

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTHERN MADISON )  
WATER DISTRICT FOR A DEVIATION FROM )  
THE MINIMUM WATER STORAGE REQUIREMENT ) CASE NO. 10122  
OF 807 KAR 5:066, SECTION 5(4) )

O R D E R

By letter received January 4, 1988, Southern Madison Water District ("Southern Madison") requested a deviation from 807 KAR 5:066, Section 5(4), which requires a water utility to insure 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. Southern Madison currently has no water storage tank. A new tank of 100,000 gallons is under construction.
2. Southern Madison's average daily water usage for the 12-month period ending December 31, 1987, was 381,650 gallons. Southern Madison projects that its average daily usage by the year 1990 will be 408,650 gallons.
3. Southern Madison does not have storage capacity to insure one day's supply of its average water usage and, therefore, does not meet the requirements of Commission regulation 807 KAR 5:066, Section 5(4).
4. Southern Madison purchases water from Berea College water treatment plant.

5. None of Southern Madison customers provide critical health services.

6. Southern Madison has never experienced an interruption in service from its water supplier.

7. Southern Madison 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 Southern Madison's water system. The engineer should perform the necessary hydraulic and economic analyses to determine the appropriate utilization of Berea's storage tanks for its system. The engineering study should include an estimate of the costs involved in obtaining new storage facility for Southern Madison and 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 Southern Madison and its customers.

8. Southern Madison should be granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991, to proceed with the construction of additional water storage to meet Commission regulations.

9. Southern Madison should take all necessary steps to increase its water storage capacity to equal or exceed its average daily usage.

IT IS THEREFORE ORDERED that:

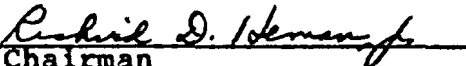
1. Southern Madison be and it hereby is granted a deviation from 807 KAR 5:066, Section 5(4) until July 1, 1991.

2. Southern Madison shall retain a professional engineer to conduct a comprehensive engineering study of its water storage tanks and distribution system as outlined in Finding Number 7 herein. Southern Madison shall file a copy of the report of this study with this Commission no later than July 1, 1989.

3. Southern Madison shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to the expiration of the deviation herein granted.

Done at Frankfort, Kentucky, this 20th day of April, 1988.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Executive Director