CONNONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TRI-VILLAGE WATER DISTRICT

ALLEGED VIOLATION OF COMMISSION REGULATION 807 KAR 5:066 CASE NO. 91-143

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<u>ORDER</u>

Tri-Village Water District ("Tri-Village"), a water district formed pursuant to the provisions of KRS Chapter 74, owns and operates facilities used for the distribution and furnishing of water to the public for compensation in Owen, Grant, and Gallatin counties, Kentucky, and is, therefore, a utility subject to Commission jurisdiction. KRS 278.010(3)(d); KRS 278.015.

KRS 278.280 authorizes the Commission to prescribe rules for the performance of any service furnished or supplied by a utility. Pursuant to this authority, the Commission has promulgated Commission Regulation 807 KAR 5:066, Section 6(1), which requires a water utility to maintain water pressure at a customer's service pipe between 30 and 150 pounds per square inch.

On February 23, 1990, Commission Staff inspected Tri-Village's water distribution system for compliance with Commission regulations. In its report of this inspection, dated October 1, 1990, Commission Staff reported, <u>inter alia</u>, that at several points in Tri-Village's system water pressure levels exceeded or failed to meet established limits. A copy of this report was furnished to Tri-Village for its review and comment.

On January 30, 1991, Commission Staff conducted another inspection of Tri-Village's water distribution system. Its report of this inspection, dated February 8, 1991, indicates that the pressure deficiencies have yet to be corrected and that the system is not in compliance with Commission Regulation 807 KAR 5:066, Section 6(1).

Prior to these inspections the Commission had sought Tri-Village's compliance with Commission Regulation 807 KAR 5:066, Section 6(1). In Case No. 10264,¹ the Commission had ordered Tri-Village to bring its water distribution system into compliance with that regulation no later than November 30, 1988. Recent Inspection Reports indicate that Tri-Village has failed to comply with that directive.

Having reviewed the Inspection Reports and being otherwise sufficiently advised, the Commission finds that a prima facie showing has been made that Tri-Village is in violation of Commission Regulation 807 KAR 5:066, Section 6(1).

The Commission, on its own motion, HEREBY ORDERS that:

1. Tri-Village shall appear before the Commission on June 13, 1991 at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort,

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Case No. 10264, The Application of Tri-Village Water District for a Deviation from the Requirements of 807 KAR 5:066, Section 6(1) Regarding Water Pressure, Order dated August 24, 1988.

Kentucky, for the purpose of presenting evidence concerning its water distribution system, specifically, the alleged failure to comply with Commission Regulation 807 KAR 5:066, Section 6(1), and the Commission's Order of August 24, 1988 in Case No. 10264, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990 for these alleged failures.

2. The Utility Inspection Reports of March 5, 1990 and February 8, 1991, copies of which are attached hereto as Exhibits A and B respectively, are made a part of the record of this proceeding.

3. Tri-Village shall submit to the Commission no later than 14 days from the date of this Order a written response to allegations relating to Commission Regulation 807 KAR 5:066, Section 6(1), which are contained in the Inspection Reports. In its response, Tri-Village shall also describe its efforts since August 24, 1988 to comply with that regulation.

Done at Frankfort, Kentucky, this 14th day of May, 1991.

PUBLIC SERVICE COMMISSION

Chairman

omnissioner

ATTEST:

EXHIBIT A

Commonwealth of Kentucky Public Service Commission

UTILITY INSPECTION REPORT

Tri-Village Water District Owenton, Kentucky

Utility operations, utility maintenance, utility management and their effect on utility services are a primary concern of the Commission and this Division. Our ongoing inspection program is an expression of this concern. During each inspection, I am stressing: (1) the importance of periodic testing of customers' meters, (2) the importance of accounting for all water purchased and/or produced, (3) the need for surveillance of system operations and (4) the significance of good operating records.

The subject inspection was made February 23, 1990. The utility consists of a distribution system operating in Owen, Grant and Gallatin Counties, Kentucky. It has approximately 912 customers on its system. The utility representative providing information and assistance during this inspection was Charles F. Noel, chairman of the District.

The District's facility operations and its office procedures were reviewed for compliance with the Kentucky Revised Statutes (KRS 278) and the Public Service Commission Regulations (807 KAR). The following deficiencies were noted:

 The utility has adopted a safety program, however this program does not provide for instruction of its employees in accepted methods of artificial resuscitation in accordance with 807 KAR 5:006, Section 22(3). Report - Tri-Village Water District Page 2

- The utility has filed with the Public Service 2. Commission a COPY of its inspection utility is procedure. however the not following this procedure keeping a nor written inspection file as required by 807 KAR 5:006, Section 23.
- 3. The utility has areas in its system where the customer service pressure falls below the 30 psig minimum pressure required by 807 KAR 5:066, Section 6 (1).
- 4. The utility has areas in its system where the customer service pressure exceeds the 150 psig allowed by 807 KAR 5:066, Section 6 (1).
- 5. The utility is not performing nor keeping records of annual pressure surveys as specified by 807 KAR 5:066, Section 6 (3).

Recommendations

A written response should be prepared and forwarded to the Public Service Commission within 30 days of the date of receipt of this report. This response should say what has been done or what will be done to correct each noted deficiency. A starting date and a completion date should be given for actions that are to be accomplished after the date the response is mailed.

> Submitted, March 5, 1990

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Utility Investigator

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Commonwealth of Kentucky Public Service Commission

EXHIBIT B

UTILITY INSPECTION REPORT

Tri-Village Water District Owenton, Kentucky

Utility operations, utility maintenance, utility management and their effect on utility services are a primary concern of the Commission and this Division. Our ongoing inspection program is an expression of this concern. During each inspection, I am (1) the importance of periodic testing of customers' stressing: meters, (2) the importance of accounting for all water purchased (3)the need for surveillance and/or produced. of system operations and (4) the significance of good operating records.

The subject inspection was made January 30, 1991. The utility consists of a distribution system operating in Owen, Grant and Gallatin Counties, Kentucky. It has approximately 925 customers on its system. The utility representative providing information and assistance during this inspection was Carol Cox, manager of the District.

The District's facility operations and its office procedures were reviewed for compliance with the Kentucky Revised Statutes (KRS 278) and the Public Service Commission Regulations (807 KAR). The following deficiencies were noted:

 The utility is not maintaining its system maps as required in 807 KAR 5:006, Section 18(1). Report - Tri-Village Water District Page 2

- 2. The utility has adopted a safety program, however this program does not provide for instruction of its employees in accepted methods of artificial resuscitation in accordance with 807 KAR 5:006, Section 22(3).
- 3. The utility does have a meter test program to test periodically its 5/8" to 1" water meters within Commission's requirements; however the utility is not testing its larger meters periodically so that no meter will remain in service for a period longer than specified in 807 KAR 5:066, Section 17(1).
- 4. The utility has areas in its system where the customer service pressure falls below the 30 psig minimum pressure required by 807 KAR 5:066, Section 6(1).

Recommendations

A written response should be prepared and forwarded to the Public Service Commission within 30 days of the date of receipt of this report. This response should say what has been done or what will be done to correct each noted deficiency. A starting date and a completion date should be given for actions that are to be accomplished after the date the response is mailed.

> Submitted, February 8, 1991

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George Ef Alfison Utility Investigator

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