

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE EAST CASEY)
COUNTY WATER DISTRICT, A WATER DISTRICT)
ORGANIZED PURSUANT TO CHAPTER 74 OF THE)
KENTUCKY REVISED STATUTES, IN CASEY)
COUNTY, KENTUCKY, FOR (1) A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY,)
AUTHORIZING AND PERMITTING SAID WATER)
DISTRICT TO CONSTRUCT WATER DISTRIBUTION)
SYSTEM IMPROVEMENTS, CONSISTING OF A)
200,000 GALLON GROUND TANK, A 150,000)
GALLON STANDPIPE, TWO PUMP STATIONS AND)
WATER TRANSMISSION LINES; (2) APPROVAL)
OF THE PROPOSED PLAN OF FINANCING OF)
SAID PROJECT)

CASE NO.
90-162

O R D E R

On June 5, 1990, East Casey County Water District ("East Casey Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,700,000 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 350 additional customers. Project funding includes a \$500,000 loan from the Farmers Home Administration ("FmHA"), a \$500,000 grant from U.S. Department of Housing and Urban Development ("HUD"), and a \$700,000 Grant from Community Development Block Grant (CDBG). The loan will be for a 40-year period at an interest rate of 5 percent per annum.

East Casey Water's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between

water districts and FmHA and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on June 21, 1990, KRS 278.023 does not grant to the Commission any discretionary authority to modify or reject any portion of this application.

IT IS THEREFORE ORDERED that:

1. East Casey Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. East Casey Water's proposed plan of financing with FmHA is accepted.

3. East Casey Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

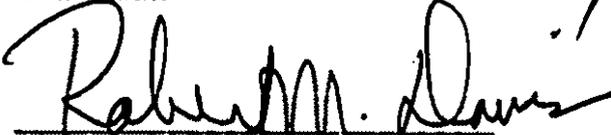
4. East Casey Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 6(1), East Casey Water shall take immediate action to bring the system into compliance with Commission regulations.

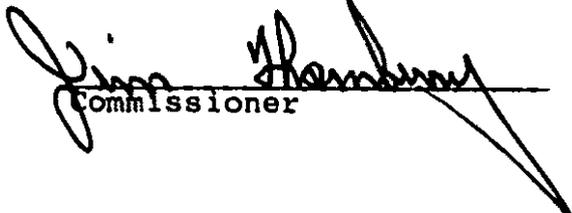
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 9th day of July, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director