

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)	
WATER DISTRICT FOR (A) AN ADJUSTMENT)	
OF RATES; (B) A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY FOR)	2003-00224
IMPROVEMENTS TO WATER FACILITIES IF)	
NECESSARY; AND (C) ISSUANCE OF BONDS)	

INTERIM ORDER

In its Interim Order of November 20, 2003, the Commission granted Northern Kentucky Water District (“Northern District”) a Certificate of Public Convenience and Necessity (“Certificate”) to construct Phase I of the Supervisory Control and Data Acquisition Upgrade (“SCADA project”).

In its February 18, 2004 filing, Northern District submitted the final bid tabulations for the second phase of the SCADA project and moved the Commission to issue an Interim Order granting a Certificate for this phase. The second phase will cost approximately \$638,540 and consists of the upgrade and expansion of the existing SCADA system for water treatment and distribution facilities scattered throughout Kenton and Campbell counties. The upgrade/expansion includes: converting the existing Aquatrol system to a new Programmable Logic Control based system; upgrading radio communication between Fort Thomas Water Treatment Plant and remote sites; and demolishing existing SCADA equipment at Fort Thomas Water Treatment Plant. The upgrade also affects alarms; flow of data at selected sites; and water quality information at selected sites. This Interim Order addresses only the issue of granting a Certificate for this second phase.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Northern District's proposed second phase of its SCADA system will increase the integrity of the water system, does not result in the wasteful duplication of any existing utility facilities, and will not compete with any other utility.

2. The proposed second phase of its SCADA system is in the public interest, and public convenience and necessity require construction of the proposed project.

IT IS THEREFORE ORDERED that:

1. Northern District is granted a Certificate to construct its proposed second phase of its SCADA system.

2. Northern 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. Northern 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.

Done at Frankfort, Kentucky, this 11th day of May, 2004.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Executive Director

Case No. 2003-00224