COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NEBO WATER DISTRICT FOR A DEVIATION FROM THE REQUIREMENTS OF 807 KAR 5:066, SECTION 4(4), REGARDING) CASE NO. 2006-00023
WATER STORAGE)

ORDER

On January 17, 2006, the Nebo Water District ("Nebo District") applied for permission to deviate from Administrative 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. Nebo District states in its application that its average daily water usage, including unaccounted-for water, is approximately 421,000 gallons, and that its current water storage capacity is 375,000 gallons. The city of Madisonville ("Madisonville"), Nebo District's current water supplier, has agreed to supply up to 18,000,000 gallons of water per month. Madisonville has assured, by letter, the availability of water storage for all customers in the Nebo District.

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

- Nebo District is not in compliance with Administrative Regulation 807 KAR
 5:066, Section 4(4).
- 2. Because of the time needed to plan, finance, and construct water storage facilities, Nebo District should be given until January 17, 2011 to comply with Administrative Regulation 807 KAR 5:066, Section 4(4).

IT IS THEREFORE ORDERED that:

1. Nebo District is given until January 17, 2011 to comply with the provisions of Administrative Regulation 807 KAR 5:066, Section 4(4).

2. Nebo District shall take all necessary actions to bring its water storage facilities into compliance with Commission regulations prior to January 17, 2011.

Done at Frankfort, Kentucky, this 24th day of March, 2006.

By the Commission

ATTEST:

Executive Director