

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF PLEASANT HILL)
WATER DISTRICT FOR A DEVIATION FROM)
THE MINIMUM WATER STORAGE REQUIREMENT) CASE NO. 10123
OF 807 KAR 5:066, SECTION 5(4))

O R D E R

By letter received December 2, 1987, Pleasant Hill Water District ("Pleasant Hill") requested a deviation from 807 KAR 5:066, Section 5(4). Said request proposed that Pleasant Hill be relieved of the requirement to provide a volume of storage that would insure one day's supply of its average daily water usage.

On February 2, 1988, the Commission advised Pleasant Hill that additional information was needed to properly consider its request and ordered that it be filed. Pleasant Hill responded on February 25, 1988 with a request for the matter to be held in abeyance until Case No. 9967, The Proposed Merger of Barnesburg Water Association, Bronston Water Association, Elihu-Rush Branch Water Association, Nelson Valley Water Association, Oak Hill Water Association, Pleasant Hill Water District, Pulaski County Water District No. 1, Pulaski County Water District No. 2, and Tateville Water Association, was concluded. The Commission, after consideration of Pleasant Hill's request, found that Case No. 9967 was concluded when the final Order was entered February 22, 1988.

Further the proceedings in Case No. 9967 do not relieve Pleasant Hill of its obligation to continue utility operations in compliance with the regulations of the Commission.

Subsequently June 14, 1988 was set as the due date for Pleasant Hill's response to the February 2, 1988 Order. The response was filed June 10, 1988.

The information filed June 10, 1988 by Pleasant Hill included certain apparent discrepancies, errors, and omissions that require correction. To accomplish this, Pleasant Hill should file more complete and more accurate information that has been cross-checked and properly correlated to insure that appropriate responses are provided to the requests made in the Commission's Order of February 2, 1988.

After its review of the record the Commission finds that the following additional information is needed for an adequate and proper consideration of the deviation requested by Pleasant Hill. Pleasant Hill should file an original and 7 copies of the following information to the Commission with a copy to all parties of record, no later than September 28, 1988.

1. Pleasant Hill's compliance with the Commission's Order of February 2, 1988 requires the filing of a distribution system map for each of the 2 service areas of Pleasant Hill in accordance with request number 2 of the February 2 Order. If the maps stored at Molden's Multiple Services, Inc. include up-to-date maps of Pleasant Hill's distribution system as required by 807 KAR 5:006,

Section 18, a copy of the map of each area should be filed. If not, such maps should be prepared and a copy of each map filed with the Commission.

2. Response to request 1(c): Average 24-hour volumes of 43,530 gallons per day ("GPD") for the north service area and 23,200 GPD for the south service area appear to be erroneous based on the monthly volumes for 1987 provided in response to information request 1(b). Summations of these monthly volumes of 34,679,200 gallons and 18,657,750 gallons divided by 365 yield averages of 95,258 GPD and 51,117 GPD, respectively, for the north area and the south area. Further, the 1984, 1985, and 1986 totals reported by Pleasant Hill yield respective average of 86,158 GPD, 84,260 GPD, and 93,492 GPD for the north area and 36,050 GPD, 46,805 GPD, and 49,139 GPD for the south area. Pleasant Hill should review, recalculate and refile its response to request 1(c).

3. The response of 30 days and 20 days for request 1(e): a request for total 1987 days and highest number of days in succession that maximum demand was imposed on the systems indicates that request 1(e) may have been misunderstood. If Pleasant Hill's daily operating log shows daily purchase volumes, the requested information is included in these records. Pleasant Hill should provide the number of 1987 days that each distribution system actually satisfied demands at or near the maximum demands for 1987. Also, if possible, Pleasant Hill should determine the most severe demand period sustained during 1987. For example: Daily demand from 130,000 GPD to 160,000 GPD continued

for 7 days for a total 7-day demand of 960,000 gallons. This type of extended period of high demand imposes the most severe impact on storage and supply.

4. Pleasant Hill should recalculate and refile its projected daily demands for 1990 per request 1(f) since any error in the calculation of its average daily demands 1(c) would also affect its 1990 projections.

5. Pleasant Hill's response to request 3 regarding storage facilities states that its supply for the south area, which has no storage facilities, is purchased directly from Somerset. Pleasant Hill's Annual Reports show that south area water is purchased from Oak Hill Water Association. Is Oak Hill no longer the supplier for the south area? Pleasant Hill's distribution system map should be updated to show size and location of the new master meter, size of the Somerset main supplying the meter, and the south area mains connecting this metering point to the Slate Branch distribution main. Also provide the date of installation of the new master meter, the date on which purchase of water from Somerset was begun through this meter, the daily volume purchased through this meter and the service pressure available at this meter.

6. The purposes of request 4(a), 4(b), and 4(c) were to determine the approximate volumes of daily storage deficiency for maximum, average and minimum demands respectively. Pleasant Hill should make the calculations to determine these volumes and file the results for its north area with the Commission. The response, "See 1.d and 1.e" is not an acceptable response.

7. The south area's storage deficit is equivalent to its daily demand since no storage is provided for this area. The north area's storage deficit for an average day's usage was given as 36,470 gallons. A deficit of 36,470 for an area with 80,000 gallons of storage equates to an average daily requirement of 116,470 gallons. Pleasant Hill has, however, given 43,530 gallons as the average daily requirement in its response to request 1(c). Pleasant Hill should recheck its response and file a revised response if 36,470 gallons is not the correct deficit or if 116,470 gallons is not the average daily demand for its north area.

8. Pleasant Hill's response to request 10(c) described the Somerset storage tank and mains that supply its north area but apparently omitted this information for its south area. The south area information should also be supplied by Pleasant Hill.

9. Does Pleasant Hill's water purchase agreements place a limit on the volumes it may purchase from Somerset or Oak Hill on a daily or a monthly basis? This was asked in request 11. Pleasant Hill supplied copies of its water purchase agreements but made no direct response to the question. Pleasant Hill should respond directly to the question.

10. Pleasant Hill should provide more particulars regarding its response to request 14, a request for the status of its plans and actions for construction of additional storage including efforts to secure financing: (a) Has H. K. Bell been informed of the scope of work that is needed in this instance and a desired

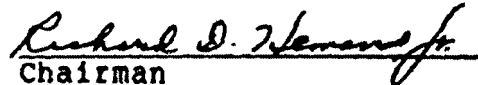
date of completion? (b) Has H. K. Bell been asked to submit a proposal? (c) Has H. K. Bell submitted a proposal?

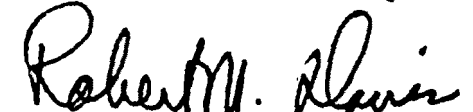
11. If Pleasant Hill cannot provide a thorough and complete response to this Order by September 28, 1988, it should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. Pleasant Hill should furnish with each response the name of the witness who will be available for responding to questions concerning each item of information requested should a public hearing be required in this matter.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 15th day of September, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director