



Kenvirons, Inc.

770 Wilkinson Blvd. • Frankfort, KY 40601 • Phone: (502) 695-4357 • Fax: (502) 695-4363
Civil & Environmental Engineering and Laboratory Services

July 15, 2019

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PUBLIC SERVICE
COMMISSION


Kentucky Public Service Commission
Executive Director's Office
211 Sower Boulevard
Frankfort, Kentucky 40602

RE: Water Storage Requirement Deviation Request Application
Whitley County Water District No. 1
PSC Case No. 2018-00362

Dear Sirs:

Pursuant to Order Item No. 1 in the final order dated January 3, 2019 in the reference case, Whitley County Water District No. 1, Williamsburg, KY has authorized us to submit the attached copy of the agreement between the District and City Utilities Commission of Corbin formalizing the agreement between the two regarding water storage allocation. Should you have any questions or need additional information, please contact us.

Sincerely,


Kenneth D. Taylor, PE
Vice President

Attachment

C: WCWD

WATER STORAGE AGREEMENT

This agreement is entered into as of the 10th day of July 2019, by and between the CITY UTILITIES COMMISSION OF CORBIN; 1515 Cumberland Falls Highway; Corbin, KY 40701 (SELLER) and WHITLEY COUNTY WATER DISTRICT NO. 1; 19 South Highway 25 West; Williamsburg, KY 40769 (PURCHASER) and shall extend for a term of four (4) years and thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the SELLER and PURCHASER.

Whereas, the PURCHASER has contracted with the SELLER to purchase water at two locations on the south end of the SELLERS distribution system and said contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this state; and said contract stipulates the SELLER and PURCHASER will collaborate in obtaining such permits, certifications or the like as may be required to comply therewith, and

Whereas, the SELLER has a 1,000,000 gallon storage tank that feeds the two purchase points and this volume is adequate to serve the SELLERS existing users in this portion of the SELLERS distribution system plus the average daily purchases of the PURCHASER, which was 245,000 gallons in calendar year 2017, and

Whereas, the PURCHASER has been ordered by the Kentucky Public Service Commission to formalize an agreement between SELLER and PURCHASER for the SELLER to allocate 245,000 gallons of storage in the 1,000,000 gallon storage tank for the use of the PURCHASER in lieu of constructing its own storage facility.

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The SELLER agrees:

1. To allocate the PURCHASER 245,000 gallons of storage in the 1,000,000 gallon storage tank for the use of its users;
2. That the SELLER will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the PURCHASER with quantities of water required by the PURCHASER. Temporary or partial failure to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the SELLER is otherwise diminished over an extended period of time, the supply of water to PURCHASER'S consumers shall be reduced or diminished in the same ratio or proportion as the supply to SELLER'S consumers is reduced or diminished.
3. That should the SELLER become aware that it will become unable to maintain the storage for the PURCHASER'S use at some point in the future the SELLER

will endeavor to notify the PURCHASER in ample time to allow the PURCHASER to construct the needed storage facilities.

- B. The PURCHASER agrees to continue purchasing water from the SELLER in accordance with the previously executed Water Purchase Contract as has been and may be amended in the future by agreement of both parties.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in two (2) counterparts, each of which shall constitute an original.

Seller:

City Utilities Commission of Corbin
By: Ronald W. Deal
Title: General Manager

Attest:

Thomas K. Malloy
Secretary

Purchaser:

Whitley County Water District
By: Andy Newberry
Title: Chairman

Attest:

Bob DeShazo
Secretary