COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DEXTER-ALMOCASE NO.HEIGHTS WATER DISTRICT FOR A DEVIATION2022-00020FROM 807 KAR 5:066, SECTION 4(4))

<u>ORDER</u>

On January 19, 2022, Dexter-Almo Heights Water District (Dexter-Almo Heights District) filed an application to deviate from the water storage requirements contained in 807 KAR 5:066, Section 4(4). This section of the regulation states, "The minimum storage capacity for systems shall be equal to the average daily consumption." Dexter-Almo Heights District seeks to use storage belonging to the city of Murray (Murray). No party has sought intervention in this case. The matter now stands submitted to the Commission for a decision.

Dexter-Almo Heights District has approximately 800 customers in Calloway County,¹ with an average daily consumption of 125,000 gallons per day.² Dexter-Almo Heights District does not have any water storage tanks in its system and purchases all of its water from Murray.³ Murray has a water treatment plant that is designed to treat

¹ Annual Report of Dexter-Almo Heights Water District to the Kentucky Public Service Commission for the Year Ended December 31, 2020 at 49.

² Application at unnumbered page 3.

³ Application at unnumbered page 4.

7 million gallons per day (mgd).⁴ Murray averages water usage is 3.6mgd.⁵ Murray provided Dexter-Almo Heights District a letter dated December 20, 2021, stating that it agrees to provide portable water to Dexter-Almo Heights District in "sufficient quantity and pressure." The agreement is for a three year term starting January 1, 2022. The terms of the agreement may be reviewed and extended if agreed to by both parties. The letter does not mention allocation storage specifically for Dexter-Almo Heights District in the Murray system.⁶

Dexter-Almo Heights District provided support to show adequate system maintenance. Dexter-Almo Heights District provided statements to show that it has experienced ten line-break incidents in the past three years. All but two water outages continued for no more than four hours.⁷

Dexter-Almo Heights District has been granted deviations for water storage in the past. On March 11, 1994, the Commission granted Dexter-Almo Heights District a deviation from 807 KAR 5:066, Section 4(4), in Case No. 1994-00011.⁸ That deviation was based on a letter from Murray stating that it would provide Dexter-Almo Heights District's needed storage. Dexter-Almo Heights District has been granted similar approval

⁴ Application, Exhibit A.

⁵ Id.

⁶ Id.

⁷ Application, Exhibit B.

⁸ Case No. 1994-00011, The Application of Dexter-Almo Heights Water District for a Deviation pursuant to 807 KAR 5:066, Section 4(4), Regarding Water Storage, (Ky. PSC Mar. 11,1994).

in several subsequent cases.⁹ Murray has 500,000 gallon storage capacity within 1,000 feet of Dexter-Almo Heights District's master meter.¹⁰

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that there is good cause to grant the deviation to the storage requirement of 807 KAR 5:066, Section 4(4), under 807 KAR 5:066, Section 18. Murray has the capacity available to provide Dexter-Almo Heights District with the needed capacity until December 1, 2024. Dexter-Almo Heights District has no water storage tanks in its system. Based upon Dexter-Almo Heights District average daily water consumption of approximately 125,000 gallons per day, Murray would meet the Commission's minimum storage requirements if it were subject to Commission regulation.

IT IS THEREFORE ORDERED that:

1. Dexter-Almo Heights District request to deviate from the water storage requirements of 807 KAR 5:066, Section 4(4), is approved through December 31, 2024.

2. Dexter-Almo Heights District shall inform the Commission if changes occur in either system that would cause Murray to have insufficient storage for Dexter-Almo Heights District.

3. Any documents filed in the future pursuant to ordering paragraph 2 of this Order shall reference this case number and shall be retained in post-case correspondence file.

4. This case is closed and removed from the Commission's docket.

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⁹ Case No. 2016-00114, Application of Dexter-Almo Heights Water District Requesting Deviation from Requirements of 807 KAR 5:066, Section 4(4). (Ky. PSC June 6, 2016). See also, Case No. 2019-00111, Application of Dexter-Almo Heights Water District for Deviation from Water Storage Requirements, (Ky. PSC May 23, 2019).

¹⁰ Application at unnumbered page 5.

By the Commission



ATTEST:

. C. Bridwell

Executive Director

Case No. 2022-00020

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