COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WHITLEY COUNTY WATER)DISTRICT NO. 1 FOR APPROVAL OF FINANCING)AND ISSUANCE OF A CERTIFICATE OF)CONVENIENCE AND NECESSITY)

CASE NO. 2010-00200

<u>order</u>

On May 14, 2010, Whitley County Water District No. 1 ("Whitley District") tendered its application requesting a Certificate of Public Convenience and Necessity to construct certain water facilities and for authorization to finance the system improvements with a loan from the Kentucky Infrastructure Authority. As part of its application, Whitley District moves for a deviation from the provision of 807 KAR 5:001, Section 6, requiring that "[w]henever in these rules it is provided that a financial exhibit shall be annexed to the application, the said exhibit shall cover operations for a twelve (12) month period, said period ending not more than ninety (90) days prior to the date the application is filed." However, Section 14 of that regulation permits a deviation upon the showing of good cause.

Whitley District states that, pursuant to 807 KAR 5:001(14), it is requesting a deviation for use of financial information greater than 90 days old and for any other filing requirement not essential for the review and approval of the application. The Commission has determined that Whitley District has failed to show good cause as to

why it should be granted a deviation from the 90-day filing requirement contained in 807 KAR 5:001, Section 6.

On June 21, 2010, counsel for Whitley District indicated to the Commission that the 2009 Annual Report and information regarding a bid extension that Whitley District has been granted would be filed with the Commission within a few days. The prompt filing of the completed 2009 Annual Report will remedy the current deficiency.

IT IS THEREFORE ORDERED that:

1. Whitley District's motion to deviate from 807 KAR 5:001, Section 6, is denied.

2. Whitley District's application is not accepted as filed.

3. Within 30 days of the date of this Order, Whitley District shall file its completed 2009 Annual Report, which will sufficiently cure the above filing deficiency.

4. On the date that Whitley District's completed 2009 Annual Report is filed, the application will be deemed filed.

By the Commission

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ATTE e Directo

Honorable John N Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601