

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MAYO VILLAGE WATER,)
INC., FOR A DEVIATION FROM THE WATER) CASE NO. 10065
STORAGE REQUIREMENTS)

O R D E R

By letter received October 23, 1987, Mayo Village Water, Inc., ("Mayo") requested a deviation from 807 KAR 5:066, Section 5(4), which requires a utility to provide water storage to insure a minimum of one day's supply of its average daily water usage.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. Mayo has no water storage tanks in its water distribution system.
2. Mayo has three large volume customers and none of them have any storage tanks.
3. The average consumption for 1987 was approximately 68,500 gallons per day.
4. There have been numerous interruptions in Mayo's water distribution system during 1987.
5. Mayo should retain a professional engineer registered in the Commonwealth of Kentucky and experienced in the design and operation of water distribution systems to conduct a comprehensive engineering study of Mayo's water system. The engineer should perform the necessary hydraulic and economic analyses to determine

the appropriate water storage requirements for Mayo. The engineering study should include an estimate of the costs involved in obtaining the appropriate amount of water storage and the available sources of the funds needed for any proposed construction. It should also include a detailed discussion of the financial effects that the funding arrangements would have on Mayo and its customers.

6. Because of the time needed to plan, finance and implement a program to increase its water storage facilities, Mayo should be granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991, to bring it within compliance of the Commission's water storage requirements.

IT IS THEREFORE ORDERED that:

1. Mayo be and it hereby is granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991.

2. Mayo shall retain a professional engineer to conduct a comprehensive engineering study of its water distribution system as outlined in Finding Number 5 herein. Mayo shall file a copy of the report of this study with this Commission no later than September 1, 1988.

3. Mayo shall take all necessary actions to bring its water storage facilities within compliance of the Commission regulations prior to the expiration date of the deviation herein granted.

Done at Frankfort, Kentucky, this 25th day of February, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Hemeryk
Chairman

Robert M. Davis
Vice Chairman

Spencer W. Williams
Commissioner

ATTEST:

Executive Director