

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA  
in the City of Charleston on the 4<sup>th</sup> day of November 2025.

CASE NO. 25-0027-LRR-PWD-GI

MINGO COUNTY PUBLIC SERVICE DISTRICT

Petition to Order a General Investigation of the  
Mingo County Public Service District.

**COMMISSION ORDER**

The Commission (i) grants the petitions to intervene, (ii) requires Mingo County Public Service District (District) to submit a corrective action plan (CAP), and (iii) requires the District to amend its Schedule 1 Leak Adjustment Rate to reflect its incremental expenses, and to amend its tariff language.

**BACKGROUND**

On January 15, 2025, Commission Staff (Staff) filed a Petition requesting the Commission to order a general investigation to “determine whether the District is unable to adequately serve its customers, has been effectively abandoned by its management, whether its management is grossly and willfully inefficient and unresponsive to the needs of its customers for adequate water service, such as to require appointment of a receiver, in accordance with W. Va. Code §24-2-7 and §24-2-1(b).”<sup>1</sup>

On January 23, 2025, the Commission issued an Order that (i) initiated a general investigation, (ii) named the District as a respondent, and (iii) directed the Staff to file a report documenting its investigation including engineering and legal recommendations no later than July 14, 2025.

On January 28, 2025, Staff filed a motion to amend the procedural schedule, establish expedited discovery, and require cooperation.

On January 31, 2025, the Consumer Advocate Division (CAD) filed a petition to intervene. CAD stated it is “required by statute and rule to represent the

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<sup>1</sup> Staff Petition at Bates 6.

interests of residential ratepayers in utility rate cases and related proceedings that may impact the natural gas, electricity, water, and sewer rates and services of the residential customers of utilities”.<sup>2</sup>

On February 28, 2025, Appalachian Power Company (APCo) filed a petition to intervene. APCO stated it provides electric service to the District for use in its operations. APCO also stated that no other Party to this proceeding shares or represents the particular interest of APCO and it does not wish to broaden the issues of this proceeding.<sup>3</sup>

On March 20, 2025, the Commission issued an Order consolidating the Formal Complaints<sup>4</sup> with the General Investigation.

On April 14, 2025, Staff filed a Final Joint Staff Memorandum recommending the Commission order the District to submit a CAP.

On April 18, 2025, the District filed a response to Staff’s Final Joint Staff Memorandum.

On April 21, 2025, APCo filed a response to the Final Joint Staff Memorandum.

## **DISCUSSION**

### **Petitions to Intervene**

Under Rule 12.6 of the Commission’s Rules of Practice and Procedure (Procedural Rules), 150 C.S.R. 1, any person having a legal interest in the subject matter of a pending proceeding may petition to intervene. Both the CAD and APCo have a legal interest in this proceeding and their petitions to intervene will be granted.

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<sup>2</sup> CAD’s Petition to Intervene at Bates 3-4.

<sup>3</sup> APCO Petition to Intervene at Bates 3.

<sup>4</sup> Commission Case Numbers 24-0357-LRR-PWD-C, 24-0358-LRR-PWD-C, 24-0359-LRR-PWD-C, 24-0360-LRR-PWD-C, 24-0361-LRR-PWD-C, 24-0362-LRR-PWD-C, 24-0363-LRR-PWD-C, 24-0364-LRR-PWD-C, 24-0365-LRR-PWD-C, 24-0366-LRR-PWD-C, 24-0367-LRR-PWD-C, 24-0368-LRR-PWD-C, 24-0369-LRR-PWD-C, 24-0370-LRR-PWD-C, 24-0371-LRR-PWD-C, 24-0372-LRR-PWD-C, and 24-0374-LRR-PWD-C.

## **Corrective Action Plan**

Under W. Va. Code §24-2-7(a), if the Commission finds:

any regulations, measurements, practices, acts or service to be unjust, unreasonable, insufficient or unjustly discriminatory, or otherwise in violation of any provisions of this chapter, or shall find that any service is inadequate, or that any service which is demanded cannot be reasonably obtained, the commission shall determine and declare, and by order fix reasonable measurement, regulations, acts, practices or services, to be furnished, imposed, observed and followed in the state in lieu of those found to be unjust, unreasonable, insufficient, or unjustly discriminatory, inadequate or otherwise in violation of this chapter, and shall make such other order respecting the same as shall be just and reasonable.

Staff conducted an investigation and found the facility was in very poor condition along with several safety issues.<sup>5</sup> The District changed the board members and hired a new General Manager.<sup>6</sup> Staff found “that a lack of effective management and funding led to the poor conditions of the system.”<sup>7</sup> Because of the change in board members and the hiring of a new General Manager, Staff did not recommend “the appointment of a receiver or the initiation of a proceeding under The Distressed and Failing Utilities Improvement Act at this time.”<sup>8</sup> Alternatively, Staff recommended the Commission order the District to “submit a corrective action plan (CAP) to alleviate the deficiencies found at the Naugatuck Plant and in the distribution system, including the Town of Justice, within thirty days.”<sup>9</sup>

The Commission agrees with Staff’s recommendation that, at minimum, the District’s CAP should include:

1. A plan to correct the deficiency in the number of field employees and to retain a new field supervisor.
2. A plan to replace failed and outdated equipment in the plant.

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<sup>5</sup> Final Joint Staff Memorandum at Bates 14, April 14, 2025.

<sup>6</sup> Id. at Bates 26.

<sup>7</sup> Id. at Bates 29.

<sup>8</sup> Id.

<sup>9</sup> Id.

