

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SPEARS WATER COMPANY,)
INC. FOR A DEVIATION PURSUANT TO 807 KAR)
5:066, SECTION 5(4), REGARDING WATER) CASE NO. 91-147
STORAGE)

O R D E R

On May 9, 1991, the Spears Water Company, Inc. ("Spears") filed an application for a deviation from Commission Regulation 807 KAR 5:066, Section 5(4), which requires that each utility shall maintain water storage to ensure a minimum of one day's supply of its average daily water usage. Spears was ordered by the Commission's Order of August 5, 1988 in Case No. 10145¹ to bring its water storage facilities into compliance with Commission regulations by August 1, 1991.

On January 15, 1992, Spears filed a letter from the city of Nicholasville ("Nicholasville") which indicated and assured that it would provide Spears' needed storage for the next five years.

The Commission, having reviewed the application, the information submitted subsequent thereto, and being otherwise sufficiently advised, finds that:

¹ Case No. 10145, The Application of Spears Water Company, Inc. for a Deviation from the Water Storage Requirements.

1. Spears has 235,000 gallons water storage capacity in its water distribution system.

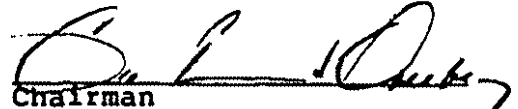
2. Spears average daily water usage is approximately 417,341 gallons per day.

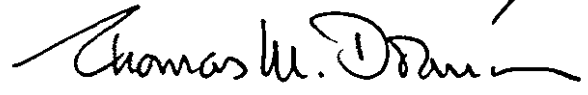
3. Nicholasville is willing to provide Spears with needed storage capacity for the next five years.


IT IS THEREFORE ORDERED that Spears be and it hereby is granted a deviation from the water storage requirements of 807 KAR 5:066, Section 5(4), for so long as its agreement with Nicholasville remains in effect, but no later than July 1, 1997.

Done at Frankfort, Kentucky, this 29th day of January, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director