

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SANDY HOOK WATER)	
DISTRICT FOR A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY TO)	2009-00401
CONSTRUCT AN IMPROVEMENT PROJECT)	
PURSUANT TO KRS 278.020)	

O R D E R

Sandy Hook Water District ("SHWD") has applied for a Certificate of Public Convenience and Necessity ("CPCN") for a waterworks improvement project at an approximate total project cost of \$1,100,000. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. SHWD proposes to construct approximately two miles of water mains, a hydropneumatic pumping station, and related appurtenances to provide water service to approximately 10 new customers in Elliott County.

2. This project also includes the construction of a 5,000-square-foot office building with a three-bay storage facility.

3. The construction is in the public interest and will help serve new customers that presently rely on groundwater or cisterns for their water supply and will enable SHWD to maintain its equipment and supplies indoors.

4. SHWD proposes to fund the project from a \$1.1 million House Bill 608 grant administered through the Kentucky Infrastructure Authority.

5. Bryan K. Lovan, PE, of Lexington, Kentucky, prepared the drawings and specifications for the proposed project.

6. The Division of Water of the Kentucky Energy and Environment Cabinet has approved the plans and specifications for the proposed project.

7. The public convenience and necessity require the construction of the proposed improvements.

IT IS THEREFORE ORDERED that:

1. SHWD is granted a CPCN to proceed with the proposed construction as set forth in its application.

2. SHWD shall notify the Commission prior to performing any additional construction not expressly authorized by this Order.

3. Any deviation from the approved construction shall be undertaken only with the prior approval of the Commission.

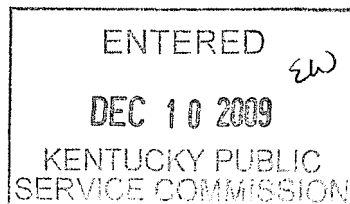
4. SHWD shall furnish documentation of the total costs of this project, including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for water utilities prescribed by the Commission.

5. SHWD 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 certificated herein.

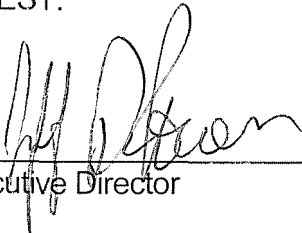
6. SHWD shall require construction to be inspected under the general supervision of a licensed professional engineer with a Kentucky registration in civil, electrical, or mechanical engineering, to ensure that the construction work is done in accordance with the contract

drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

By the Commission



ATTEST:



Executive Director

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