

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OVERLAND DEVELOPMENT,)
INC., FOR A DEVIATION PURSUANT TO 807 KAR) CASE NO. 97-439
5:006, SECTION 4(4) REGARDING WATER STORAGE)

O R D E R

On October 29, 1997, Overland Development, Inc. ("Overland") applied for permission to deviate from Commission Regulation 807 KAR 5:066, Section 4(4), which requires that each utility maintain minimum water storage of one day's supply of its average daily usage.

On November 11, 1997, Overland filed a letter from its supplier, Big Sandy Water District ("Big Sandy"), in which Big Sandy assured Overland of adequate storage capacity until November 4, 2002. Big Sandy has 875,000 gallons of total storage capacity with an average daily water usage of approximately 428,000 gallons per day. Big Sandy has a 300,000 gallon water storage tank within 3,000 feet of Overland's master meter.

The Commission, having reviewed the application and being otherwise sufficiently advised, finds that:

1. Overland is not in compliance with Commission Regulation 807 KAR 5:066, Section 4(4).
2. Overland has no water storage tanks in operation in its water distribution system.

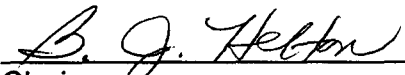
3. Overland's average daily water usage is approximately 15,500 gallons per day.

4. Big Sandy is willing to provide Overland with needed storage capacity until November 4, 2002.

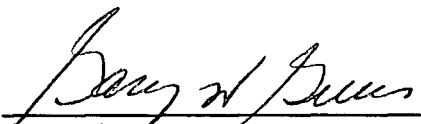
IT IS THEREFORE ORDERED that Overland is granted a deviation from the water storage requirements of 807 KAR 5:066, Section 4(4), for so long as its agreement with Big Sandy remains in effect, but no later than July 1, 2002.

Done at Frankfort, Kentucky, this 5th day of December, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director