

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE WOOD CREEK	)	
WATER DISTRICT TO ISSUE SECURITIES IN	)	
THE APPROXIMATE PRINCIPAL AMOUNT OF	)	
\$2,070,000 FOR THE PURPOSE OF FINANCING	)	CASE NO.
THE ACQUISITION OF CERTAIN REAL	)	2006-00453
PROPERTY PURSUANT TO THE PROVISIONS	)	
OF KRS 278.300 AND 807 KAR 5:001	)	

ORDER

On October 23, 2006, Wood Creek Water District (“Wood Creek”) applied to the Commission for the authority to obtain a Kentucky Rural Water Finance Corporation (“KRWFC”) loan in the principal amount of \$2,070,000, subject to adjustment of up to 10 percent. Wood Creek estimates that the proposed KRWFC loan (“2006 Notes”) will have a 25-year term with interest rates varying from 3.95 to 4.65 percent per annum. After curing its deficiencies, the case was considered filed on November 6, 2006.

The proceeds of the 2006 Notes will be used to purchase certain real property located on Wood Creek Lake for watershed protection purposes and to pay the fees and expenses incident to the issuance of these notes.

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

1. The Source Water Assessment Summary and Protection Plan shows that Wood Creek Lake is susceptible to source water contamination and that the sources of impairment may be alleviated by land acquisition.

2. The acquisition of these tracts of land serves to lessen the impact of the contamination.

3. Wood Creek's proposal to obtain the 2006 Notes, as described herein, for the purpose of obtaining real property located on Wood Creek Lake for watershed protection is for a lawful object within its corporate purpose, is necessary, appropriate for and consistent with the proper performance of its service to the public, and should therefore be approved.

IT IS THEREFORE ORDERED that:

1. Wood Creek is authorized to obtain the 2006 Notes as described herein, to purchase certain real property located on Wood Creek Lake for watershed protection purposes.

2. Within 30 days of issuing the 2006 Notes authorized in this proceeding, Wood Creek shall file with the Commission a statement setting forth the date of issuance, the price paid, the actual terms and interest rates of the 2006 Notes and the fees and expenses incurred in their issuance.

Done at Frankfort, Kentucky, this 15<sup>th</sup> day of December, 2006.

By the Commission

ATTEST:

  
Executive Director