

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE SOUTH HOPKINS)	
WATER DISTRICT, OF HOPKINS AND CALDWELL)	
COUNTIES, KENTUCKY, FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY,)	
AUTHORIZING AND PERMITTING SAID WATER)	CASE NO. 90-115
DISTRICT TO CONSTRUCT A WATERWORKS)	
CONSTRUCTION PROJECT, CONSISTING OF)	
EXTENSIONS, ADDITIONS, AND IMPROVEMENTS)	
TO THE EXISTING WATERWORKS SYSTEM OF)	
THE DISTRICT)	

O R D E R

By application filed May 7, 1990, South Hopkins Water District ("South Hopkins") is seeking authorization to construct a \$184,163 waterworks extension project. The proposed project will be funded entirely by an Abandoned Mine Lands ("AML") grant from the Natural Resources and Environmental Protection Cabinet.

The proposed construction will provide service to approximately 54 new customers. Plans and specifications prepared by Ronald R. Johnson & Associates P.S.C. of Madisonville, Kentucky, ("Engineer") have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, having reviewed the evidence of record and otherwise sufficiently advised, finds that:

1. Public convenience and necessity require the construction proposed in the application be performed and that a Certificate of Public Convenience and Necessity be granted.

2. The proposed construction consists of approximately 7.9 miles of 4- and 3-inch diameter pipeline, 54 service connections, and related appurtenances. The low bids totaled \$149,970, which will require a total of approximately \$184,163 after allowances are made for fees, contingencies, and other indirect costs.

3. South Hopkins should obtain approval from the Commission prior to performing any additional construction not expressly certificated by this Order.

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. South Hopkins 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 Water Utilities prescribed by the Commission.

6. South Hopkins' 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 ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

7. South Hopkins should require the Engineer to furnish within 60 days of the date of substantial completion of this construction 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.

8. A 5/8-inch x 3/4-inch meter should be the standard customer service meter for all new customers and should be installed at all points of service unless the customer provides sufficient justification for the installation of a larger meter.

IT IS THEREFORE ORDERED that:

1. South Hopkins be and it hereby is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as set forth in the drawings and specifications of record herein, on the condition that service levels be monitored and corrective action taken in accordance with the Commission orders herein.

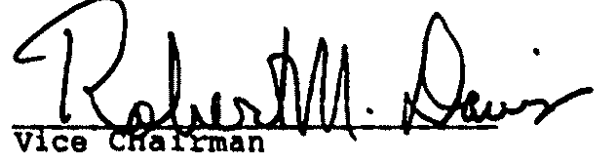
2. South Hopkins' financing plan consisting of an AML grant of \$184,163 is hereby approved.

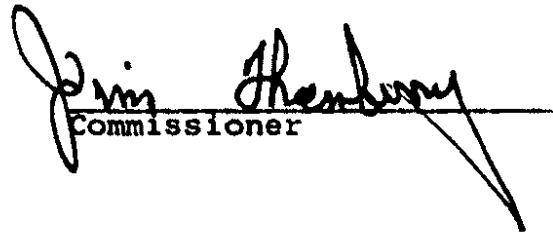
3. South Hopkins shall comply with all matters set out in Findings 3 through 8 as if the same were individually so ordered.

Done at Frankfort, Kentucky, this 4th day of October, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director