COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTHERN MADISON) WATER DISTRICT TO MAINTAIN LESS THAN) 24 HOUR WATER STORAGE OR FOR) CASE NO. 91-212 ADDITIONAL TIME WITHIN WHICH TO BRING) STORAGE INTO COMPLIANCE)

ORDER

By application received June 25, 1991, Southern Madison Water District ("Southern Madison") requested a deviation from Commission Regulation 807 KAR 5:066, Section 5(4), which provides that each utility shall provide water storage to ensure a minimum of one day's supply of its average daily water usage. Southern Madison states in its application that its average daily water usage, including unaccounted-for water, is approximately 482,300 gallons, that its current water storage capacity is 100,000 gallons, and that it has a proposed 93,000-gallon storage facility. Southern Madison's application also states that its supplier, Berea College Water Utility ("Berea Water"), has a total of 3.6 million gallons of storage.

Southern Madison filed with its application a letter from Berea Water which states that Berea Water's storage facilities assure all of its customers, including Southern Madison, a 24-hour emergency supply of water.

Southern Madison also filed a copy of its water purchase agreement with Berea Water. This agreement states that Southern

Madison will be treated the same as all other customers of Berea Water and will receive its proportional share of water from Berea Water during shortages.

The Commission, having reviewed the application and being otherwise sufficiently advised, finds that Southern Madison, when considering the water storage available from its supplier, is in compliance with the requirements of Commission Regulation 807 KAR 5:066, Section 5(4). As such no deviation is required.

IT IS THEREFORE ORDERED that:

1. Southern Madison's application is hereby dismissed.

In the event that Southern Madison's contract with Berea 2. Water expires or is terminated, or its terms are modified such that Southern Madison is no longer guaranteed its proportionate share of water during shortages, Southern Madison shall notify the Commission within ten days.

15th day of July, 1991. Done at Frankfort, Kentucky, this

Chairman

ATTEST:

Commissioner

PUBLIC SERVICE COMMISSION