COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WARREN COUNTY WATERDISTRICT, WARREN COUNTY, KENTUCKY, FOR ACERTIFICATE OF CONVENIENCE ANDNECESSITY PURSUANT TO KRS 278.020 AND 807KAR 5:001, SECTIONS 8 AND 9, AUTHORIZINGSAID DISTRICT TO CONSTRUCT AN OFFICEFACILITY WHICH WILL BE AN IMPROVEMENT TOITS EXISTING OPERATION

CASE NO. 2000-016

<u>ORDER</u>

Warren County Water District ("Warren District") has applied for a Certificate of Public Convenience and Necessity to construct a new office facility at a cost of \$1,966,092. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. Warren District proposes to construct a 13,167 square foot one-story frame building with brick veneer.

2. The proposed building will be located on 3.2 acres of land adjacent to the existing warehouse and shop facilities.

3. The proposed construction will concentrate all of Warren District's operations at one central location.

4. Warren District's existing facilities have inadequate space for customer service, limited customer parking, insufficient employee parking, and no customer drive-through payment window.

5. After allowances for fees, contingencies, and other indirect costs, the total project cost is approximately \$1,966,092.

6. Warren District's existing office facility is presently being leased from Warren Rural Electric Cooperative. Warren Rural Electric Cooperative has given notice to Warren District to vacate the leased premises on or before June 30, 2000.

7. Warren District proposes to finance the proposed project from its depreciation fund and other unrestricted reserve funds. Warren District does not intend to adjust its rates for water service to cover the project cost.

8. Construction of the proposed building will not result in the wasteful duplication of existing facilities.

9. The public convenience and necessity require the construction of the proposed buildings.

IT IS THEREFORE ORDERED that:

1. Warren District is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction as set forth in its application.

2. Warren District shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.

4. Warren District shall 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.

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Construction costs shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for water utilities prescribed by the Commission.

5. Warren District 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.

Done at Frankfort, Kentucky, this

By the Commission

ATTEST:

Executive Director