

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST PENDLETON )  
WATER DISTRICT OF PENDLETON COUNTY, )  
KENTUCKY, FOR ORDER APPROVING )  
CONSTRUCTION FINANCING, CERTIFICATE ) CASE NO. 89-181  
OF PUBLIC CONVENIENCE AND NECESSITY, )  
AND INCREASED RATES )

O R D E R

On June 28, 1989, East Pendleton Water District ("East Pendleton") filed an application for a Certificate of Public Convenience and Necessity to construct a \$900,000 waterworks improvement project, for approval of its plan of financing for this project, and adjustments to its water service rates. East Pendleton'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 consists of improvements to the existing facilities and construction of two new water storage tanks. Project funding includes a \$900,000 loan from the Farmers Home Administration ("FmHA"). The loan will be for a 40-year period at an interest rate of 7.875 percent per annum.

The chairman of East Pendleton certifies that reliable and adequate service can be maintained throughout the expanded system after completion of the proposed construction. The Commission reminds East Pendleton 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), East Pendleton 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 June 28, 1989. East Pendleton'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. East Pendleton 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), East Pendleton should take immediate action to bring the system into compliance with the Commission's regulations.

4. East Pendleton 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. East Pendleton 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 East Pendleton for services rendered on and after the date of this Order.

7. East Pendleton 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 26th day of July, 1989.

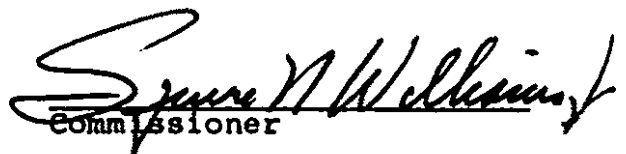
PUBLIC SERVICE COMMISSION

  
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. 89-181 DATED 7/26/89

The following rates and charges are authorized for the customers in the area served by East Pendleton 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

Residential

First 1,000 gallons	\$11.60 Minimum Bill
Next 99,000 gallons	5.35 per 1,000 gallons
Over 100,000 gallons	4.90 per 1,000 gallons

Black River Mining Company

Monthly Meter Charge	\$300.00 Minimum Bill
First 100,000 gallons	5.35 per 1,000 gallons
Over 100,000 gallons	4.90 per 1,000 gallons

Kincaid Lake Park

First 100,000 gallons	\$740.00 Minimum Bill
Over 100,000 gallons	4.90 per 1,000 gallons

Mt. Auburn Apartment

First 20,000 gallons	\$113.25 Minimum Bill
Next 80,000 gallons	5.35 per 1,000 gallons
Over 100,000 gallons	4.90 per 1,000 gallons

E. Morris Truck Stations

All water	\$ 4.90 per 1,000 gallons
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