

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AUXIER WATER COMPANY, INC.'S REQUEST)
FOR APPROVAL TO PROVIDE LESS STORAGE)
THAN THE MINIMUM REQUIRED FOR ONE)
DAY'S SUPPLY; A DEVIATION FROM SUB-)
SECTION (4) OF 807 KAR 5:066 (5) AND,) CASE NO. 10052
FURTHER, A REQUEST FOR APPROVAL OF)
RELIEF FROM TESTING NEW WATER METERS)
PRIOR TO INSTALLATION, A DEVIATION)
FROM SECTION 13 OF 807 KAR 5:006)

O R D E R

By letter received October 7, 1987, Auxier Water Company, Inc., ("Auxier") requested a deviation from Subsection (4) of 807 KAR 5:066, Section 5. Said request asked that Auxier be relieved of the requirement to provide storage equal to one day's supply of its average daily water usage.

Auxier's letter also requested a deviation from Section 13 of 807 KAR 5:006. This request proposed that Auxier be relieved of the requirement for testing new meters prior to installation. The letter said that such inspections would be unnecessary since Rockwell International's (Auxier's meter supplier) testing procedures satisfy the Commission's requirements.

Additional information is needed for an adequate and proper consideration of the deviation requested by Auxier.

IT IS THEREFORE ORDERED that Auxier shall file an original and seven copies of the following information with the Commission with a copy to all parties of record no later than January 10, 1988.

1. Provide the following information to describe the demands for water on Auxier's water distribution system.

a. Total volumes purchased and/or produced annually for 1984, 1985 and 1986.

b. Total volumes purchased and/or produced monthly for the 12 months ending September 30, 1987.

c. Average 24-hour volume purchased and/or produced during the 12 months ending September 30, 1987.

d. Maximum 24-hour volume purchased and/or produced during the 12 months ending September 30, 1987.

e. Total days and highest number of successive days that the maximum 24-hour volume was purchased and/or produced during the 12 months ending September 30, 1987.

f. Projected maximum daily demand volumes for 1990 similar to (d) and (e) above. Describe the method by which these projections were made.

2. Provide a map of Auxier's distribution system that shows the location and size of all distribution mains, storage tanks, pumping stations and any other significant features of the system. One inch on this map should not represent more than one mile on the ground.

3. Provide a description of each of Auxier's storage facilities, if any, including their locations on the system and show total volume of storage on the system.

4. List the difference in volumes between total storage and (a) maximum 24-hour volume produced and/or purchased, (b) average 24-hour volume and (c) minimum 24-hour volume.

5. Provide a list of Auxier's large volume customers by name and maximum monthly and 24-hour usage by volume and by percentage of Auxier's maximum monthly and 24-hour volumes. Describe these customers' water storage and/or distribution facilities, if any exist, and any sales/purchase agreements now in effect for such customers. Explain any seasonal variations that affect the purchase volumes of any of these customers. Describe Auxier's curtailment plan if applicable to any of these customers. Do not list customers that are purchasing less than 5 percent of Auxier's maximum monthly volumes.

6. Provide a technical summary of operational deficiencies of Auxier's water system that are known from experience or that have been indicated by hydraulic analyses.

7. Show names and addresses of Auxier's customers that are providing critical health services.

8. Show number of hours under present operating conditions that service can be continued to hospitals, schools and other similar facilities after an interruption of service by supplier when the supply requirements to be met are: (a) maximum 24-hour

volume, (b) average 24-hour volume and (c) minimum 24-hour volume. Provide supplemental information as needed to explain how results for (a), (b) and (c) were obtained.

9. Describe past periods of interruption by the suppliers for Auxier. List dates and total days or hours of interruption.

10. Provide detailed information on each supplier's system that delivers water to Auxier. Include location and capacity of each (a) treatment plant, (b) pumping station, (c) storage tank and any other facilities required for the delivery of water to Auxier. Give the 24-hour capacity and maximum 24-hour production of plant for the 12 months ending September 30, 1987.

11. Does Auxier's water purchase agreement place a limit on the daily or monthly volumes that its suppliers will furnish? If so, define these limits. If each supplier provides certain volumes of storage for Auxier, provide a copy of the agreement that insures the provision of this storage by suppliers and a statement reflecting Auxier's assessment of reliability of this agreement. Provide a copy of Auxier's water purchase agreements if its particulars cannot be readily described and note the particulars of interest to the instant case. Describe any curtailment aspects of the contracts.

12. Describe each supplier's capability for delivery of water pressure and volume at each point of delivery to Auxier. Describe those features of each supplier's system that limit its capacity for delivery of water pressure and volume to Auxier. Such features may include: (a) distance between each supplier's tanks and each supplier's point of connection with Auxier, (b)

size of the connecting mains between Auxier and each supplier's tanks, (c) capacity of each supplier's treatment plants, (d) age of each supplier's treatment plants, (e) condition of each supplier's treatment plant, (f) capacity and condition of each supplier's pumping stations and tanks and each supplier's general ability to respond to the needs of Auxier.

13. If the Farmers Home Administration is the holder of either all or a part of Auxier's long-term debt, provide a copy of an FmHA letter stating its position with regard to the storage volume provided by Auxier and the request for a deviation from PSC regulations.

14. Describe Auxier's planning to date including its efforts to secure financing for construction of additional storage facilities.

15. Provide a copy of Rockwell International's January 16, 1986, letter to the Commission which explains how Rockwell International meets the Commission's regulation in testing new meters.

If the above listed items of information cannot be provided by January 6, 1988, Auxier should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. Auxier shall furnish with each response the name of the witness who will be available for responding to questions concerning each item of information requested should a public hearing be required in this matter.

Done at Frankfort, Kentucky, this 16th day of December, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Hemmelf.

For the Commission

ATTEST:

Executive Director