

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GREEN RIVER VALLEY )  
WATER DISTRICT, HART, BARREN, LARUE, )  
GREEN, AND METCALFE COUNTIES, KENTUCKY, )  
(1) FOR A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY AUTHORIZING )  
CONSTRUCTION OF MAJOR ADDITIONS AND )  
IMPROVEMENTS TO ITS WATER DISTRIBUTION )  
SYSTEM; (2) SEEKING APPROVAL OF REVISED )  
WATER SERVICE RATES AND CHARGES; AND )  
(3) SEEKING APPROVAL OF THE ISSUANCE OF )  
CERTAIN SECURITIES )

CASE NO. 89-094

O R D E R

On April 17, 1989, Green River Valley Water District ("Green River") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,493,900 waterworks improvement project, for approval of its plan of financing for this project, and adjustments to its water service rates. Green River's application was made pursuant to KRS 278.023, which requires the Commission to approve the application within 30 days of satisfactory completion of the minimum filing requirements.

This project will provide service to 509 additional customers. Project funding includes a \$1,360,000 loan from the Farmers Home Administration ("FmHA"), and \$133,900 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 5 percent per annum.

The chairman of Green River certifies that reliable and adequate service can be maintained throughout the expanded system after completion of the proposed construction. The Commission reminds Green River of its obligation to provide adequate and reliable service to all of its customers. The adequacy of the expanded water distribution system after construction should be monitored. If the level of service is inadequate or declining, or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 6(1), Green River must take necessary actions to maintain the level of service in conformance with the regulations of the Commission.

On review of the record and being advised, the Commission finds:

1. Pursuant to KRS 278.023, the Commission has no discretionary authority to modify or reject any portion of this application. The application must be approved if the minimum filing requirements have been satisfactorily completed.

2. The minimum filing requirements have been met in this case on May 2, 1989. Green River's chairman has certified that the project has been designed to meet the construction and operating standards set out in the Commission's regulations.

3. Green River should monitor the adequacy of the expanded water distribution system after construction. If the level of service is inadequate or declining, or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 6(1), Green River should take immediate action to bring the system into compliance with the Commission's regulations.

4. Green River should be granted a Certificate of Public Convenience and Necessity for the proposed construction project. The proposed construction financing plan with FmHA should also be approved.

5. Green River should file with the Commission, within 60 days of the date of substantial completion of this construction, a copy of the "as-built" drawings and a certified statement from its engineer that the construction has been satisfactorily completed in accordance with the contract plans and specifications.

6. The rates set out in Appendix A, attached and incorporated hereto, are the rates approved for Green River for services rendered on and after the date of this Order.

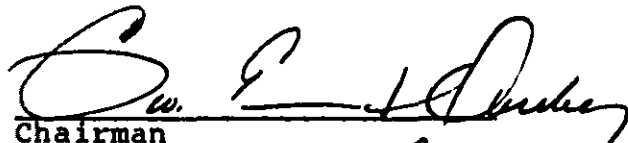
7. Green River should file its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

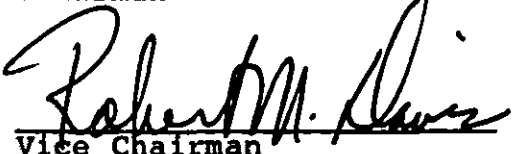
BE IT SO ORDERED.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 15th day of May, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

ATTEST:

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Executive Director

  
Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 89-094 DATED 5/15/89

The following rates and charges are authorized for the customers in the area served by Green River Valley Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

5/8 Inch x 3/4 Inch Connection

First 2,000 gallons	\$8.00 Minimum Bill
Next 8,000 gallons	2.10 per 1,000 gallons
Next 10,000 gallons	1.70 per 1,000 gallons
Next 30,000 gallons	1.35 per 1,000 gallons
Next 50,000 gallons	1.15 per 1,000 gallons
Over 100,000 gallons	1.10 per 1,000 gallons

1 Inch Connection

First 5,000 gallons	\$14.30 Minimum Bill
Next 5,000 gallons	2.10 per 1,000 gallons
Next 10,000 gallons	1.70 per 1,000 gallons
Next 30,000 gallons	1.35 per 1,000 gallons
Next 50,000 gallons	1.15 per 1,000 gallons
Over 100,000 gallons	1.10 per 1,000 gallons

1 1/2 Inch Connection

First 10,000 gallons	\$24.80 Minimum Bill
Next 10,000 gallons	1.70 per 1,000 gallons
Next 30,000 gallons	1.35 per 1,000 gallons
Next 50,000 gallons	1.15 per 1,000 gallons
Over 100,000 gallons	1.10 per 1,000 gallons

2 Inch Connection

First 16,000 gallons	\$35.00 Minimum Bill
Next 4,000 gallons	1.70 per 1,000 gallons
Next 30,000 gallons	1.35 per 1,000 gallons
Next 50,000 gallons	1.15 per 1,000 gallons
Over 100,000 gallons	1.10 per 1,000 gallons

Wholesale Rate

City of Horse Cave	\$0.90 per 1,000 gallons
City of Cave City	.90 per 1,000 gallons
City of Munfordville	.90 per 1,000 gallons
Larue County Water District	.90 per 1,000 gallons
City of Bonnieville	.90 per 1,000 gallons
Green-Taylor Water District	.90 per 1,000 gallons

Billing and Collection Charge per Customer for Cities of Horse Cave and Cave City	\$3.45
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Billing and Collection Charge per Customer for Caveland Sanitation Authority	\$0.50
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