

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

<b>THE APPLICATION OF KENTON COUNTY WATER</b>	)	
<b>DISTRICT NO. 1 FOR A DEVIATION FROM 807</b>	)	<b>CASE NO.</b>
<b>KAR 5:066, SECTION 12, WATER LINE</b>	)	<b>91-052</b>
<b>EXTENSION POLICY</b>	)	

**O R D E R**

On October 15, 1990, Commission Staff conducted a periodic inspection of Kenton County Water District No. 1 ("Kenton No. 1") and subsequently submitted to the Commission a Utility Inspection Report dated October 18, 1990. The report was sent to Kenton No. 1 with a request that it respond to the deficiencies noted. One of the deficiencies noted was that Kenton No. 1 does not provide water line extensions pursuant to the requirements of 807 KAR 5:066, Section 12.

Kenton No. 1 responded to Staff's report by letter dated October 31, 1990. In its response, Kenton No. 1 stated that for many years it has followed the procedure established in KRS Chapter 74 for extending water mains, and requested the Commission's approval to continue following that procedure. KRS Chapter 74, which governs water districts, provides a method to fund the extensions of water mains by assessment of the properties benefitted. This comprehensive scheme provides for public hearings before the county judge/executive and an opportunity for property owners to influence the decision-making process. Kenton

No. 1 stated in its response that the method has proven to be fair to all concerned and that changing the policy would create unfairness, complications, and confusion. Kenton No. 1 requested approval of its current extension policy pursuant to 807 KAR 5:066, Section 12(4), which permits a utility to make extensions under different arrangements provided such arrangements have been approved by the Commission.

By letter of January 22, 1991, the Commission directed Kenton No. 1 to file a revised tariff setting out its extension policy, which the Commission would treat as a request for a deviation from 807 KAR 5:066, Section 12. Kenton No. 1 filed its revised tariff on February 12, 1991 setting out its proposed extension policy. The proposed effective date of Kenton No. 1's revised tariff is March 15, 1991.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that, inasmuch as the extension policy set out in Kenton No. 1's revised tariff is expressly authorized by KRS Chapter 74 and conforms to the requirements of that chapter, Kenton No. 1 should be permitted to continue to utilize the policy.

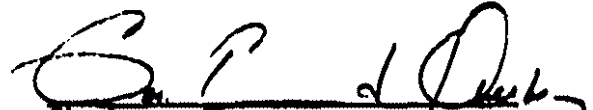
IT IS THEREFORE ORDERED that:

1. Kenton No. 1 is hereby granted a deviation from the requirements of 807 KAR 5:066, Section 12, regarding water line extensions.

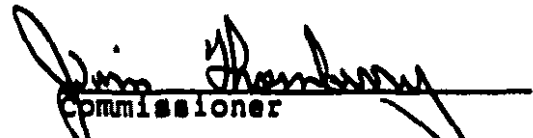
2. Kenton No. 1's revised tariff is hereby approved as filed pursuant to 807 KAR 5:066, Section 12(4), effective March 15, 1991.

Done at Frankfort, Kentucky, this 13th day of March, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director