COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PARKSVILLE WATER DISTRICT'S REQUEST) FOR APPROVAL TO PROVIDE LESS STORAGE) THAN THE MINIMUM REQUIRED FOR ONE) CASE NO. 10030 DAY'S SUPPLY; A DEVIATION FROM SUB-) SECTION (4) OF 807 KAR 5:066 (5))

ORDER

By letter received September 17, 1987, Parksville Water District ("Parksville") requested a deviation from 807 KAR 5:066, Section 5(4). Said request asked that Parksville be relieved of the requirement to provide water storage to insure a minimum of one day's supply of its average daily water usage.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. Parksville has two water storage tanks with a combined capacity of 150,000 gallons.

2. The average consumption for 1987 was approximately 200,000 gallons per day.

3. Parksville does not possess one day's storage of its daily water usage. Parksville stated that during previous interruptions of service by its supplier, Parksville only had enough storage to supply water to its customers for approximately 10 hours.

4. Parksville should immediately conduct a comprehensive engineering analysis of its water distribution system. Parksville should employ a professional engineer registered in the Commonwealth of Kentucky and experienced in the design and operation of water distribution systems to review its water system. The engineer should conduct a complete investigation of the existing water distribution system including its water loss problems. The engineer should perform the necessary hydraulic and economic analyses to determine the appropriate water storage requirements for Parksville. The final engineering report should contain an estimate of the costs involved in obtaining the appropriate amount of water storage and the available sources of the funds needed for any proposed construction. The report should also include a detailed discussion of the financial effects that the funding arrangements would have on Parksville and its customers.

5. Because of the time needed to plan, finance and implement a program to increase its water storage facilities, Parksville should be granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991 to bring it within compliance of the Commission's water storage requirements.

IT IS THEREFORE ORDERED that:

1. Parksville be and it hereby is granted a limited deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991.

2. Parksville shall immediately retain a professional engineer and conduct a comprehensive engineering analysis of its

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water distribution system as outlined in Finding Number 4 herein. Parksville shall file a copy of the report on this investigation with this Commission by September 1, 1988.

3. Parksville shall take all necessary actions to bring its water storage facilities within compliance of the Commission regulations prior to the expiration date of the deviation herein granted.

Done at Frankfort, Kentucky, this17th day of February, 1988.

PUBLIC SERVICE COMMISSION

Villain

ATTEST:

Executive Director