

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE HARDIN COUNTY WATER DISTRICT)
NO. 1 DOES HEREBY SEEK APPROVAL OF)
THE PUBLIC SERVICE COMMISSION TO) CASE NO. 10055
IMPLEMENT AN EMERGENCY OPERATIONS)
PLAN FOR WATER SHORTAGE CONDITIONS)

O R D E R

On October 12, 1987, Hardin County Water District No. 1 ("Hardin No. 1") filed a request seeking approval of an "Emergency Operations Plan," hereinafter referred to as a water curtailment plan, to address a severe water shortage.

The Commission determined that immediate water conservation measures were required and on October 16, 1987 issued an Interim Order, approving the water curtailment plan subject to final review and modification by the Commission.

On November 4, 1987, the Attorney General filed a motion to be granted full intervention status. The Attorney General on November 4, 1987, additionally filed a Motion to Vacate Interim Order, or Alternatively, Motion for Immediate Public Hearing. On November 9, 1987, the Commission issued an Order granting the Attorney General full intervention.

On November 10, 1987, Hardin No. 1 petitioned the Commission to suspend the excess user charges contained in its water curtailment plan, until, or if, an agreed upon ruling or decision

by the Division of Water, the Attorney General, and the Commission, is given in writing to Hardin No. 1.

The owner of Easton's Coin Laundry filed and was subsequently granted limited intervention due to the excess user charges. The Commission has considered the concerns expressed by the intervenor and notes that under the approved water curtailment plan, all similarly situated customers will be treated equally. A petition containing approximately 1,300 signatures was filed on November 20, 1987 requesting a public hearing regarding the water curtailment plan, and, in particular, the excess user charges.

Hardin No. 1 filed a request on November 30, 1987 requesting that the Commission delay any further decisions for 90 days in order that it could revise and resubmit its water curtailment plan. The requested extension of time was granted and Hardin No. 1 was required to file monthly updates regarding current water availability and progress made on its water curtailment plan. The updates were filed on December 14, 1987, January 13, 1988, and February 16, 1988.

On February 17, 1988, an informal conference was held at the Commission's offices in Frankfort, Kentucky, regarding the general status of water curtailment plans. Hardin No. 1 attended the conference and on February 24, 1988 requested a 90-day extension be granted to revise and resubmit its water curtailment plan in order to include all items deemed necessary by the Commission, the Division of Water, and the Citizen's Advisory Task Force.

On May 19, 1988, Hardin No. 1 filed a revised water curtailment plan. On May 31, 1988, Hardin No. 1 filed a request

for a 90-day extension of time to revise and resubmit its plan. The Commission treated the request as a motion and on June 6, 1988 issued its Order granting Hardin No. 1 a 30-day extension. On June 7, 1988, the Commission Staff returned a copy of the May 19, 1988 filing along with their comments and recommendations.

On June 20, 1988, Hardin No. 1 filed a revised water curtailment plan with the Commission. Hardin No. 1 stated in its filing that current operating conditions show that water production is in the 5-10 percent range below projected demand and requested immediate approval of its revised plan.

An informal conference was scheduled on July 8, 1988 at the Commission's offices to discuss the revised water curtailment plan. Hardin County Water District No. 2 filed a Motion to Intervene (Full Intervention) on July 8, 1988 and participated in the informal conference. The Attorney General was present to represent the ratepayers interests. During the informal conference several proposed changes in the water curtailment plan filed by Hardin No. 1 were discussed. After lengthy negotiations, a plan was produced that all the parties agreed to accept.

On July 11, 1988, Hardin No. 1 filed its water curtailment plan incorporating the revisions which were negotiated at the informal conference on July 8, 1988.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that the water curtailment plan filed by Hardin No. 1 on July 8, 1988 is acceptable with the following exception:

Items 4.B.2.d. and 4.C.2.d. should read as follows: . . .
when and if Hardin County Water District No. 1 determines that the
desired . . . conservation has not been realized.

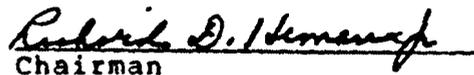
IT IS THEREFORE ORDERED that:

1. Hardin No. 1 shall revise its water curtailment plan in
accordance with the finding herein and shall file the revised plan
with the Commission within 30 days of the date of this Order.

2. The water curtailment plan filed by Hardin No. 1 with
the exception noted above be and it hereby is approved effective
on and after the date of this Order.

Done at Frankfort, Kentucky, this 18th day of July, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director