3. A plan to replace failed and outdated equipment in the distribution system.
4. A plan to alleviate all state regulatory agencies violations.
5. A plan to restore equipment redundancy in the plant and in its distribution system.
6. A plan to alleviate safety issues observed at the plant and in the distribution system.
7. A plan to install Supervisory Control and Data-Acquisition Systems (SCADA) and telemetry for most of its tanks.
8. A plan to maintain and operate its system to provide safe, reliable, continuous, and adequate water service to its customers.
9. A plan to develop an asset management plan.
10. A plan to seek immediate and long-term funding to fulfill the above.<sup>10</sup>

The District should submit a CAP to the Commission that, at a minimum, addresses the above corrective actions. The District filed a response to Staff's Final Joint Staff Memorandum, and the Commission would like the District to update its responses. The District should also include in the CAP the agreement in place with APCo for the arrearage owed.

The District should include in the CAP a plan to address the operation of the Justice Pump Station.<sup>11</sup>

The District should also file quarterly status reports on the steps taken to fulfill its plan until all the issues are resolved.

### **Amend Tariff Language and Schedule 1 Leak Adjustment Rate**

Staff found discrepancies between the District's current tariff rates and the rates it bills to resale customers.<sup>12</sup> Staff found the District's Schedule 1 Leak Adjustment Rate "is unreasonable and does not reflect its incremental expenses. The District's leak adjustment rate last approved by the Commission was \$1.65 per 1,000 gallons."<sup>13</sup> The Commission agrees with Staff's recommendation that

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<sup>10</sup> Id.

<sup>11</sup> On May 21, 2025, a Recommended Decision was entered that rejected the Inter-Utility Agreement, and ordered the Town of Gilbert to cease operating the pump station. Commission Staff filed exceptions. Town of Gilbert Water Works and Mingo County Public Service District, 25-0083-W-PWD-PC.

<sup>12</sup> Final Joint Staff Memorandum at Bates 7.

<sup>13</sup> Id.

the District amend its Schedule 1 Leak Adjustment Rate to reflect its incremental expenses, and to amend its tariff language.

### **FINDINGS OF FACT**

1. Staff conducted an investigation and found the facility was in very poor condition along with several safety issues.<sup>14</sup>

2. The District changed the board members and hired a new General Manager.<sup>15</sup>

3. Because of the change in board members and the hiring of a new General Manager, Staff did not recommend “the appointment of a receiver or the initiation of a proceeding under The Distressed and Failing Utilities Improvement Act at this time.”<sup>16</sup>

4. Staff recommended that the Commission order the District to “submit a corrective action plan (CAP) to alleviate the deficiencies found at the Naugatuck Plant and in the distribution system, including the Town of Justice, within thirty days.”<sup>17</sup>

5. CAD and APCo filed petitions to intervene in this matter.<sup>18</sup>

### **CONCLUSIONS OF LAW**

1. Staff’s recommendations to amend the tariff language and to submit a corrective action plan are reasonable.

2. The District should also file quarterly status reports on the steps taken to fulfill its plan until all the issues are resolved.

3. CAD and APCo have a legal interest in this matter required for intervention by Procedural Rule 12.6.

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<sup>14</sup> Id. at Bates 14.

<sup>15</sup> Id. at Bates 26.

<sup>16</sup> Id. at Bates 29.

<sup>17</sup> Id.

<sup>18</sup> Petition to Intervene filed by CAD on January 31, 2025, and Petition to Intervene filed by APCo on February 28, 2025.

## ORDER

IT IS THEREFORE ORDERED that Mingo County Public Service District submit a corrective action plan that, at a minimum, addresses the corrective actions listed above.

IT IS FURTHER ORDERED that Mingo County Public Service District amend its Schedule 1 Leak Adjustment Rate to reflect its incremental expenses, and to amend its tariff language.

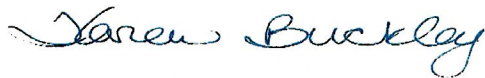
IT IS FURTHER ORDERED that Mingo County Public Service District should also file quarterly status reports on the steps taken to fulfill its plan until all the issues are resolved.

IT IS FURTHER ORDERED that the Consumer Advocate Division's and Appalachian Power Company's petitions to intervene are granted.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order to the West Virginia Rural Water Association Utility Mentoring Alliance.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order by electronic service on all parties of record who have filed an e-service agreement, and by United States First Class Mail on all parties of record who have not filed an e-service agreement, and on Commission Staff by hand delivery.

A True Copy, Teste,



Karen Buckley,  
Executive Secretary

JLH/pkb  
250027cb



# Public Service Commission of West Virginia

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RE: Case No. 25-0027-LRR-PWD-GI, et al  
Petition to Order a General Investigation of  
the Mingo County Public Service District

Ladies/Gentlemen:

Enclosed is a copy of a Commission order issued today in the above-styled proceeding.

Documents submitted to the Public Service Commission of West Virginia may be 1) uploaded to its public website, 2) subject to public disclosure under the West Virginia Freedom of Information Act, and/or 3) subject to disclosure under the West Virginia Open Governmental Proceedings Act. Do not submit personal information with your filings. The Commission is not responsible for confidential or personal information included with your submission. A list of personal information is available here: [http://www.psc.state.wv.us/Privacy\\_Policy/WhatisPII.htm](http://www.psc.state.wv.us/Privacy_Policy/WhatisPII.htm)

If you have provided an email address you will automatically receive notifications as documents are filed in this proceeding. The email notifications allow recipients to view a document within an hour from the time the filing is processed. If you have not provided your email address, please send an email to [caseinfo@psc.state.wv.us](mailto:caseinfo@psc.state.wv.us) and state the case number in the email subject field. **You are encouraged to file an Electronic Mail Agreement which allows the commission to serve all orders issued in this matter via electronic notification.**

Sincerely,

  
Karen Buckley  
Executive Secretary

KB/ah  
Enc.