

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR A DETERMINATION)
BY THE PUBLIC SERVICE COMMISSION)
THAT ITS EXISTING WATER STORAGE) CASE NO. 10237
IS ADEQUATE PURSUANT TO 807 KAR)
5:066, SECTION 5(4))

O R D E R

By application filed April 28, 1988, Kentucky-American Water Company ("Kentucky-American") requested a deviation from 807 KAR 5:066, Section 5(4). Said request proposed that Kentucky-American be relieved of the requirement to provide water storage to insure a minimum of one day's supply of its average daily water usage. In addition to the information contained in its application, Kentucky-American referred to the Least Cost/Comprehensive Planning Study submitted in Case No. 9696, An Analysis Of The "Least Cost Planning Evaluation" Submitted By Kentucky-American Water Company.

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

1. Kentucky-American has 12.21 million gallons of treated water storage capacity presently available in its distribution system. It also has 2.95 million gallons of storage at the Kentucky River Treatment Plant.

2. The average daily consumption is approximately 38.2 million gallons.

3. Kentucky-American's Kentucky River Treatment Plant has a maximum finished water production capacity of approximately 39 million gallons per day. Its Richmond Water Treatment Plant has a maximum finished water production capacity of approximately 19.5 million gallons per day.

4. The Least Cost/Comprehensive Planning Study indicates that Kentucky-American intends to construct a new 5 million gallons a day water treatment plant on the Kentucky River by 1990. The plan also proposes the construction of an additional 2 million gallons of storage by 1995.

5. Kentucky-American should conduct a comprehensive engineering study of its water system when it updates the Least Cost/Comprehensive Planning Study. Kentucky-American should perform the necessary hydraulic and economic analyses to determine the appropriate water storage requirements for its system.

6. Because of the time needed to analyze its water system and to review its water storage requirements, Kentucky-American should be granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1993.

IT IS THEREFORE ORDERED that:

1. Kentucky-American be and it hereby is granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1993.

