

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TRI-VILLAGE WATER)
DISTRICT; (1) FOR A CERTIFICATE THAT)
PUBLIC CONVENIENCE AND NECESSITY)
REQUIRE THE CONSTRUCTION OF EXTENDED)
AND IMPROVED WATER FACILITIES; (2)) CASE NO. 9381
SEEKING APPROVAL OF THE ISSUANCE OF)
CERTAIN SECURITIES; AND (3) FOR AN)
ORDER AUTHORIZING ADJUSTMENT OF WATER)
SERVICE RATES AND CHARGES)

O R D E R

On August 9, 1985, the Commission entered an Interim Order granting the Tri-Village Water District ("Tri-Village") a certificate of public convenience and necessity for Phase I of a waterworks improvement project. The Order also approved the interim financing for Phase I.

On May 9, 1986, the Commission entered an Order granting Tri-Village a certificate of convenience and necessity for Phase II of a waterworks improvement project. The Order also approved the financing for Phase I and Phase II, and approved adjustments in Tri-Village's water service rates.

On May 11, 1987, Tri-Village filed information which explains the need to perform major repairs on the Wheatley water storage tank. The construction which was approved by the Commission's May 9, 1986, Order included cleaning and painting all existing water storage tanks. Tri-Village proposes to finance the tank repairs

with an additional \$87,000 loan from the Farmers Home Administration ("FmHA") at 5 percent per annum for 40 years.

SUMMARY

The Commission, after considering all supplemental information and being advised, is of the opinion and finds that:

1. Public convenience and necessity require that the supplemental construction be performed and that a certificate of public convenience and necessity be granted.

2. The financing for the supplemental work consisting of an additional \$87,000 loan from the FmHA should be approved.

3. The Commission's order entered May 9, 1986, should be affirmed in all other respects.

IT IS THEREFORE ORDERED that:

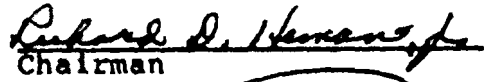
1. Tri-Village be and it hereby is granted a certificate of public convenience and necessity to proceed with the construction as set forth in the supplemental information herein approved.

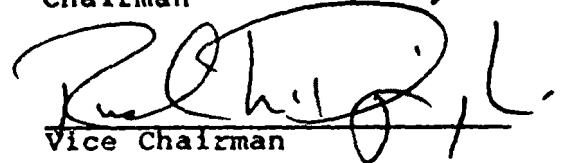
2. Tri-Village's financing plan consisting of an additional \$87,000 loan from the FmHA be and it hereby is approved.

3. The Commission's Order entered May 9, 1986, be and it hereby is affirmed in all other respects.

Done at Frankfort, Kentucky, this 22nd day of May, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director