

Case No. 2007-00508

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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: Fountain Run Water District #1

Address: P. O. Box 118 226 Main St

City: Fountain Run State: KY Zip Code: 42133

Telephone Number: (270) 434-4080 Number of Customers: 535 active

County or Counties served: Allen Barren
Monroe

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: Joe Cornwell Title: Chairman

Address: P. O. Box 118

City: Fountain Run State: Ky Zip Code: 42133

Telephone Number: (270) 434-4080 or (270) 434-3456

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.

| <u>Customer</u> | <u>Daily Usage</u> | <u>Storage Facility</u> | <u>Capacity</u> | <u>Interruption</u> |
|-----------------|--------------------|-------------------------|-----------------|---------------------------------|
| Bruce Dillard | 19,200gal | () Yes (x) No | | (x) Yes () No for two Hours |
| C. P. C. | 17,300 gal | () Yes (x) No | | (x) Yes () No For two Hours |
| | | () Yes () No | | () Yes () No |
| | | () Yes () No | | () Yes () 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> |
|-----------------|--------------------|-------------------------|-----------------|
| None | | () Yes () No | |
| | | () Yes () No | |
| | | () Yes () No | |
| | | () Yes () No | |
| | | () Yes () No | |
| | | () Yes () No | |

5. Please provide the following information:

Does the utility:

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

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

| <u>Supplier</u> | <u>Average Amount Purchased</u> |
|------------------------------|---------------------------------|
| Glasgow Water Company | 120,000 gpd |
| Monroe County Water District | 30,000 gpd |
| | |

We were cut completely off from Monroe County during part of the 2007 summer due to their overload and water shortage.

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> |
|----------------------|-----------------------------------|---------------------------------------------------|
| Glasgow Water Co. | 231,000 (less their Customers) | 1 meter on Highway # 87 |
| Monroe Co Water Dist | 120,000 (Less their customers) | 1 " Mt Zion Rd 1 Meter on White Oak Ridge Road |

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
 ① Glasgow w. Co will Not. ② Monroe County will under normal conditions.
 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.

Customers complain^{ing} of low water pressure in Akersville community, customers wanting water in that community but the situation does ^{not} permit. There is also low pressure on the Alley Murphy Road. There are several feed lots and chicken houses* in our system, therefore we are in need of upsizing water lines so there will be an adequate water supply for cattle and new customers in certain areas, especially on Highway #100 in Allen Co.

* CHICKEN HOUSES ARE COMMERCIAL ENTERPRISES WITH THOUSANDS OF CHICKENS ON 1 PROPERTY.

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.)

Additional customers on Jones, Franklin, Scott and other roads that have no water (Approximately 25 new customers) A subdivision is being developed on highway #98 and also a Camp being developed that will be using lots of water for swimming pools, bath houses, fishing lakes and cottages. This being a farming section with a cattle buyer, there is a need for water in the cattle feed lots and chicken houses.

Our system has more than doubled in water consumption during the past five years.

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.

The Water Commission has employed an Engineer and applied for an RD Loan and Grant also a KIA grant for a new water tank and booster, location for tank, lay new water lines and upsize some of the existing lines.

PLEASE SEE ATTACHED LETTER DATED 9/25/07 FROM OUR ENGINEER - HMB PROFESSIONAL ENGINEERS, INC.

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: *Jol Carnwell*
Title: *Chairman*
Date: *November 29, 2007*

Melinda A. Ernst
July 1, 2005



3 HMB Circle
 U.S. 460
 Frankfort, KY 40601
 Office: (502) 695-9800
 Fax: (502) 695-9810
 www.hmbpe.com

September 25, 2007

Mr. Michael Burford
 Director of Filings Division
 PSC
 P.O. Box 615
 Frankfort, KY 40601

Subject: Fountain Run Water District #1
 PSC Certificate of Service
 Case No. 2003-00312

Dear Mr. Burford:

We are writing this letter on behalf of the Fountain Run Water District #1 (FRWD). In November 2003, the Water District received the above referenced Certificate of Service from the PSC (i.e., the District did not have sufficient water storage – minimum of one day’s average usage). The Commission gave the FRWD until January 1, 2008 to comply.

On behalf of the District, we are requesting an extension of that date. They will not be in compliance by January 1, 2008. However, the following actions have been completed to move the project along to completion:

- Hired HMB Professional Engineers, Inc. (Frankfort, KY) to plan and design the project.
- Retained the Rural Community Assistance Program (RCAP) of Frankfort, KY to assist with obtaining project funding.
- Summer of 2007, they made an emergency connection to the Monroe County Water District (MCWD) to supply additional water to an area of the FRWD’s system that has had low pressures and flows in high use conditions.
- Applied for \$981,500 in KIA grant (awaiting the Legislature to meet in January 2008 for funding approval).
- They are considering an application package for loan and grant to be submitted to USDA Rural Development; very preliminary discussions have been had with RD to check on eligibility and availability of funds, etc.

Mr. Burford, hopefully you can see that the Fountain Run Water District #1 considers this Certificate of Service a very serious matter. They know that by complying, they are providing better service to their customers. Therefore, they are respectfully requesting a five (5) year extension on their compliance

- Highway Engineering
- Structural Engineering
- Water & Wastewater
- Right-of-Way
- Master Planning
- Environmental Planning
- Abandoned Mine Lands
- Surveying
- Project Management
- Cost Estimation
- Stream Restoration
- Construction Inspection
- Aviation Services
- Environmental Remediation



deadline. While this seems like a very long time, please consider the situation. Given the funding availability, time to design, site acquisition, environmental study, archaeological and geotechnical requirements, regulatory approval process, advertising/bidding timeframe and finally the construction schedule (construction might take 1+ years), we feel this is a fair request.

The Water District is moving forward with their plans, please notify us of your decision.

For future reference, please change your files to reflect:

- Mr. Joe Cornwell is the chairman, not Mark Tracy
- Mr. Bob Blankenship, P.E.
Mr. Chris Stewart, P.E.
HMB Professional Engineers, Inc.
3 HMB Circle
Frankfort, KY 40601
- Ms. Melissa Melton
Technical Assistance Provider
RCAP
101 Burch Court
Frankfort, KY 40601

On behalf of the District, we wish to thank you in advance for your attention to this matter.

Very Truly Yours,
HMB Professional Engineers, Inc.

A handwritten signature in black ink, appearing to read 'Bob Blankenship', is written over the typed name and title.

Bob Blankenship, P.E.
Vice-President

cc: Joe Cornwell, Chairman (home)
Fountain Run Water District #1
Melissa Melton, (RCAP)
Rick Ross, Manager, (MCWD)
Ray Bascom, P.E., (HMB)