

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BOONE COUNTY WATER)	
AND SEWER DISTRICT FOR A DEVIATION)	
FROM THE REQUIREMENTS OF 807 KAR 5:066,)	CASE NO. 91-118
SECTION 5(4), REGARDING WATER STORAGE)	

O R D E R

By application received April 15, 1991, Boone County Water and Sewer District ("Boone Water") requested a deviation from Commission Regulation 807 KAR 5:066, Section 5(4), which requires each utility to provide water storage to ensure a minimum of one day's supply of its average daily water usage. Boone Water states in its application that its average daily water usage, including unaccounted-for water, is approximately 2.19 million gallons, and that its current water storage capacity is .6 million gallons. However, Boone Water's supplier (Kenton County Water District) has a total of 32.8 million gallons of storage with 2.5 million gallons of storage actually located in Boone County.

By letter dated June 10, 1991, Commission Staff requested Boone Water to supplement its application with a statement from Kenton County Water District ("Kenton County") to the effect that Boone Water will indeed be allocated 2.5 million gallons of Kenton County's storage. In response, the Commission on June 21, 1991 received a letter from Boone Water indicating that a letter of commitment from Kenton County would be supplied by mid-July.

Boone Water further provided exhibits previously submitted to the Commission by Kenton County in Case No. 91-046,¹ which identify the cost allocated to Boone Water for each Kenton County storage tank. Assuming that the allocation factor percentages for each of the storage facilities are correct, Boone Water should be allocated over 2.5 million gallons of storage, which, coupled with existing Boone Water storage capacity, provides over 3.1 million gallons of storage.

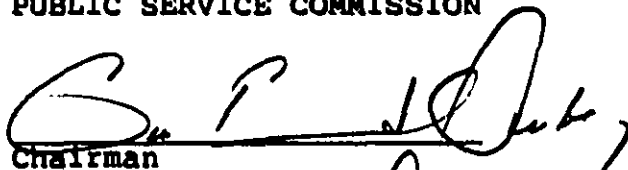
The Commission, having reviewed Boone Water's application and its response filed on June 21, 1991, finds that the information filed by Boone Water satisfies the Commission's request of June 10, 1991 for a letter of commitment from Kenton County. The Commission finds from the evidence of record that Boone Water, when considering the water storage available from its supplier, is in compliance with the requirements of Commission Regulation 807 KAR 5:066, Section 5(4). As such, no deviation is required.

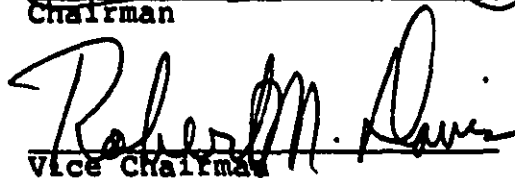
IT IS THEREFORE ORDERED that Boone Water's application is hereby dismissed.

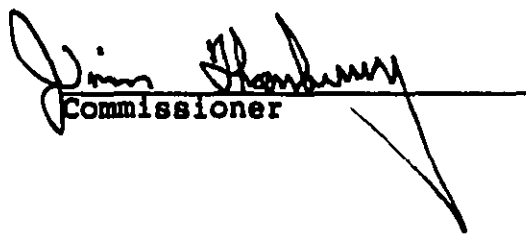
¹ Case No. 91-046, Application and Notice of Kenton County Water District No. 1: (a) To Issue Revenue Bonds in the Approximate Principal Amount of \$16,160,000 (A Portion for Refunding of Bond Anticipation Notes); (b) To Construct Additional Plant Facilities of Approximately \$8,317,000; (c) Notice of Adjustment of Rates Effective May 1, 1991; and, (d) Approval, If Necessary, of Continuing Miscellaneous Long-term Indebtedness.

Done at Frankfort, Kentucky, this 28th day of June, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director