

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TATEVILLE WATER)
ASSOCIATION OF PULASKI COUNTY,)
KENTUCKY, FOR AN ORDER APPROVING)
CONSTRUCTION, FINANCING, CERTIFICATE) CASE NO. 90-059
OF PUBLIC CONVENIENCE AND NECESSITY,)
AND INCREASED RATES)

O R D E R

On March 19, 1990, Tateville Water Association ("Tateville") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,413,400 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will provide service to 367 additional customers. Project funding includes a \$417,000 loan from the Farmers Home Administration ("FmHA"), a \$881,800 grant from FmHA, and \$114,600 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.

Tateville's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water associations and FmHA and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given

that minimum filing requirements were met on March 23, 1990, KRS 278.023 does not grant to the Commission any discretionary authority to modify or reject any portion of this application.

IT IS THEREFORE ORDERED that:

1. Tateville is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Tateville's proposed plan of financing with FmHA is accepted.

3. Tateville shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

4. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.

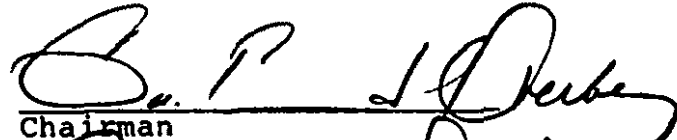
5. Tateville shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

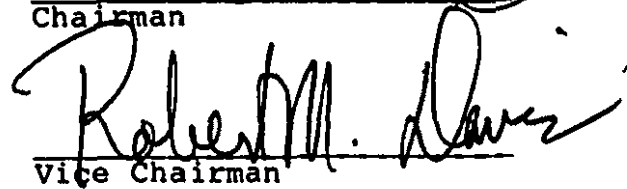
6. Tateville shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 6(1), Tateville shall take immediate action to bring the system into compliance with Commission regulations.

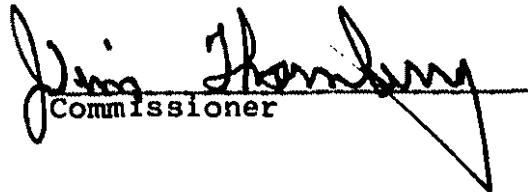
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 10th day of April, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 90-059 DATED 4/10/90

The following rates and charges are prescribed for the customers in the area served by Tateville Water Association Inc. 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.

5/8 x 3/4 Inch Meters

First 1,000 gallons	\$8.65 Minimum Bill
Next 4,000 gallons	4.20 per 1,000 gallons
Over 5,000 gallons	3.10 per 1,000 gallons

3/4 Inch Meters

First 5,000 gallons	\$25.45 Minimum Bill
Over 5,000 gallons	3.10 per 1,000 gallons

1 Inch Meters

First 10,000 gallons	\$40.95 Minimum Bill
Over 10,000 gallons	3.10 per 1,000 gallons

1 1/2 Inch Meters

First 15,000 gallons	\$56.45 Minimum Bill
Over 15,000 gallons	3.10 per 1,000 gallons

2 Inch Meters

First 20,000 gallons	\$71.95 Minimum bill
Over 20,000 gallons	3.10 per 1,000 gallons