



Original

Matthew G. Bevin
Governor

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Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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psc.ky.gov

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

October 28, 2016

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NOV 22 2016

Public Service
Commission

Marty Futrell
201 New Providence Road
Murray, KY 42071

Re: Acknowledgment of Utility Response
Murray Water District #2

Case No. 2016-00400

Mr. Mary Futrell:

The Public Service Commission (PSC) is in receipt of your reply to the inspection report from July 14, 2016. The PSC accepts Murray Water District #2 response to deficiency number 1, 2, and 4 and will verify compliance with PSC regulations at the next inspection.

Deficiency number 3 is not accepted. Deviations from PSC regulations can be granted only by PSC order. Murray Water District #2 will need to file a formal application with the PSC.

A response addressing the deficiency that did not meet regulatory requirements should be submitted by November 28, 2016 to the PSC. If you have any questions regarding this inspection, please contact me at 502-782-2596 or via email at Jason.Pennell@ky.gov.

Sincerely,

Jason Pennell
Utility Regulatory & Safety Investigator
Public Service Commission

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PUBLIC SERVICE
COMMISSION

KENTUCKY PUBLIC SERVICE COMMISSION

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: Murray No. 2 Water District

Address: 201 New Providence Rd

City: Murray State: Ky Zip Code: 42071

Telephone Number: (270) 753-8061 Number of Customers: 281

County or Counties served: Calloway

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: Marty Futrell Title: Chairman

Address: 201 New Providence Rd

City: Murray State: Ky Zip Code: 42071

Telephone Number: (270) 293-2828

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

wrong
zip code

40601

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: 41,355 October 2016

2. Please provide the following information:

Total number of water storage tanks in the system: None

Type of Storage Tank

Capacity

<u>Type of Storage Tank</u>	<u>Capacity</u>
<u>N/A</u>	<u>N/A</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.

None

<u>Customer</u>	<u>Daily Usage</u>	<u>Storage Facility</u>	<u>Capacity</u>	<u>Interruption</u>
N/A		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes <input type="checkbox"/> 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>
NONE		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> 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>
City of Murray	October 2016 1,282,000

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>
See Attached Letter		Water Plant Plant and Storage less than 1 mile from our Master Meter

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.

Our last Outage was in 2014 due to a fireplug being torn out of the ground by a car accident where the car left the road. Outage time approximately 45 minutes. The City of Murray, our Supplier, provides our Maintenance and repair services and has crews available 24 hours a day 7 days a week.

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.)

In 2015 We added 2 new taps.
In 2016 We've added 3 new taps.
Our Side of the county is Not the growing Side of Murray.

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.

Our water district is currently in negotiations with the City of Murray to take over our system which would be a very logical move ~~for~~ for us and them. We hope this time line will develop in 2017 to completion.

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: Marty Pitts

Title: Chairman

Date: Nov 17, 2016

Melinda A. Ernst
July 1, 2005

CITY OF MURRAY PUBLIC WORKS AND UTILITIES

City of Murray, Kentucky
Public Works & Utilities Department

February 11, 2016
Water District #2 - 121 South
201 New Providence Road
Murray, KY 42071

February 11, 2016

Water District #2 – 121 South
201 New Providence Road
Murray, KY 42071

RE: Potable Water Availability

The City of Murray Water System is providing this information concerning the availability of potable water supply to the Water District #2 – 121 South.

The City of Murray Water System has an elevated storage capacity of 2.925 million gallons of potable water and 1.0 million gallons of treated potable water before high service pumping. Our water treatment plant is designed to treat up to 7.0 million gallons per day. We currently average between 3.0 and 4.5 MGD.

The City of Murray Water System agrees to provide potable water to Water District #2 – 121 South in sufficient quantity and pressure as it does to all of our water customers, both inside and outside the City limits, and is subject to the rules and regulations governing water supply, distribution and usage under the authority of the **Kentucky Division of Water**.

This agreement is for a period of three (3) years from January 1, 2016 through December 31, 2018, at which time the terms of this agreement may be reviewed and extended, if agreed to by both parties.

If you should need any further information in regards to this service agreement, please contact **Murray Public Works & Utilities Department** at 270.762.0336. Thank you for your continued support of the Murray Water System.

Sincerely,



Thomas J. Kutcher
Director of Public Works & Utilities
City of Murray, KY