

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTH MERCER WATER	)	
DISTRICT FOR A DEVIATION FROM THE	)	CASE NO.
REQUIREMENTS OF 807 KAR 5:066, SECTION	)	2005-00307
4(4), REGARDING WATER STORAGE	)	

O R D E R

On July 19, 2005, the North Mercer Water District ("North Mercer") applied for permission to deviate from Administrative 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. North Mercer states in its application that its average daily water usage, including unaccounted-for water, is approximately 963,243 gallons, and that its current water storage capacity is 776,000 gallons.

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

1. North Mercer is not in compliance with Administrative Regulation 807 KAR 5:066, Section 4(4).
2. Because of the time needed to plan, finance, and construct water storage facilities, North Mercer should be given until January 1, 2010 to comply with Administrative Regulation 807 KAR 5:066, Section 4(4).

IT IS THEREFORE ORDERED that:

1. North Mercer is given until January 1, 2010 to comply with the provisions of Administrative Regulation 807 KAR 5:066, Section 4(4).

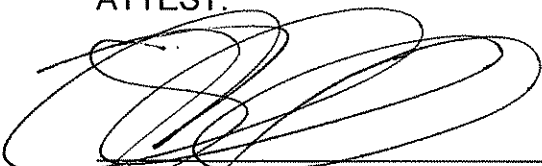
2. North Mercer shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to January 1, 2010.

3. Beginning January 1, 2007 and continuing until January 1, 2010, or until such time as North Mercer comes into compliance, North Mercer shall file, on or before January 1 of each year, a status report of its efforts to comply with Administrative Regulation 807 KAR 5:066, Section 4(4).

Done at Frankfort, Kentucky, this 7th day of February, 2006.

By the Commission

ATTEST:



Executive Director