

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF U.S. 60 WATER DISTRICT)	
OF SHELBY AND FRANKLIN COUNTIES, KENTUCKY)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO CONSTRUCT, FINANCE AND)	92-252
INCREASE RATES PURSUANT TO THE PROVISIONS)	
OF SECTION 278.023 OF THE KENTUCKY REVISED)	
STATUTES)	

O R D E R

On June 17, 1992, U.S. 60 Water District ("U.S. 60") filed an application for a Certificate of Public Convenience and Necessity to construct a \$667,911 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 130 additional customers. Project funding includes a \$293,400 loan from the Farmers Home Administration ("FmHA"), a \$308,184 Community Development Block Grant ("CDBG") from the U.S. Department of Housing and Urban Development ("HUD"), a \$12,500 contribution from Franklin County Fiscal Court, an \$18,827 contribution from U.S. 60's funds, a \$14,500 voluntary contribution, and \$20,500 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate not to exceed 6.75 percent per annum.

U.S. 60's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water districts and FmHA or 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 June 17, 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. U.S. 60 is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. U.S. 60's proposed plan of financing with FmHA is accepted.

3. U.S. 60 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.

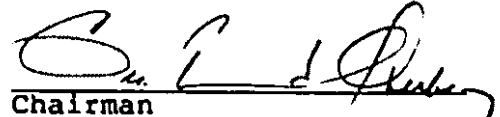
5. U.S. 60 shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

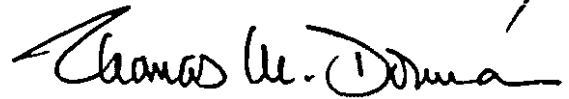
6. U.S. 60 shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 6(1), U.S. 60 shall take immediate action to bring the system into compliance with Commission regulations.

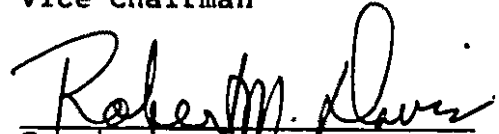
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 29th day of June, 1992.

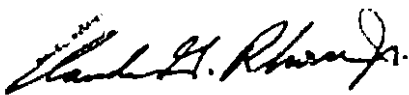
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:



Executive Director, Acting

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-252 DATED JUNE 29, 1992

The following rates and charges are prescribed for the customers in the area served by U.S. 60 Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rates

First 1,000 gallons	\$9.31 Minimum Bill
Next 2,000 gallons	4.48 per 1,000 gallons
Next 2,000 gallons	3.49 per 1,000 gallons
All Over 5,000 gallons	3.01 per 1,000 gallons