

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SHARPSBURG WATER)	
DISTRICT OF BATH AND NICHOLAS COUNTIES,)	
KENTUCKY, FOR A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY, TO CONSTRUCT,)	90-353
FINANCE AND INCREASE RATES)	

O R D E R

On November 13, 1990, Sharpsburg Water District ("Sharpsburg Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,570,000 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 120 additional customers. Project funding includes a \$335,000 loan from the Farmers Home Administration ("FmHA"), a \$525,000 grant from FmHA, a \$493,680 Community Development Block Grant from the U.S. Department of Housing and Urban Development ("HUD"), an Appalachian Regional Commission ("ARC") grant of \$159,000, local contributions of \$31,000, and \$26,320 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.

Sharpsburg 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 November 13, 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. Sharpsburg Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

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

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

6. Sharpsburg 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), Sharpsburg 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 13th day of December, 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. 90-353 DATED 12/13/90

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

5/8" Meter:

	<u>Monthly Rates</u>
First 2,000 gallons	\$ 13.80 (Minimum Bill)
Next 3,000 gallons	2.80 per 1,000 gallons
Next 5,000 gallons	2.00 per 1,000 gallons
Over 10,000 gallons	1.80 per 1,000 gallons

1" Meter:

First 5,000 gallons	\$ 22.20 (Minimum Bill)
Next 5,000 gallons	2.00 per 1,000 gallons
Over 10,000 gallons	1.80 per 1,000 gallons

2" Meter:

First 16,000 gallons	\$ 43.00 (Minimum Bill)
Over 16,000 gallons	1.80 per 1,000 gallons

Schools:

First 50,000 gallons	\$104.20 (Minimum Bill)
Over 50,000 gallons	1.80 per 1,000 gallons

Tank Truck Sales:

\$ 4.00 per 1,000 gallons

Connection Charge:

5/8" x 3/4" Meter	\$350.00
Larger than 5/8" x 3/4" Meter	Actual Cost of Installation

Reconnection Charge:

\$ 25.00