COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF REIDLAND WATER AND)SEWER DISTRICT FOR A DEVIATION FROM THE)REQUIREMENTS OF 807 KAR 5:066, SECTION 4(4),)99-081REGARDING WATER STORAGE)

<u>ORDER</u>

On March 8, 1999, the Reidland Water and Sewer District ("Reidland 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. Reidland District states in its application that its average daily water usage, including unaccounted-for water, is approximately 799,452 gallons, and that its current water storage capacity is 650,000 gallons.

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

Reidland 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, Reidland District should be given until July 1, 2005 to comply with 807 KAR 5:066, Section 4(4).

IT IS THEREFORE ORDERED that:

1. Reidland District is given until July 1, 2005 to comply with the provisions of

807 KAR 5:066, Section 4(4).

2. Reidland District shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to July 1, 2005.

Done at Frankfort, Kentucky, this 23rd day of March, 1999.

By the Commission

ATTEST:

Executive Director