

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE OHIO COUNTY WATER)	
DISTRICT FOR AUTHORIZATION TO CONSTRUCT A)	CASE NO.
WATER MAIN EXTENSION TO SERVE ARNOLD,)	93-216
DOGWALK AND NEAFUS COMMUNITIES)	

O R D E R

By application filed July 7, 1993, Ohio County Water District ("Ohio Water") is seeking authorization to construct a \$125,000 waterworks improvement project. Project funding includes \$62,500 from the Ohio County Fiscal Court and \$62,500 in Ohio Water funds.

The proposed construction will provide water service to about 85 additional customers. Plans and specifications for the proposed improvements prepared by Hunter Martin and Associates, Inc., Paducah, Kentucky ("Engineer"), have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. The Engineer has provided information which indicates that reliable and adequate service can be provided in the proposed project area. However, this information also indicates that low pressure may be experienced in areas of the existing distribution system. As a result of this information, Ohio Water has contracted with the Engineer to perform a hydraulic analysis of its complete water distribution system to identify problem areas. In addition,

the Engineer is to prepare a report, including the hydraulic analysis, which will outline needed improvements.

2. Ohio Water should file a copy of the Engineer's report as outlined in Finding 1 with the Commission by December 31, 1994.

3. With the anticipated filing of the report as outlined in Findings 1 and 2, public convenience and necessity require that the construction proposed be performed and that a Certificate of Public Convenience and Necessity be granted.

4. The proposed construction consists of 17 miles of 4- and 3-inch diameter pipelines, and related appurtenances. After allowances are made for fees, contingencies, and other indirect costs, the total cost of this project is approximately \$125,000.

5. Ohio Water should 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 is outside the requirements of 807 KAR 5:066, Section 5(1), Ohio Water should take immediate action to maintain the level of service in conformance with the regulations of the Commission.

6. Ohio Water should obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

7. Any deviation from the construction approved should be undertaken only with the prior approval of the Commission.

8. Ohio Water should furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.

9. Ohio Water should require construction to be inspected under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering, to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

10. Ohio Water should furnish, within 60 days of the date of substantial completion of this construction a copy of the "as-built" drawings and a signed statement of the Engineer that the construction has been satisfactorily completed in accordance with the contract plans and specifications.

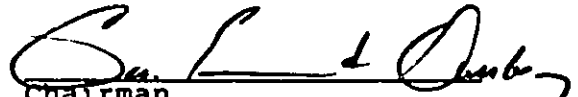
IT IS THEREFORE ORDERED that:

1. Ohio Water be and it hereby is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as set forth in the drawings and specifications of record herein, provided that Ohio Water files the information as outlined in Findings 1 and 2.

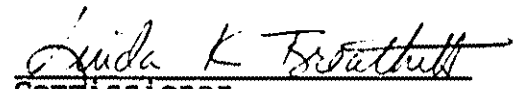
2. Ohio Water shall comply with requirements contained in Findings 5 through 10.

Done at Frankfort, Kentucky, this 11st day of April, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director