

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BULLOCK PEN WATER )  
DISTRICT OF GRANT COUNTY, KENTUCKY, )  
FOR ORDER APPROVING CONSTRUCTION, ) CASE NO. 92-155  
FINANCING AND CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY )

O R D E R

On April 1, 1992, Bullock Pen Water District ("Bullock Pen") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,067,019 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 260 additional customers. Project funding includes a \$518,169 loan from the Kentucky Infrastructure Authority ("KIA"), a \$354,000 Community Development Block Grant ("CDBG") from the U. S. Department of Housing and Urban Development ("HUD"), and \$194,850 from applicants for service in the proposed project area. The loan will be for a 20-year period at an interest rate of 8 percent per annum.

Bullock Pen's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between water districts and HUD 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 April 15, 1992, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

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

2. Bullock Pen's proposed plan of financing with KIA is accepted.

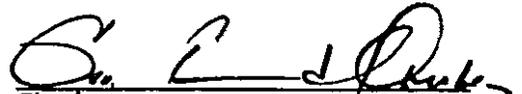
3. Bullock Pen shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

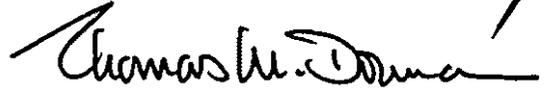
4. Bullock Pen shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 6(1), Bullock Pen shall take immediate action to bring the system into compliance with Commission regulations.

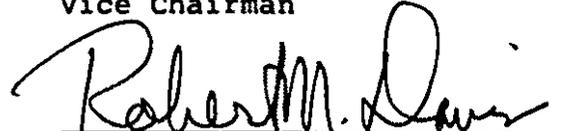
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 5th day of May, 1992.

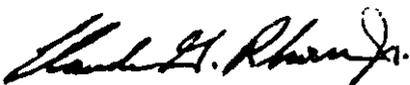
PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:



Executive Director, Acting