

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HYDEN-LESLIE COUNTY	)	
WATER DISTRICT FOR A CERTIFICATE OF	)	
PUBLIC CONVENIENCE AND NECESSITY TO	)	CASE NO.
CONSTRUCT AND FINANCE PURSUANT TO THE	)	2000-077
PROVISIONS OF KRS 278.023	)	

O R D E R

On February 17, 2000, Hyden-Leslie Water District ("Hyden-Leslie District") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$2,047,000 waterworks improvement project and for approval of its plan of financing for this project. This project consists of the construction and the installation of approximately 109,000 linear feet of 3-inch through 8-inch water lines, 3 booster pump stations and appurtenances, and improvements to the existing water treatment plant. Project funding is a \$310,000 bond issue to be purchased pursuant to an agreement with the U.S. Department of Agriculture's Rural Development ("RD"), a \$283,000 Rural Development ("RD") grant, a \$250,000 Appalachian Regional Commission ("ARC") grant, an \$850,000 Community Development Block Grant ("CDBG"), a \$10,000 contribution from the Leslie County Board of Education, a \$20,000 Abandoned Mines Land ("AML") grant, and a \$324,000 contribution from the Applicant.

Hyden-Leslie 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 17, 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. Hyden-Leslie District is granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. Hyden-Leslie District's proposed plan of financing with RD is accepted.
3. Hyden-Leslie District is authorized to issue bonds not to exceed \$310,000.
4. Hyden-Leslie 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. Three years from the effective date of this Order, Hyden-Leslie 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 20<sup>th</sup> day of March, 2000.

By the Commission

ATTEST:

---

Executive Director