

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SPEARS WATER COMPANY,)	CASE NO.
INC. FOR A DEVIATION FROM 807 KAR 5:066,)	97-254
SECTION 4(4), REGARDING WATER STORAGE)	

O R D E R

On May 15, 1997, the Spears Water Company ("Spears Water") applied for permission to deviate from Commission regulation 807 KAR 5:006, Section 4(4), which requires that each utility maintain minimum water storage of one day's supply of its average daily usage. By Order of January 29, 1992 in Case No. 91-147,¹ Spears Water was required to bring its water storage facilities into compliance with Commission regulations by July 1, 1997.

Spears Water subsequently filed a letter from the City of Nicholasville ("Nicholasville") stating that it would provide Spears Water storage for the next several years from its storage capacity.

The Commission, having reviewed the application and information submitted subsequent thereto, and being otherwise sufficiently advised, finds that:

¹ Case No. 91-147, The Application of Spears Water Company for a Deviation Pursuant to 807 KAR 5:066, Section 4(4), Regarding Water Storage.

1. The total water storage capacity of Spears Water is approximately 235,000 gallons.

2. Spears Water's average daily water usage is approximately 525,000 gallons per day.

3. Nicholasville is willing to provide Spears Water with the additional needed storage capacity for the next several years.

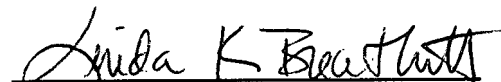
IT IS THEREFORE ORDERED that:

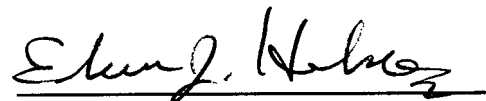
1. Spears Water is granted permission to deviate from the provisions of 807 KAR 5:066, Section 4(4), until July 1, 2003.

2. Spears Water shall take all necessary action to bring its water storage facilities into compliance with Commission regulations by July 1, 2003.

Done at Frankfort, Kentucky, this 10th day of June, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director