

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MARTIN COUNTY WATER	)	
DISTRICT OF MARTIN COUNTY, KENTUCKY, FOR	)	
A CERTIFICATE OF PUBLIC CONVENIENCE AND	)	CASE NO.
NECESSITY TO CONSTRUCT, FINANCE AND	)	2000-053
INCREASE RATES PURSUANT TO KRS 278.023	)	

O R D E R

On February 3, 2000, Martin County Water District ("Martin District") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$2,553,000 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 new service to 79 additional customers. Project funding is a \$600,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Development ("RD"), a \$714,000 grant from the RD, an \$810,000 Economic Development Administration ("EDA") Grant, a \$400,000 Appalachian Regional Commission ("ARC") grant, and a \$29,000 contribution from the Applicant.

Martin District'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 February 3, 2000, 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. Martin District is granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Martin District's proposed plan of financing with RD is accepted.

3. Martin District is authorized to issue bonds not to exceed \$600,000.

4. Martin 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.

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

7. Three years from the effective date of this Order Martin District shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

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 24<sup>th</sup> day of February, 2000.

By the Commission

ATTEST:

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Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE

COMMISSION IN CASE NO. 2000-053 DATED FEBRUARY 24, 2000

The following rates and charges are prescribed for the customers in the area served by Martin County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of this Commission prior to the effective date of this Order.

MONTHLY RATES

5/8 Inch Meter

First	2,000 Gallons	\$13.00	Minimum Bill
Over	2,000 Gallons	3.05	Per 1,000 Gallons

1 Inch Meter

First	3,000 Gallons	\$16.05	Minimum Bill
Over	3,000 Gallons	3.05	Per 1,000 Gallons

1½ Inch Meter

First	4,000 Gallons	\$19.10	Minimum Bill
Over	4,000 Gallons	3.05	Per 1,000 Gallons

2 Inch Meter

First	6,000 Gallons	\$25.20	Minimum Bill
Over	6,000 Gallons	3.05	Per 1,000 Gallons

3 Inch Meter

First	12,000 Gallons	\$43.50	Minimum Bill
Over	12,000 Gallons	3.05	Per 1,000 Gallons

4 Inch Meter

First	25,000 Gallons	\$83.15	Minimum Bill
Over	25,000 Gallons	3.05	Per 1,000 Gallons

6 Inch Meter

First	112,000 Gallons	\$348.50	Minimum Bill
Over	112,000 Gallons	3.05	Per 1,000 Gallons

8 Inch Meter

First	494,000 Gallons	\$1513.60	Minimum Bill
Over	494,000 Gallons	3.05	Per 1,000 Gallons