

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST LAUREL WATER)
DISTRICT FOR APPROVAL OF A SPECIAL) CASE NO.
CONTRACT TO CONSTRUCT A WATER LINE) 91-302
EXTENSION ON BLACKWATER ROAD)

O R D E R

On August 23, 1991, East Laurel Water District ("Laurel") submitted an application for Commission approval of a special contract to construct a water line extension. The proposed water extension will provide water service to 23 residents who have had or insufficient water supplies.

Laurel proposes to provide at no cost to each customer 100 feet of line. Laurel avers that the number of customer applicants to date, 23, paying the regular tap-on fee of \$300 and the potential for additional customers will pay for the cost of the line extension. Laurel, therefore, also states that no significant amount of funds, if any at all, will be needed from its sinking and depreciation funds for this extension.

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. Commission Regulation 807 KAR 5:066, Section 12(5), further allows a utility to provide at its expense greater extensions than prescribed by Commission regulations

provided like free extensions are made to other customers under similar conditions. The Commission finds that the arrangements proposed herein are in the public interest and should be approved.

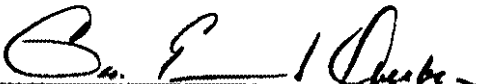
IT IS THEREFORE ORDERED that:

1. Laurel's proposed extension is hereby approved pursuant to 807 KAR 5:066, Section 12(4).

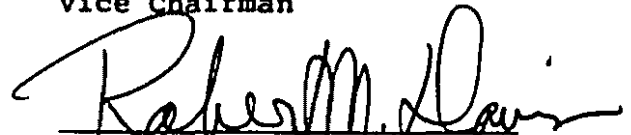
2. Within 30 days of the date of this Order, Laurel shall file a revised tariff as set out in Appendix A, attached hereto and incorporated herein, signed by the appropriate utility officer, and setting out that Laurel shall offer like extensions to other customers similarly situated pursuant to 807 KAR 5:066, Section 12(5).

Done at Frankfort, Kentucky, this 7th day of January, 1992.

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. 91-302 DATED January 7, 1992.

The utility may make at its own expense greater extensions than those set out in 807 KAR 5:066, Sections (1) and (2), provided like free extensions are made to other customers under similar conditions.

To determine if surplus funds are available to be used to finance extensions the following criteria will be reviewed:
(1) whether surplus funds exist; (2) substantial opportunity for repayment of the expended surplus funds exists; (3) the extension would not otherwise be constructed, due to unavailability of financing from any other source and; (4) any other relevant facts that pertain to the proposed extension.