COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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THE APPLICATION OF MILFORD WATER) COMPANY, INC., FOR A DEVIATION) FROM THE MINIMUM WATER STORAGE) CASE NO. 10203 REQUIREMENT OF 807 KAR 5:066,) SECTION 5(4))

ORDER

By letter received March 22, 1988, Milford Water Company, Inc. ("Milford Water"), requested a deviation from 807 KAR 5:066, Section 5(4), which requires a water utility to insure 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. Milford Water is purchasing water from the City of Richmond Water, Gas and Sewage Works ("Richmond Water") at an average daily rate of 153,340 gallons.

2. Milford Water has no water storage facility of its own. It depends on the Richmond Water constant water supply. The supplier's storage tank is 3/4 mile from the Milford delivery point.

3. Milford Water distributes water to 600 residential customers.

4. Richmond Water had approximately 5 hours interruption in the last 3 years during the installation of a new feed line to its system. 5. Richmond Water does not guarantee a continuous supply of water without interruption or fluctuation to Milford Water.

6. Richmond Water has surplus production capabilities at the current demand rates which on average are 4.46 million gallons per day and has 8.4 million gallons storage capacity.

7. Since Richmond Water does not guarantee a constant water supply without interruption to Milford Water and does not reserve part of its storage capacity for Milford Water, it is the Commission's opinion that Milford Water should comply with 807 KAR 5:066, Section 5(4) and should have a minimum of one day's storage for its system.

8. Milford Water should be granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991, to bring its system in compliance with the Commission's regulation by providing a minimum of one day's water storage for its system.

IT IS THEREFORE ORDERED that:

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

2. Milford Water shall provide a minimum storage of one day's consumption to its system prior to the expiration date of this deviation.

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Done at Frankfort, Kentucky, this 12th day of May, 1988.

PUBLIC SERVICE COMMISSION

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ATTEST:

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Executive Director