

KENTUCKY PUBLIC SERVICE COMMISSION

RECEIVED

JAN 17 2005

PUBLIC SERVICE  
COMMISSION

2006-0003

Water Storage Requirement Deviation Request Application

**807 KAR 5:066, Section 4(4): Storage.** *The minimum storage capacity for systems shall be equal to the average daily consumption.*

This form is intended to assist water utilities seeking a deviation from the requirements of 807 KAR 5:066, Section 4(4) and for permission to either maintain less water storage capacity than the average daily consumption or to obtain additional time to attain minimum storage capacity equal to the average daily consumption.

To request a deviation from the requirements of 807 KAR 5:066, Section 4(4), please complete the following application in full.

Utility: Nebo Water District

Address: 45 N. Bernard St.

City: Nebo State: Ky. Zip Code: 42441

Telephone Number: (270) 249-3709 Number of Customers: 1490

County or Counties served: Hopkins

Are you requesting a deviation:

To maintain less water storage capacity than the average daily consumption?

For additional time to attain minimum storage capacity equal to the average daily consumption?

I. Contact Information

Please provide information for the person to whom correspondence or communications concerning this application should be directed:

Name: Jim Short Title: Superintendent

Address: 45 N. Bernard St

City: Nebo State: Ky Zip Code: 42441

Telephone Number: (270) 249-3709

II. Filing Requirements

Please submit an original and seven (7) copies of the completed application to:

Kentucky Public Service Commission

Executive Director's Office

211 Sower Boulevard

Frankfort, Kentucky 40602

Telephone: (502) 564-3940

All correspondence and responses to supplemental information requests should be sent to the above address as well.

Copies of this form may be obtained by visiting the Kentucky Public Service Commission website at <http://psc.ky.gov> and clicking on the Forms bullet in the Quick Reference, or by contacting George Wakim, Branch Manager, Water & Sewer Branch, at (502) 564-3940.

III. Questionnaire:

Please answer all questions completely, attach additional sheets as necessary.

1. Provide the average daily water consumption. This should include all water sold, utility water usage, and unaccounted-for-water. following information:

Average Daily Consumption: 421,000 Per day

2. Please provide the following information:

Total number of water storage tanks in the system: 3

<u>Type of Storage Tank</u>	<u>Capacity</u>
<u>Standpipe</u>	<u>150,000</u>
<u>Elevated</u>	<u>150,000</u>
<u>Elevated</u>	<u>75,000</u>

3. Please provide a list of all large customers purchasing more than five (5) percent of the utility's average daily consumption. Also indicate which, if any, of these customers can sustain an interruption during emergencies.

Warrior Coal - 4 Accounts  
Webster Co. Coal - 2 Accounts  
Herron Farms  
Mallory Farms  
~~ANR Pipeline~~  
~~Mason Farms~~  
~~S+B Leasing (woodmizer)~~

<u>Customer</u>	<u>Daily Usage</u>	<u>Storage Facility</u>	<u>Capacity</u>	<u>Interruption</u>
<u>Warrior Coal</u>	<u>81,600</u>	( ) Yes <input checked="" type="checkbox"/> No		<input checked="" type="checkbox"/> Yes ( ) No
<u>Webster Co. Coal</u>	<u>76,000</u>	( ) Yes <input checked="" type="checkbox"/> No		<input checked="" type="checkbox"/> Yes ( ) No
<u>Herron Farms</u>	<u>10,800</u>	( ) Yes <input checked="" type="checkbox"/> No		( ) Yes <input checked="" type="checkbox"/> No
<u>Mallory Farms</u>	<u>3,266</u>	( ) Yes <input checked="" type="checkbox"/> No		( ) Yes <input checked="" type="checkbox"/> No
		( ) Yes ( ) No		( ) Yes ( ) No
		( ) Yes ( ) No		( ) Yes ( ) No

4. Please provide a list of all critical healthcare facilities served by the system.

<u>Facility</u>	<u>Daily Usage</u>	<u>Storage Facility</u>	<u>Capacity</u>
<u>NONE</u>		( ) Yes ( ) No	
		( ) Yes ( ) No	
		( ) Yes ( ) No	
		( ) Yes ( ) No	
		( ) Yes ( ) No	
		( ) Yes ( ) No	

5. Please provide the following information:

Does the utility:

Produce water? ( ) Yes  No      Purchase water?  Yes ( ) No

If the utility purchases water, please provide the following information:

<u>Supplier</u>	<u>Average Amount Purchased</u>
<u>City of Madisonville</u>	<u>421,000 Pt. day</u>

6. If a supplier has storage capacity or reserves storage capacity for the benefit of your utility, please provide the following information:

<u>Supplier</u>	<u>Capacity</u>	<u>Proximity to Master Meter</u>
City of Madisonville	18,000,000 Pp. month	within 1/4 mile

7. Will your supplier issue your utility a letter of this additional storage capacity specifying whether they can sustain any of your system's interruptions to ensure you adequate continuity of service?  Yes ( ) No

If yes, provide a copy of the agreement or letter.

