

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HEDGEVILLE WATER )  
ASSOCIATION, INC., FOR A DEVIATION ) CASE NO. 10059  
FROM THE WATER STORAGE REQUIREMENTS )

O R D E R

By letter received October 14, 1987, Hedgeville Water Association, Inc., ("Hedgeville") requested a deviation from 807 KAR 5:066, Section 5(4), which requires a utility 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. Hedgeville has no water storage tanks in its water distribution system.
2. Hedgeville's only large volume customer has no storage tank.
3. The average consumption for the 12-month period ending September 30, 1987, was approximately 100,680 gallons per day. Hedgeville projected that its average daily usage by year 1990 will be about 128,500 gallons.
4. There have been no interruptions in Hedgeville's water distribution system since creation of the Association.
5. There are no schools, hospitals or any other critical or emergency facilities in Hedgeville's service area.

6. Hedgeville should retain a professional engineer registered in the Commonwealth of Kentucky and experienced in the design and operation of water distribution systems to conduct a comprehensive engineering study of Hedgeville's water system. The engineer should perform the necessary hydraulic and economic analyses to determine the appropriate water storage requirements for Hedgeville. The engineering study should include 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. It should also include a detailed discussion of the financial effects that the funding arrangements would have on Hedgeville and its customers.

7. Because of the time needed to plan, finance and implement a program to increase its water storage facilities, Hedgeville 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:

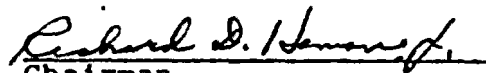
1. Hedgeville be and it hereby is granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991.


2. Hedgeville shall retain a professional engineer to conduct a comprehensive engineering study of its water distribution system as outlined in Finding Number 5 herein. Hedgeville shall file a copy of the report of this study with this Commission no later than September 1, 1988.

3. Hedgeville 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, this 3rd day of March, 1988.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Executive Director