

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTHERN MASON WATER	)	
DISTRICT, MASON COUNTY, KENTUCKY, (1) FOR	)	
A CERTIFICATE OF PUBLIC CONVENIENCE AND	)	
NECESSITY AUTHORIZING CONSTRUCTION OF	)	
MAJOR IMPROVEMENTS AND ADDITIONS TO ITS	)	CASE NO.
EXISTING MUNICIPAL WATER DISTRIBUTION	)	92-290
SYSTEM; (2) SEEKING APPROVAL OF REVISED	)	
WATER SERVICE RATES AND CHARGES; AND (3)	)	
SEEKING APPROVAL OF THE ISSUANCE OF	)	
CERTAIN SECURITIES	)	

O R D E R

On July 13, 1992, Southern Mason Water District ("Southern Mason") filed an application for a Certificate of Public Convenience and Necessity to construct a \$983,000 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 72 additional customers. Project funding includes a \$535,000 loan from the Farmers Home Administration ("FmHA"), a \$417,400 grant from FmHA, and \$30,600 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 5 percent per annum.

Southern Mason's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water districts and FmHA 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 July 13, 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. Southern Mason is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Southern Mason's proposed plan of financing with FmHA is accepted.

3. Southern Mason 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. Southern Mason shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

6. Southern Mason 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 5(1), Southern Mason 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 10th day of August, 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. 92-290 DATED August 10, 1992.

The following rates and charges are prescribed for the customers in the area served by Southern Mason 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	\$11.40 Minimum Bill
Next	4,000 gallons	3.43 per 1,000 gallons
Next	5,000 gallons	3.11 per 1,000 gallons
All Over	10,000 gallons	2.90 per 1,000 gallons