8. Please provide a technical summary of operational deficiencies of the system that are known from experience or that are indicated by hydraulic analysis. This should include a list of outages that occurred in past years, their location, the cause and duration of any outages, customer complaints, areas of low pressure, and the availability of standby equipment, repair equipment, and contractors.

1.) Storage Cap. does not meet daily consumption  
 Dec. 2-05 2.) Telemetry system failed, do to icy weather, not allowing Tank to remain full. Rainwater + Tucker School Hs. Rd. area. Problem fixed next morning during daily check of Pump house. Two other times @ fuse was blown on Telemetry system, no outage Just short-time of lower than normal pressure.  
 main line break Tucker School Hs. Rd. Aug. 13-15  
 main line break Tucker School Hs. Rd. NOV. 18  
 Only Complaints were Low Press. due to Tanks lower than normal because of above mentioned problems  
 2) our warehouse is well stocked with Repair parts + back-up motors over →

9. Please provide information on the growth potential for the system. This should include the number of new customers added per year and the possibility of extensive development (i.e. new subdivisions, businesses, etc.)

An average of 35-40 new customers per year  
Otter Lake Subdivision, in process now proposes  
60-65 new customers within 1-3 years  
Three new main line extensions now in process  
will add appx. 12-15 customers

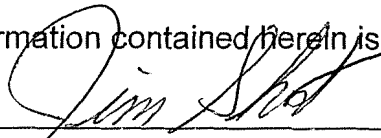
10. Please describe any planning, to date, to bring the system into compliance with Commission regulations. This should include efforts to secure financing for the construction of additional storage facilities, as well as the estimated compliance date. If no planning has taken place, please explain why.

District has applied for a grant to install + erect  
a new 200,000 gal elevated tank.

We cannot give a date at this time, It is in  
The Project Review + Ratification is in process now  
with Pennyrile Water Management Council, Project  
# WX21107018 - Jeff Unfried.

IV. Signature:

I have read and completed this application, and to the best of my knowledge, all the information contained herein is true and correct.

Signed: 

Title: Superintendent

Date: 1-12-06

Melinda A. Ernst  
July 1, 2005

AMENDED AGREEMENT

THIS AMENDED AGREEMENT is made and entered into by and between the City of Madisonville, P. O. Box 705, Madisonville, Kentucky 42431; and the Nebo Water District on this 20th day of August, 2001;

WITNESSETH: The City of Madisonville and the Nebo Water District entered into an agreement dated July 18, 1977, as amended by agreements dated July 10, 1979 and September 15, 1990, which provided that the City would sell treated water to the District upon the terms and conditions stated therein; and

WHEREAS, the parties hereto desire to amend the existing agreements between the parties as herein provided;

NOW, THEREFORE, for and in consideration of the mutual promises and obligations of the parties, and in consideration of the premises, the receipt and sufficiency of said consideration being hereby acknowledged, the parties do hereby amend their existing agreements as follows:

1. The City of Madisonville agrees to make available for delivery and use by the Nebo Water District potable treated water, meeting the applicable purity standards of the Kentucky State Board of Health, in such quantity as may be required by the District not to exceed 18 million gallons per month. The treated water supplied by the City to the District shall only be for the use of businesses and/or residences located in Hopkins County, Kentucky. The District does hereby covenant and agree that no portion of the treated water sold to it by the City of Madisonville will be offered for distribution and/or sold to any person, firm or corporation outside Hopkins County, Kentucky.

2. All other provisions of the previous agreements of the parties not inconsistent herewith are ratified and reaffirmed.

CITY OF MADISONVILLE

By: Karen L. Cunningham 8/16/01  
Karen L. Cunningham, Mayor

Attest:

Gina W. Munger 8/16/01  
Gina Munger, City Clerk

NEBO WATER DISTRICT

By: Jo Ellis  
Jo Ellis, Chairman