

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TODD COUNTY WATER)
DISTRICT OF TODD AND LOGAN COUNTIES,)
KENTUCKY, FOR AN ORDER APPROVING) CASE NO. 90-327
CONSTRUCTION, FINANCING AND CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY)

O R D E R

On October 26, 1990, Todd County Water District ("Todd Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$682,800 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 108 additional customers. Project funding includes a \$645,000 loan from the Farmers Home Administration ("FmHA") and \$37,800 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.

Todd Water's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between water districts 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 in this case on October 26, 1990, KRS 278.023 does not grant to the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

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

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


3. Todd Water 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.

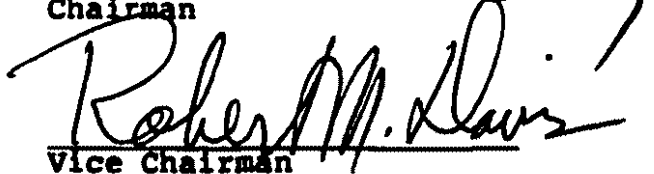
4. Todd Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 6(1), Todd Water shall take immediate action to bring the 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 26th day of November, 1990.

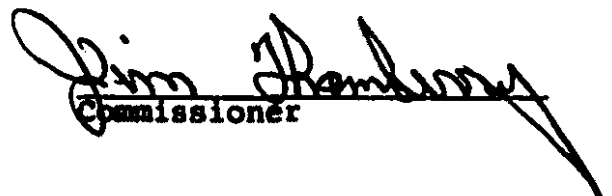
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner