



TOWN OF CEDAR GROVE, WV

Water system sale delivers enhanced efficiency and reliable service for over 500 customers in Kanawha County

BENEFITS OF ASSET PURCHASE

Secured safe, reliable water service to over 500 customers in Cedar Grove

Achieved significant reduction in water loss, restoring system integrity and dramatically improving efficiency

Professional 24/7 operations and emergency response available from a full team of water professionals

Customer-focused assistance and income-based programs keeping water bills affordable for qualifying households



A SMALL TOWN UNDER PRESSURE

For years, the town of Cedar Grove, which served approximately 519 customers in Kanawha County, WV, had struggled to maintain adequate service to its customers. Deferred maintenance left the town with an aging infrastructure contributing to significant leaks, main breaks and service interruptions. Additionally, the town lacked financial resources to continue maintenance and upgrades on its water treatment plant and distribution system.

By early 2021, Cedar Grove officials realized that continuing to operate the system was no longer sustainable and determined that it was in the best interest of its customers to sell its distribution system to West Virginia American Water, a partner with the resources and expertise to secure its future.

SOLUTIONS AT WORK

In April 2021, Cedar Grove and West Virginia American Water filed a joint petition with the Public Service Commission of West Virginia (PSC) to transfer ownership of the town's water distribution system. The PSC evaluated the proposal, weighed customer impact and public interest and granted the approval for sale to West Virginia American Water for a purchase price of \$350,000. By October 2021, Cedar Grove customers officially became part of West Virginia American Water's network.

WEST VIRGINIA AMERICAN WATER INVESTMENTS IN CEDAR GROVE

Year	Investment
2021	\$5,100,000
2022	\$4,200,000
Total	\$9,300,000

RESULTS

West Virginia American Water quickly stabilized service by:

- Establishing an interconnection with West Virginia American Water's Kanawha Valley system to ensure a dependable water supply.
- Replacing nearly 20,000 linear feet of water main.
- Replacing every water service line and fire hydrant in Cedar Grove.
- Shifting operational support to West Virginia American Water, relieving the town of maintenance and compliance burdens.

HIGHLIGHTS & COMMITMENTS

- Since completing the acquisition, West Virginia American Water has invested over \$9 million in water system improvements, reducing water loss and non-revenue water by roughly 90% and lowering system demand from 500 to 50 gallons per minute — a transformative improvement in system efficiency.
- Stabilized rates to be aligned to WVAW's standard PSC-approved rates over a three-year rate phase-in.
- Implemented special reduced-rate options and customer assistance programs to support qualifying customers who may struggle to afford water service.