

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE SOUTHEAST DAVIESS)	
COUNTY WATER DISTRICT FOR THE APPROVAL)	CASE NO. 94-126
FOR A SURCHARGE IN ORDER TO FUND A WATER)	
LINE EXTENSION AND UPGRADE.)	

O R D E R

Southeast Daviess County Water District ("Southeast Daviess") has moved to amend the Commission's Order of July 19, 1994 to permit the collection of additional revenues from a special surcharge.¹ We grant the motion.

On March 30, 1994, Southeast Daviess applied, pursuant to KRS 74.395, for a rate surcharge to finance the construction of an expansion to its water distribution system. The surcharge was expected to produce revenues sufficient to cover the expansion project's estimated total cost of \$312,660. On July 19, 1994, the Commission authorized the assessment of such surcharge. It further ordered Southeast Daviess to cease collection of the surcharge at the end of three years or when total surcharge proceeds and any interest on these proceeds equaled \$312,600.

Southeast Daviess has since solicited bids for the proposed expansion project. Based upon the bids which it received, it now expects that the expansion project's final cost will be \$320,356.

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that proposed modification to the

¹ By letter dated June 19, 1995, Southeast Daviess requested that the July 19, 1994 Order be amended. The Commission will consider this letter as a motion to amend.

surcharge is consistent with Southeast Daviess' initial plans and should be granted.

IT IS THEREFORE ORDERED that:

1. The record of Case No. 95-120² is incorporated by reference into the record of this proceeding.

2. Southeast Daviess' motion to amend the Commission's Order of July 19, 1994 is granted.

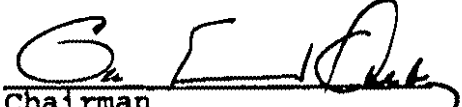
3. Ordering Paragraph 1 of the Commission's Order of July 19, 1994 is amended as follows:

1. The surcharge set out in Appendix A is approved for service rendered by Southeast Daviess on and after the date of this Order, for a period not to exceed three years. If the total of the surcharge proceeds and any interest earned on moneys collected thereon reaches \$320,356 before the three-year period ends, Southeast Daviess shall immediately cease assessing the surcharge.

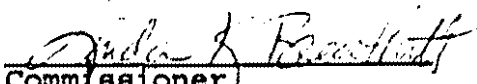
4. All other provisions of the Commission's Order of July 19, 1994 remain in full force and effect.

Done at Frankfort, Kentucky, this 28th day of July, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

² Case No. 95-120, The Application Of Southeast Daviess County Water District For A Certificate Of Public Convenience And Necessity To Construct A Waterline Extension.