

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF LYON COUNTY )  
WATER DISTRICT, LYON COUNTY )  
KENTUCKY [1] FOR A CERTIFICATE )  
OF PUBLIC CONVENIENCE AND )  
NECESSITY AUTHORIZING SAID )  
DISTRICT TO CONSTRUCT MAJOR )  
IMPROVEMENTS AND EXTENSIONS TO ) CASE NO. 9120  
ITS EXISTING MUNICIPAL WATER )  
DISTRIBUTION SYSTEM PURSUANT )  
TO THE PROVISIONS OF CHAPTER )  
74 OF THE KENTUCKY REVISED )  
STATUTES; AND [2] SEEKING )  
APPROVAL OF THE ISSUANCE OF )  
CERTAIN SECURITIES; AND [3] FOR )  
AN ADJUSTMENT OF RATES; AND )  
[4] APPROVAL TO PURCHASE LAKE )  
BARKLEY WATER SYSTEM, INC. )

O R D E R

On January 11, 1985, Lyon County Water Association ("Lyon County") filed its application to construct certain facilities, issue certain securities to fund the construction, raise its water rates, and purchase the assets of Lake Barkley Water System, Inc. The proposed water rates were based upon a revenue requirement analysis including the proposed construction, financing and purchase. On November 11, 1985, the Commission approved the purchase portion of the Application, subject to financing being approved by Farmers Home Administration ("FmHA). Lyon County has been unable to meet the filing requirements of both the Commission and FmHA regarding its construction project on a timely basis, therefore causing a delay in the Commission's decision beyond the 10-month time period allowed to decide a rate case as set out in KRS 278.190(3).

After review of the record, and being advised, the Commission FINDS the following:

(1) That the proposed rates are based, in a large part, on the proposed construction project.

(2) That the bid tabulations on the construction project and the public hearing on the application cannot be completed within the 10-month time frame provided by statute to decide rate cases.

(3) That the case should be dismissed without prejudice for lack of timely filing of needed information.

(4) That upon satisfactory completion of its FmHA filing requirements, including authorization to bid on the construction project, Lyon County should file a motion to reopen this case and seek a Commission Order based on facts already in the record, along with the bid tabulations.

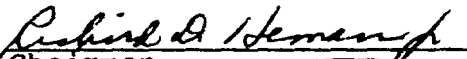
IT IS THEREFORE ORDERED That:

(1) Lyon County's application be and it is hereby dismissed without prejudice;

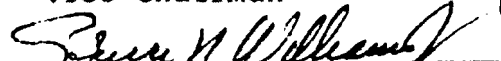
(2) Lyon County shall file a motion to reopen this case once it has met the necessary FmHA filing requirements to advertise for bids on proposed construction projects.

Done at Frankfort, Kentucky, this 11th day of November, 1985.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Secretary