

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CONTRACT FOR CONSTRUCTION OF EXTENSION)
OF LINES FOR NORTHEAST WOODFORD WATER)
DISTRICT TO HOMESTEAD SUBDIVISION)
PURSUANT TO AGREEMENT WITH BOBBY GAFFNEY,) CASE NO. 91-293
TIMOTHY THOMPSON, AND MICHAEL LAWSON,)
D/B/A HOMESTEAD DEVELOPMENT COMPANY,)
A PARTNERSHIP)

O R D E R

On August 9, 1991, the Northeast Woodford County Water District ("District") filed a petition for Commission approval of a special contract for a water line extension between the District and the Homestead Development Company ("Homestead"). The proposed water extension will provide water service to the residences of a subdivision in Woodford County being developed by Homestead.

In response to Commission Order dated November 13, 1991, the District submitted to the Commission on January 15, 1992, an amendment to the contract reflecting that Homestead expressly waives its right of reimbursement as provided in 807 KAR 5:066, Section 12(3).

The contract provides that Homestead shall construct all required facilities of the extension at no cost or expense to the District. The contract further provides that all facilities installed by Homestead shall be deeded by Homestead to the District at no cost to the District.

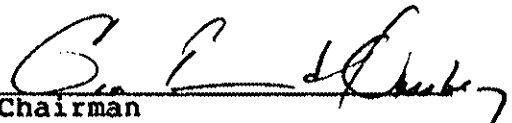
Commission Regulation 807 KAR 5:066, Section 12(4), allows a utility to make extensions under different arrangements from those prescribed in the regulations provided such arrangements have been approved by the Commission.

Based upon the foregoing, the Commission finds the contract proposed herein to be reasonable and in the public interest.

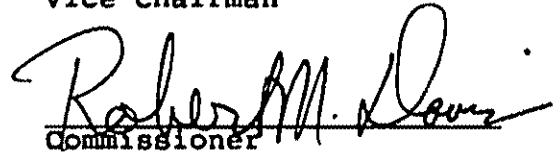
IT IS THEREFORE ORDERED that the contract between the District and Homestead is approved pursuant to 807 KAR 5:066, Section 12(4).

Done at Frankfort, Kentucky, this 3rd day of February, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director