COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BOONESBORO WATER ASSOCIATION, INC.'S,) REQUEST FOR APPROVAL TO PROVIDE LESS) STORAGE THAN THE MINIMUM REQUIRED FOR) CASE NO. 10077 ONE DAY'S SUPPLY; A DEVIATION FROM) SUBSECTION (4) OF 807 KAR 5:066 (5))

ORDER

By its motion filed November 3, 1987, Boonesboro Water Association, Inc., ("Boonesboro") is seeking approval of a deviation from Subsection (4) of 807 KAR 5:066, Section 5. Said request proposed that Boonesboro be relieved from the requirement to provide a volume of storage that would insure one day's supply of its average daily water usage of about 450,000 gallons.

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

IT IS THEREFORE ORDERED that Boonesboro 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 6, 1988.

1. Provide the following information to describe the demands for water on Boonesboro'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 October 31, 1987. c. Average 24-hour volume purchased and/or produced during the 12 months ending with October 31, 1987.

d. Maximum 24-hour volume purchased and/or produced during the 12 months ending with October 31, 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 October 31, 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 the Boonesboro 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 Boonesboro's storage facilities 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 Boonesboro's large volume customers by name and maximum monthly and 24-hour usage by volume and by percentage of Boonesboro'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

-2-

affect the purchase volumes of any of these customers. Describe Boonesboro's curtailment plan if applicable to any of these customers. Do not list customers that are purchasing less than 5 percent of Boonesboro's maximum monthly volumes.

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

7. Show names and addresses of Boonesboro'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 Boonesboro's 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 supplier for Boonesboro. List dates and total days or hours of interruption.

10. Provide detailed information on supplier's system that delivers water to Boonesboro. Include location and capacity of (a) treatment plant, (b) pumping stations, (c) storage tanks and any other facilities required for the delivery of water to Boonesboro. Give the 24-hour capacity and maximum 24-hour production of plant for the 12 months ending October 31, 1987.

11. Does Boonesboro's water purchase agreement place a limit on the daily or monthly volumes that its supplier will furnish?

-3-

If so, define these limits. If supplier provides certain volumes of storage for Boonesboro, provide a copy of the agreement that insures the provision of this storage by supplier and a statement reflecting Boonesboro's assessment of reliability of this agreement. Provide a copy of Boonesboro's water purchase agreement if its particulars cannot be readily described and note the particulars of interest to the instant case. Describe any curtailment aspects of the contract.

12. Describe supplier's capability for delivery of water pressure and volume at each point of delivery to Boonesboro. Describe those features of supplier's system that limit its capacity for delivery of water pressure and volume to Boonesboro. Such features may include: (a) distance between supplier's tank and supplier's point of connection with Boonesboro, (b) size of the connecting main between Boonesboro, and its supplier's tank, (c) capacity of supplier's treatment plant, (d) age of supplier's treatment plant, (e) condition of supplier's treatment plant, (f) capacity and condition of supplier's pumping stations and tanks and supplier's general ability to respond to the needs of Boonesboro.

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

-4-

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

If the above listed items of information cannot be provided by January 6, 1988, Boonesboro 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. Boonesboro 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 24th day of November, 1987.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director