COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WHITLEY COUNTY WATER)CASE NO.DISTRICT FOR DEVIATION FROM WATER)2011-00131STORAGE REQUIREMENT)

ORDER

On April 11, 2011, Whitley County Water District ("WCWD") applied for permission to deviate from 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. WCWD states in its application that its average daily water usage, including unaccounted-for water, is approximately 763,000 gallons, and that its current water storage capacity is 593,000 gallons.

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

1. WCWD is not in compliance with 807 KAR 5:066, Section 4(4).

2. WCWD states in its application that it has a high water loss due to old lines and services that were improperly installed and that it is working aggressively to reduce.

3. City Utilities Commission located in Corbin, Kentucky is a major supplier of potable water to WCWD and has stated, by letter dated November 24, 2010, that it is willing to provide the needed storage capacity for WCWD.

4. Because of the time needed to plan, finance, and construct water storage

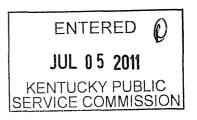
facilities, WCWD should be given until January 1, 2017 to comply with 807 KAR 5:066, Section 4(4).

IT IS THEREFORE ORDERED that:

1. WCWD is given until January 1, 2017 to comply with the provisions of 807 KAR 5:066, Section 4(4).

2. WCWD shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to January 1, 2017.

By the Commission



ATTEST:

Caron D. Desenvelle for Executive Director

Case No. 2011-00131

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