COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OLDHAM COUNTY WATER DISTRICT FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT AN IMPROVEMENTS PROJECT)) CASE NO 2001-024
)

ORDER

By application filed January 29, 2001, Oldham County Water District ("Oldham District") has applied for a Certificate of Public Convenience and Necessity to construct a \$1,879,082 water system improvements project. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

- 1. The proposed project involves the construction of a 24-inch ductile iron water main that connects to the existing 24-inch discharge main from the Greenhaven Booster Station at the Intersection of U.S. 42 and Greenhaven Lane. The line runs in a southeasterly direction to Highway 146 and then in a southwesterly direction along Highway 146 to the future site of an elevated tank located on the Dynergy Property. Also, at Highway 146, a new 16-inch ductile iron water main will run in a northeasterly direction, from the new 24-inch line along Highway 146 to Allen Lane reinforcing the supply to the existing Allen Lane Booster Station and the City of LaGrange.
- 2. Construction of the proposed water system improvements project will not result in the wasteful duplication of any existing utility facilities nor will it compete with any other utility.

- 3. SIECO, Inc. Consulting Engineers of Columbus, Indiana, prepared the engineering plans and specifications for this project.
- 4. The Division of Water of the Kentucky Natural Resources and Environmental Protection Cabinet has approved the plans and specifications for the proposed project.
 - 5. Estimated total cost of the proposed improvement project is \$1,879,082.
- 6. This project will be initially funded on an interim basis from the proceeds of a 6- to 8-month loan from THE BANK-Oldham County. At the end of the 8-month loan, permanent financing will be obtained by Oldham District and will be submitted to the Commission for approval.
- 7. Public convenience and necessity require construction of the proposed project.

IT IS THEREFORE ORDERED that:

- 1. Oldham District is granted a Certificate of Public Convenience and Necessity to construct the proposed water system improvements project as set forth in its application.
- 2. Oldham 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. Oldham 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. 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. Oldham District should require construction to be inspected under the general

supervision of a professional engineer with Kentucky licensure, competent to practice civil

or mechanical engineering to ensure that the construction work is done in accordance with

the contract drawings and specifications and in conformance with the best practices of the

construction trades involved in the project.

6. Oldham 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 certified herein.

7. Oldham District shall notify the Commission one week prior to the actual start

of construction and at the 50 percent completion point.

8. Oldham District shall seek the Commission's approval prior to finalizing its

permanent financing.

Done at Frankfort, Kentucky, this 8th day of February, 2001.

By the Commission

ATTEST:

Executive Director