

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ALTON WATER DISTRICT)	
OF ANDERSON COUNTY, KENTUCKY, FOR A)	CASE NO.
CERTIFICATE OF PUBLIC CONVENIENCE AND)	97-199
NECESSITY TO CONSTRUCT, FINANCE AND)	
INCREASE RATES PURSUANT TO KRS 278.023)	

O R D E R

On April 17, 1997, Alton Water District ("Alton Water") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$1,469,000 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 173 additional customers. Project funding includes a \$977,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Utilities Service ("RUS"), a \$410,000 Community Development Block Grant ("CDBG"), an Anderson County Fiscal Court contribution in the amount of \$36,000 and \$46,000 from applicants for service in the proposed project area.

Alton 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 or the U. S. Department of Housing and Urban Development 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 April 17, 1997, 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. Alton Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Alton Water's proposed plan of financing with RUS is accepted.

3. Alton Water is authorized to issue bonds not to exceed \$977,000.


4. Alton 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. Alton 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), Alton Water shall take immediate action to bring the system in 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 19th day of May, 1997.

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. 97-199 DATED MAY 19, 1997

The following rates and charges are prescribed for the customers in the area served by Alton 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 WATER RATES

First	2,000	Gallons	\$11.80	Minimum Bill
Next	2,000	Gallons	4.95	Per 1,000 Gallons
Next	2,000	Gallons	4.20	Per 1,000 Gallons
Next	4,000	Gallons	3.40	Per 1,000 Gallons
All Over	10,000	Gallons	2.80	Per 1,000 Gallons

SURCHARGE

New water customers on the Phase 1 Water Project will pay a surcharge of \$19.50 per month.

MONTHLY SEWER RATES

First	2,000	Gallons	\$12.54	Minimum Bill
All Over	2,000	Gallons	6.27	Per 1,000 Gallons