

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SIMPSON COUNTY WATER )  
DISTRICT, SIMPSON COUNTY, KENTUCKY, (A) )  
FOR A CERTIFICATE OF CONVENIENCE AND )  
NECESSITY, PURSUANT TO KRS 278.020, AND )  
278.023, AUTHORIZING SAID DISTRICT TO )  
CONSTRUCT IMPROVEMENTS AND EXTENSIONS )  
TO ITS EXISTING WATER SYSTEM, WHICH )  
IMPROVEMENTS AND EXTENSIONS WILL BE )  
FINANCED IN WHOLE OR IN PART UNDER THE )  
TERMS OF AN AGREEMENT BETWEEN THE WATER )  
DISTRICT AND THE U. S. FARMERS HOME )  
ADMINISTRATION; (B) FOR AUTHORITY TO )  
ISSUE CERTAIN SECURITIES AS REQUIRED BY )  
KRS 278.300; AND (C) FOR APPROVAL OF )  
WATER RATES AND CHARGES )

CASE NO.  
95-269

O R D E R

On June 20, 1995, Simpson County Water District ("Simpson Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,076,000 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 \$1,060,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Economic and Community Development ("RECD"), formerly known as Farmers Home Administration, and \$16,000 from applicants for service in the proposed project area.

Simpson Water's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water

utilities and the U. S. Department of Agriculture 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 20, 1995, 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. Simpson Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Simpson Water's proposed plan of financing with RECD is accepted.

3. Simpson Water is authorized to issue bonds not to exceed \$1,060,000 to be held or insured by RECD.

4. Simpson Water 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.

5. 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.

6. Simpson Water shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

7. Simpson Water 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), Simpson Water shall take immediate action to bring the system into compliance with Commission regulations.

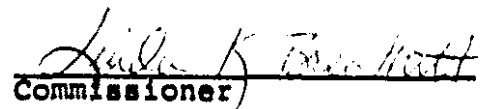
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 20th day of July, 1995.

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. 95-269 DATED JULY 20, 1995

The following rates and charges are prescribed for the customers in the area served by Simpson County 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.

#### 5/8" x 3/4" Meter

First	2,000	gallons @ \$	12.63	- Minimum Bill.
Next	8,000	gallons @ \$	4.06	- per 1,000 gallons.
Next	190,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

#### 3/4" Meter

First	3,000	gallons @ \$	17.20	- Minimum Bill.
Next	7,000	gallons @ \$	4.06	- per 1,000 gallons.
Next	190,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

#### 1" Meter

First	5,000	gallons @ \$	25.82	- Minimum Bill.
Next	5,000	gallons @ \$	4.06	- Per 1,000 gallons.
Next	190,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- Per 1,000 gallons.

#### 1-1/2" Meter

First	10,000	gallons @ \$	52.14	- Minimum Bill.
Next	190,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

#### 2" Meter

First	16,000	gallons @ \$	74.35	- Minimum Bill.
Next	184,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

#### 3" Meter

First	30,000	gallons @ \$	149.70	- Minimum Bill.
Next	170,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

4" Meter

First	50,000	gallons @ \$	224.71	- Minimum Bill.
Next	150,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

6" Meter

First	100,000	gallons @ \$	411.25	- Minimum Bill.
Next	100,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

8" Meter

First	160,000	gallons @ \$	638.31	- Minimum Bill.
Next	40,000	gallons @ \$	3.45	- per 1,000 gallons.
Next	400,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.

10" Meter

First	550,000	gallons @ \$	1,881.09	- Minimum Bill.
Next	50,000	gallons @ \$	3.12	- per 1,000 gallons.
All Over	600,000	gallons @ \$	1.84	- per 1,000 gallons.