COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BEECH GROVE WATER)	
SYSTEM FOR A DEVIATION FROM THE)	CASE NO
REQUIREMENTS OF 807 KAR 5:066, SECTION)	2000-472
4(4), REGARDING WATER STORAGE)	

<u>ORDER</u>

On October 13, 2000, the Beech Grove Water System ("Beech Grove Water") 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. Beech Grove Water states in its application that its average daily water usage, including unaccounted-for water, is approximately 160,000 gallons, and that its current water storage capacity is 16,000 gallons. Henderson Water Utility, Beech Grove Water's current water supplier, is planning to construct a one million gallon water storage tank to be placed in service in the fall of 2001. This will bring the total storage of Henderson Water Utility to 2.8 million gallons. Henderson Water Utility is currently producing between 2.8 to 3.0 million gallons per day. In addition, Beech Grove Water has a reciprocal water backup agreement with West Daviess County Water District in the event of a temporary loss of water supply.

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

1. Beech Grove Water is not in compliance with Commission regulation 807

KAR 5:066, Section 4(4).

2. Beech Grove Water has one 16,000 gallon storage tank in its distribution

system.

3. Beech Grove Water's average daily water usage is approximately 160,000

gallons.

4. Henderson Water Utility is willing to provide the needed storage capacity for

Beech Grove Water.

IT IS THEREFORE ORDERED that:

1. Beech Grove Water is given until July 1, 2002 to comply with the provisions

of 807 KAR 5:066, Section 4(4).

2. Beech Grove Water shall take all necessary actions to ensure that

Henderson Water Utility will provide a one day's supply of average daily water usage prior

to July 1, 2002.

Done at Frankfort, Kentucky, this 30th day of November, 2000.

By the Commission

ATTEST:

Executive Director