

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DEXTER-ALMO HEIGHTS)	CASE NO.
WATER DISTRICT FOR DEVIATION FROM)	2019-00111
WATER STORAGE REQUIREMENTS)	

ORDER

On April 2, 2019, Dexter-Almo Heights Water District (Dexter-Almo Heights District) filed a motion requesting a deviation from the water storage requirements contained in 807 KAR 5:066, Section 4(4). This section of the regulation states: "Storage. 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) to fulfill this requirement of the regulation.

No party sought intervention in this case. The matter now stands submitted to the Commission for a decision.

Dexter-Almo serves approximately 800 customers in Calloway County,¹ with an average daily consumption of 116,774 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 7.0 million gallons

¹ *Annual Report of Dexter-Almo Heights Water District to the Kentucky Public Service Commission for the Year Ended December 31, 2016 (2017 Annual Report) at 38.*

² Application at 3. The 2017 Annual Report at 45.

³ Application at 3.

per day (mgd).⁴ Murray averages water usage between 3.0 mgd and 4.5 mgd, including sales of water to other water systems.⁵ Murray provided Dexter-Almo Heights District a letter dated March 20, 2019, stating that it agrees to provide potable water to Dexter-Almo Heights District “in sufficient quantity and pressure.” The agreement is for three years beginning January 1, 2019, through December 31, 2021, at which time the terms of the agreement may be reviewed and extended if agreed to by both parties. The letter does not mention allocating storage specifically for Dexter-Almo Heights District in the Murray system.⁶

Dexter-Almo Heights District has no plans to construct any water storage tanks within the next five years. Dexter-Almo Heights District claims it does not have the financial means to take on a project of such magnitude without assistance from outside funding sources. Dexter-Almo Heights District states it has no need for a water storage project because the storage available from Murray has been sufficient in the past.⁷

It appears that Dexter-Almo Heights District has provided adequate maintenance for its system. Dexter-Almo Heights District has experienced ten line-break incidents in the past three years. All but three water outages have lasted no more than four hours.⁸

In the past, this Commission has allowed utilities to comply with 807 KAR 5:066, Section 4(4), by obtaining an allocation of storage capacity from an interconnected water utility. Previously, Dexter-Almo Heights District was granted deviations for water storage.

⁴ *Id.*, Attachment A.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*, Attachment C, D.

⁸ *Id.*, Attachment B.

On March 11, 1994, the Commission granted Dexter-Almo Heights District a deviation from 807 KAR 5:066, Section 4(4), in Case No. 1994-00011.⁹ That deviation was based on a letter from Murray stating that it would provide Dexter-Almo Heights District's needed storage. Similar approval was granted in Case No. 1991-00399 on January 7, 1992. Dexter-Almo Heights District recently was granted a deviation from 807 KAR 5:066, Section 4(4) in Case No. 2016-00114.¹⁰ The Murray tank located closest to Dexter-Almo Heights District's two connections with Murray is the Murray Hwy 641 Tank, which has a capacity of 500,000 gallons. It is located approximately 1,000 feet from Dexter-Almo Heights District's connection with Murray on U.S. 641 and located approximately three miles from Dexter-Almo Heights District's connection with Murray on Brinn Road.¹¹

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

1. The record for this case is complete.
2. Dexter-Almo Heights District has no water storage tanks in its system.
3. Dexter-Almo Heights District has an average daily water consumption of approximately 116,174 gallons per day.
4. Murray has the ability to provide Dexter-Almo Heights District with the needed capacity until December 31, 2021.
5. Murray would meet the Commission's minimum storage requirements if it were subject to Commission regulation.

⁹ 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 March 11, 1994).

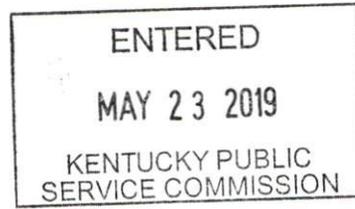
¹⁰ Case No. 2016-00114, *Application of Dexter-Almo Heights Water District Requesting Deviation From Requirements of 807 KAR 5:066, Section 4(4)*. (Ky. PSC June 6, 2016).

¹¹ Application, at 5.

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, 2021.
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.

By the Commission



ATTEST:


Executive Director

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