

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BECKLEY STATION FOR)
A CERTIFICATE OF PUBLIC CONVENIENCE) CASE NO. 10390
AND NECESSITY)

O R D E R

Beckley Station Disposal Systems, Inc. ("Beckley Station"), by its application filed September 21, 1988, is seeking a certificate of public convenience and necessity for a proposed \$295,000 sewage system project. The proposed construction will expand the treatment capacity from 285,000 gallons per day ("GPD") to 470,000 GPD. This should allow Beckley Station to serve 277 multiple family units and 967 single family units.

On November 14, 1988, a Motion Of Beckley Station To Deviate From The Requirements Of 807 KAR 5:001, Section 6 was filed. This regulation requires Financial Exhibits to cover a 12-month period. With its motion Beckley Station filed Financial Exhibits for a 9-month period ending September 30, 1988. Beckley Station stated in support of its motion that the 9-month exhibit would afford the Commission the most up-to-date financial information available on the utility and would eliminate the difficulty of obtaining a 12-month financial exhibit from the prior fiscal year and no significant differences are apparent between the exhibit provided and the 12-month exhibit.

Financing of the proposed construction will be through a 2-year note payable to the Liberty Bank and Trust Company. Drawings and specifications for the proposed improvements prepared by Sabak, Wilson and Lingo, Inc., Engineers, Landscape Architects and Planners, of Louisville, Kentucky ("Engineer"), have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

FINDINGS AND ORDERS

The Commission, after consideration of the evidence of record, and being advised, is of the opinion and finds that:

1. Beckley Station's motion to deviate from 807 KAR 5:001, Section 6, is supported by adequate and reasonable grounds and will not result in prejudice to any party to this action and should therefore be granted.

2. Public convenience and necessity require that the construction proposed in the application and record be performed and that a certificate of public convenience and necessity be granted.

3. The proposed construction includes a 185,000 GPD extended aeration circular package plant, 2 new blowers, and miscellaneous appurtenances.

4. Any deviations from the construction herein approved which could adversely affect service to any customer should be done only with the prior approval of the Commission.

5. Beckley Station should obtain approval from the Commission prior to performing any additional construction not expressly certificated by this Order.

6. Beckley Station should furnish duly verified documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Said construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Sewage Utilities prescribed by the Commission.

7. Beckley Station's contract with its Engineer should require the provision of full-time resident inspection under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering to insure that the construction work is done in accordance with the contract plans and specifications and in conformance with the best practices of the construction trades involved in the project.

8. Beckley Station should require the Engineer to furnish a copy of the "as-built" drawings and a signed statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the date of substantial completion of this construction.

IT IS THEREFORE ORDERED that:

1. Beckley Station's motion to deviate from 807 KAR 5:001, Section 6, be and it hereby is granted.

2. Beckley Station be and it hereby is granted a certificate of public convenience and necessity to proceed with the proposed construction as set forth in the plans and specifications of record herein.

3. Beckley Station shall comply with all matters set out in Findings 4 through 8 as if the same were individually so ordered.

Done at Frankfort, Kentucky, this 14th day of December, 1988.

PUBLIC SERVICE COMMISSION

Chairman

Robert M. Davis

Vice Chairman

Spencer N. Williams

Commissioner

ATTEST:

Executive Director