COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTH NELSON WATER) DISTRICT FOR A DEVIATION FROM THE WATER) CASE NO. 10240 STORAGE AND SERVICE LINE REQUIREMENTS)

ORDER

By letter received April 22, 1988, North Nelson Water District ("North Nelson") requested a deviation from 807 KAR 5:066, Section 5(4), and Section 10(3), which requires a water utility to insure one day's supply of its average daily water usage and to inspect a customer's service line.

Additional information is needed for an adequate and proper consideration of the deviation requested by North Nelson.

IT IS THEREFORE ORDERED that North Nelson shall file an original and seven copies of the following information to the Commission, with a copy to all parties of record, no later than June 10, 1988.

1. Provide the following information to describe the demands for water on North Nelson's water distribution system.

a. Total volumes purchased and/or produced annually for 1984, 1985, and 1986.

b. Total volumes purchased and/or produced monthly for the 12 months ending December 31, 1987.

c. Average 24-hour volume purchased and/or produced during the 12 months ending December 31, 1987.

d. Maximum 24-hour volume purchased and/or produced during the 12 months ending December 31, 1987.

e. Total days and highest number of successive days that the maximum 24-hour volume was purchased and/or produced during the 12 months ending December 31, 1987.

f. Projected maximum daily demand volumes for 1990 similar to (d) and (e) above. Describe the method by which these projections were made.

2. Provide a map of North Nelson's distribution system that shows the location and size of all distribution mains, storage tanks, pumping stations and any other significant features of the system. One inch on this map should not represent more than one mile on the ground.

3. Provide a description of each of North Nelson's storage facilities including their locations on the system and show total volume of storage on the system.

4. List the difference in volumes between total storage and
(a) maximum 24-hour volume produced and/or purchased, (b) average
24-hour volume, and (c) minimum 24-hour volume.

5. Provide a list of North Nelson's large volume customers by name and maximum monthly and 24-hour usage by volume and by percentage of North Nelson's maximum monthly and 24-hour volumes. Describe these customers' water storage and/or distribution facilities, if any exist, and any sales/purchase agreements now in effect for such customers. Explain any seasonal variations that affect the purchase volumes of any of these customers. Describe

-2-

North Nelson's curtailment plan, if applicable, to any of these customers. Do not list customers that are purchasing less than 5 percent of North Nelson's maximum monthly volumes.

6. Provide a technical summary of operational deficiencies of North Nelson's water system that are known from experience or that have been indicated by hydraulic analysis.

7. Show names and addresses of North Nelson's customers that are providing critical health services.

8. Show number of hours under present operating conditions that service can be continued to hospitals, schools and other similar facilities after an interruption of service by supplier when the supply requirements to be met are: (a) maximum 24-hour volume, (b) average 24-hour volume, and (c) minimum 24-hour volume. Provide supplemental information as needed to explain how results for (a), (b), and (c) were obtained.

9. Describe past periods of interruption by the supplier for North Nelson. List dates and total days or hours of interruption.

10. Provide detailed information on supplier's system that delivers water to North Nelson. Include location and capacity of (a) treatment plant, (b) pumping stations, (c) storage tanks and any other facilities required for the delivery of water to North Nelson. Give the 24-hour capacity and maximum 24-hour production of plant for the 12 months ending December 31, 1987.

11. Does North Nelson's water purchase agreement place a limit on the daily or monthly volumes that its supplier will furnish? If so, define these limits. If supplier provides

-3-

certain volumes of storage for North Nelson, provide a copy of the agreement that insures the provision of this storage by supplier and a statement reflecting North Nelson's assessment of reliability of this agreement. Provide a copy of North Nelson's water purchase agreement if its particulars cannot be readily described and note the particulars of interest to the instant case. Describe any curtailment aspects of the contract.

12. Describe supplier's capability for delivery of water pressure and volume at each point of delivery to North Nelson. Describe those features of supplier's system that limit its capacity for delivery of water pressure and volume to North Nelson. Such features may include: (a) distance between supplier's tank and supplier's point of connection with North Nelson, (b) size of the connecting main between North Nelson and its supplier's tank, (c) capacity of supplier's treatment plant, (d) age of supplier's treatment plant, (e) condition of supplier's treatment plant, and (f) capacity and condition of supplier's pumping stations and tanks and supplier's general ability to respond to the needs of North Nelson.

13. If the Farmers Home Administration ("FmHA") holds any of North Nelson's long-term debt, provide a copy of an FmHA letter stating its position with regard to the storage volume provided by North Nelson and its request for a deviation from PSC regulations.

14. Describe North Nelson's planning to date, including its efforts to secure financing, for construction of additional storage facilities.

-4-

15. Describe the procedure used by North Nelson to inspect new or repaired service lines.

If the above listed items of information cannot be provided by June 10, 1988, North Nelson should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. North Nelson shall furnish with each response the name of the witness who will be available for responding to questions concerning each item of information requested should a public hearing be required in this matter.

Done at Frankfort, Kentucky, this 11th day of May, 1988.

PUBLIC SERVICE COMMISSION

what D. I Seman of

ATTEST:

Executive Director