

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE EAST PENDLETON WATER)	
DISTRICT, PENDLETON COUNTY WATER)	
DISTRICT AND THE COUNTY OF PENDLETON)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO CONSTRUCT A WATER)	2004-00461
IMPROVEMENT PROJECT PURSUANT TO KRS)	
278.020)	

O R D E R

By application filed January 7, 2005, East Pendleton and Pendleton County Water Districts ("Pendleton Districts") are seeking authorization to construct a \$1,299,169 waterworks improvement project. Project to be funded by grants from the Tobacco Development Fund and contributions from the applicants.

The proposed project includes the construction of approximately 22.5 miles of 8-inch through 4-inch water distribution mains and related appurtenances to serve approximately 19 new East Pendleton Water District customers and 56 new Pendleton County Water District customers. Plans and specifications for the proposed improvements prepared by Tetra Tech, Inc. of Lexington, Kentucky, were approved on March 9, 2004 by the Division of Water of the Environmental and Public Protection Cabinet.

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

1. Public convenience and necessity require that the construction proposed be performed and that a Certificate of Public Convenience and Necessity be granted.

2. The proposed construction consists of approximately 22.5 miles of 8-inch through 4-inch water distribution mains and related appurtenances to serve approximately 19 new East Pendleton Water District customers and 56 new Pendleton County Water District customers.

3. No utility is currently providing water service to the area that the proposed facilities will serve.

4. Construction of the proposed facilities will not result in the wasteful duplication of utility facilities.

5. After allowances for fees, contingencies, and other indirect costs, the total project cost is approximately \$1,299,169.

6. Pendleton Districts should obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

7. Pendleton Districts should 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.

8. Pendleton Districts should require construction to be inspected under the general supervision of a licensed professional engineer with a Kentucky licensure, competent in 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.

9. Pendleton Districts should notify the Commission, in writing, one week prior to the start of construction and after 50 percent completion.

IT IS THEREFORE ORDERED that:

1. Pendleton Districts are granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project.

2. Pendleton Districts shall comply with the requirements contained in Findings 6 through 9 as if the same were individually so ordered.

Done at Frankfort, Kentucky, this 25th day of February, 2005.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and flourishes, positioned above a horizontal line.

Executive Director