

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION FOR CERTIFICATE OF)
CONVENIENCE AND NECESSITY BY SOUTH) CASE NO. 9719
SHORE WATER WORKS COMPANY)

O R D E R

South Shore Water Works Company ("South Shore"), by application filed October 21, 1986, is seeking a certificate of public convenience and necessity for the installation of additional filtration equipment in its water treatment plant. The purpose of the new equipment will be the removal of excessive iron and manganese from the raw water drawn from South Shore's supply wells. A letter to South Shore dated October 8, 1986, from the Division of Water of the Natural Resources and Environmental Protection Cabinet citing South Shore for excess iron and manganese in its water supply wells and noting the need for additional treatment by South Shore was filed with the application.

South Shore proposes to add four filters with filters 1 and 2 scheduled for January 1987, filter 3 scheduled for July 1988, and filter 4 scheduled for January 1990. The 18-month period beginning January 1987 and the 18-month period beginning July 1988 will provide time for accumulation of revenues to cover the costs of filters 3 and 4. The costs of installation for all four

filters are to be paid from operating revenues: a total of about \$44,000 for filters 1 and 2 and about \$22,000 each for filters 3 and 4.

The Commission, after consideration of the application and the documents supplied therewith, is of the opinion and finds that:

1. Public convenience and necessity require that the installation of filtration equipment as proposed in the application be performed and that a certificate of public convenience and necessity be granted.

2. The installation work proposed for January 1987 includes two side shell filters (84-inch diameter by 60-inch) designed for iron and manganese removal; a potassium permanganate chemical feeder system capable of individual operation for the wells known as South Shore number 5, number 6, number 8 and number 9 supplied by a 200-gallon chemical dissolving and storage tank; a polymer feeder system and a 35-gallon solution tank.

3. Additional filters (84-inch diameter by 60-inch) are to be installed in July 1988 and January 1990.

4. South Shore proposes to cover the cost of the January 1987 work, the July 1988 work and the January 1990 work from operating revenues.

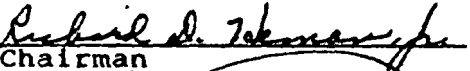
IT IS THEREFORE ORDERED that:

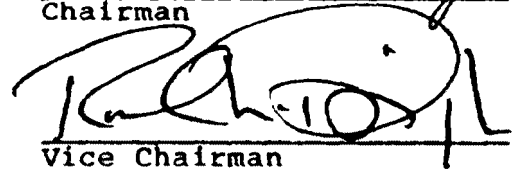
1. South Shore be and it hereby is granted a certificate of public convenience and necessity for installation of the additional filtration equipment proposed in the application of record herein.

2. South Shore's plan of payment for the purchase and installation of its additional filtration equipment from operating revenues be and it hereby is approved.

Done at Frankfort, Kentucky, this 26th day of January, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director