5G-1-1, et seq. Total technical services (engineering) costs for the project are \$223,000, which is equal to 36.68% of the construction cost of \$608,000 (includes construction contingency).
8. Deficiencies/Comments:
  - Nothing significant to note.