

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KNOX COUNTY)
WATER DISTRICT FOR A DEVIATION FROM THE) CASE NO.
REQUIREMENTS OF 807 KAR 5:066, SECTION 4(4),) 98-114
REGARDING WATER STORAGE)

O R D E R

On March 3, 1998, the East Knox County Water District ("East Knox District") applied for permission to deviate from Commission Regulation 807 KAR 5:066, Section 4(4), which requires that each utility maintain minimum water storage of one day's supply of its average daily usage. East Knox District states in its application that it produces its own water and that it purchases 116,000 gallons per month from Barbourville Water and Electric. East Knox District also states that its Brush Creek Project if funded will provide two new storage tanks to bring the system into compliance with Commission regulations.

The Commission, having reviewed the application and being otherwise sufficiently advised, finds that:

1. East Knox District is not in compliance with Commission Regulation 807 KAR 5:066, Section 4(4).
2. Because of the time needed to plan, finance, and construct water storage facilities, East Knox District should be given until July 1, 1999 to comply with 807 KAR 5:066, Section 4(4).

IT IS THEREFORE ORDERED that:

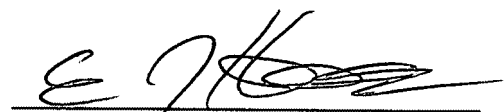
1. East Knox District is given until July 1, 1999 to comply with the provisions of 807 KAR 5:066, Section 4(4).


2. East Knox District shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to July 1, 1999.

Done at Frankfort, Kentucky, this 27th day of April, 1998.

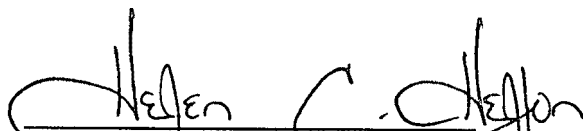
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director