

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF THE BIG SANDY WATER )  
DISTRICT, A WATER DISTRICT ORGANIZED )  
PURSUANT TO CHAPTER 74 OF THE KENTUCKY )  
REVISED STATUTES, OF BOYD COUNTY, )  
KENTUCKY, FOR (1) A CERTIFICATE OF )  
PUBLIC CONVENIENCE AND NECESSITY, )  
AUTHORIZING AND PERMITTING SAID WATER )  
DISTRICT TO CONSTRUCT A NEW WATERWORKS )  
DISTRIBUTION SYSTEM, CONSISTING OF A )  
PUMPING STATION, TANK SITES, AND THE )  
NECESSARY DISTRIBUTION SYSTEM AND LINES )  
NEEDED TO SERVE WATER TO SAID DISTRICT; )  
(2) APPROVAL OF THE PROPOSED PLAN OF )  
FINANCING OF SAID PROJECT; AND )  
(3) APPROVAL OF THE WATER RATES PRO- )  
POSED TO BE CHARGED BY THE DISTRICT )  
TO CUSTOMERS OF THE DISTRICT )

CASE NO. 8197

AMENDED ORDER

On January 4, 1982, the Big Sandy Water District ("Big Sandy") filed an amended petition requesting Commission approval of major changes to its construction project approved by Order entered October 15, 1981. The project includes the development of four production wells as a source of supply, a water treatment plant, three water storage tanks and the water distribution system.

The proposed amendments to the approved construction are the result of a change in Big Sandy's source of

supply. A water purchase agreement negotiated with the City of Kenova, West Virginia, makes the purchase of water cheaper than the production of water.

The project revisions proposed by Big Sandy include the construction of a water main to connect its distribution system to Kenova's treatment plant located on the West Virginia side of the Big Sandy River, certain changes in the size of distribution mains due to the new source of supply and deletion from the project of the four production wells and the water treatment plant.

Water service to approximately 150 more residential customers and a school can be provided using the project funds that were committed to the construction of a water treatment plant, water production wells and purchase of the land for location of these facilities. Big Sandy will, by subsequent petition, request certification of the construction of water distribution facilities to provide this service.

The Commission after consideration of the amended petition filed January 4, 1982, and all evidence of record and being advised is of the opinion and finds that:

1) The public convenience and necessity require the construction of a water main which will connect Big Sandy's water distribution system to the water treatment plant owned and operated by the City of Kenova, West Virginia. Further, the size of certain other distribution

mains must be increased or decreased to accommodate the resulting changes in the direction of water flow and the quantities of water flow within the distribution system. Further, the net increase in the cost for construction of the distribution system will be about \$73,000 (increases of \$109,000 and \$50,000 less a decrease of \$86,000) and can be paid for from construction contingency funds.

2) The public convenience and necessity, due to the City of Kenova's agreement to supply Big Sandy with treated water, no longer require the development of production wells or the construction of water treatment facilities by Big Sandy. Construction approved therefor should be deleted from Big Sandy's construction project.

3) The proposed construction of additional distribution facilities by Big Sandy should be addressed by a subsequent Order of this Commission.

IT IS THEREFORE ORDERED that Big Sandy's certificate of convenience and necessity be amended to include the construction of a connecting water main to the City of Kenova's treatment plant and related changes to Big Sandy's distribution system.

IT IS FURTHER ORDERED that the construction of a water treatment plant and development of production wells be and it hereby is deleted from Big Sandy's certificate of convenience and necessity granted by Order entered October 15, 1981.

IT IS FURTHER ORDERED that all other provisions  
of the Order entered October 15, 1981, not specifically  
addressed herein shall remain in effect,

Done at Frankfort, Kentucky, this 4th day of February, 1982.

PUBLIC SERVICE COMMISSION

Merlin M. Vohz  
Chairman

Katharine Bussell  
Vice Chairman

Alm Carrigan  
Commissioner

ATTEST:

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Secretary