

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PARKSVILLE WATER DISTRICT,)	
COZATT TUCKER, A. B. FEATHERS)	
AND DAVIS EDWARDS)	
_____)	CASE NO.
)	89-351
ALLEGED FAILURE TO COMPLY WITH)	
COMMISSION ORDER)	

O R D E R

Parksville Water District ("Parksville") having moved to hold this matter in abeyance pending its submission of an application for a rate increase and completion of major maintenance items deemed necessary by Parksville's engineering firm to complete a hydraulic study of Parksville's distribution system, and the Commission, having reviewed the motion and being sufficiently advised, finds as follows:

On December 1, 1989, the Commission initiated this proceeding to determine whether Parksville and its board of commissioners should be penalized for Parksville's failure to conduct a comprehensive engineering analysis, including hydraulic analysis, of its water distribution system as ordered in Case No. 10030.¹ We took this action only after granting Parksville several

¹ Case No. 10030, Parksville Water District's Request for Approval to Provide Less Storage Than the Minimum Required for One Day's Supply.

extensions of time in which to perform the analysis. Originally, Parksville had been ordered to submit a report of the analysis to the Commission by September 1, 1988.

In response to the Commission's Order to Show Cause, Parksville submitted a report on the current condition of its water distribution system, but asserts that an accurate and complete engineering analysis cannot be performed until extensive repairs are made to its system. These repairs, it further asserts, are costly and cannot be made without further funding. An increase in rates is presently the only viable source of funding. Parksville, therefore, requests that this case be held in abeyance until it can submit an application for a rate increase and perform the needed repairs to conduct the engineering analysis.

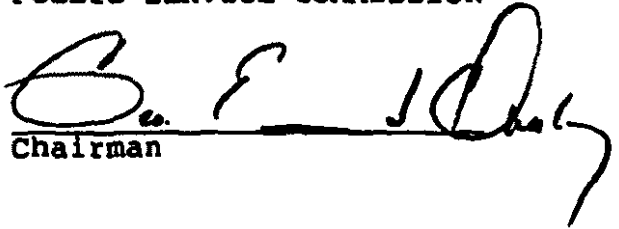
The sole issue before the Commission in this matter is whether Parksville failed to comply with a Commission Order and should be penalized for that failure. This issue must ultimately be decided independent of Parksville's submission of a hydraulic analysis. The Commission, however, will hold this matter in abeyance until April 1, 1990 to allow Parksville adequate time to perform the hydraulic analysis and to file its application for a rate increase. At that time, it will again be reviewed.

IT IS THEREFORE ORDERED that:

1. Parksville's motion is granted in part and denied in part.
2. This matter shall be held in abeyance until April 1, 1990.

Done at Frankfort, Kentucky, this 2nd day of February, 1990.

PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman

Commissioner

ATTEST:


Executive Director