

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NORTHERN KENTUCKY WATER DISTRICT'S)
PROPOSED ADDITIONS TO SUBDISTRICT F)
AND NOTIFICATION OF MODIFICATIONS TO) CASE NO. 2009-00262
PREVIOUSLY APPROVED CONSTRUCTION)
PROJECTS)

ORDER

In Case No. 2006-00315¹, the Commission granted Northern Kentucky Water District (“NKWD”) a certificate of public convenience and necessity to construct certain water main extensions and authority to assess a surcharge to customers within its proposed Subdistrict F. NKWD has submitted revised tariff sheets in which it proposes to add areas to its Subdistrict F and has notified the Commission of modifications to the construction project to provide water service to these areas. As the proposed construction modifies the previously approved construction project as proposed, Commission approval of this modification is required.²

Having reviewed the notice of modification and being otherwise sufficiently advised, the Commission finds:

¹ Case No. 2006-00315, *Application of Northern Kentucky Water District for a Certificate of Public Convenience and Necessity for the Construction of Subdistrict F Water Main Extensions, Financing and Surcharge* (Ky. PSC Sep. 20, 2008).

² *Id.* at 12.

1. NKWD originally proposed to construct approximately 25,300 linear feet of 8-inch and 13,100 linear feet of 12-inch water transmission mains and related appurtenances within Subdistrict F to serve 136 additional customers.

2. NKWD originally estimated the cost of this project as \$2,539,803.

3. Actual cost of the originally planned project was \$1,967,293.

4. NKWD proposes modifications to the original construction project to add 4,069 linear feet of 8-inch ductile iron water main, 14,858 linear feet of 8-inch polyvinylchloride ("PVC") water main, 80 linear feet of 6-inch ductile iron water main, and a master meter pit and related appurtenances.

5. The additional mains will be constructed along Flatwoods Road and Siry Road in Campbell County, Kentucky.

6. The additional mains will potentially extend water service to approximately 21 households and will provide a secondary water feed to Pendleton County Water District.

7. NKWD currently provides water service to Pendleton County Water District through a 6-inch ductile iron main. This water main runs along U.S. Highway 27 and is scheduled to be relocated as a result of highway construction. NKWD has strong concerns about the survivability of this main during construction activities due to the questionable structural stability of the ductile iron piping.

8. Estimated total cost of the additional water mains is \$836,205.

9. Estimated total cost of the project as modified is \$2,803,498, or approximately 10.4 percent greater than the original project cost.

10. The proposed additions will serve areas that currently receive water service through cisterns and wells.

11. No public or municipal utility currently provides water service to the areas that will be served by the proposed additions.

12. The proposed project, as modified, will not compete with any other water utility in the area.

13. The Division of Water, Department of Environmental Protection of the Kentucky Energy and Environment Cabinet, has approved the plans and specifications for the proposed additional water main extensions.

14. Construction of the proposed additions will not result in the wasteful duplication of existing facilities nor result in uneconomic or wasteful competition between public utilities.

IT IS THEREFORE ORDERED that:

1. The modifications to the construction previously approved in Case No. 2006-00315 are approved.

2. The requirements set forth in Ordering Paragraphs 2 through 7 of the Commission's Order of September 20, 2006 shall apply to the proposed additions.

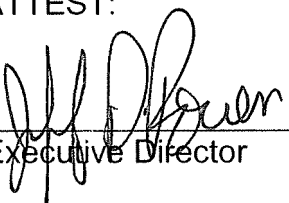
3. Nothing contained in this Order shall be deemed or considered as approval of NKWD's proposed revised tariff sheets.

By the Commission

Vice Chairman Gardner was disqualified and did not participate.

ENTERED
AUG 12 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



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