

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY WATER)	
DISTRICT FOR APPROVAL OF THE DUDLEY PUMP)	
STATION 36 INCH REDUNDANCY WATER MAIN)	CASE NO.
CONSTRUCTION, AND ISSUANCE OF A)	2010-00351
CERTIFICATE OF CONVENIENCE AND NECESSITY)	

O R D E R

Northern Kentucky Water District ("NKWD") has applied for a Certificate of Public Convenience and Necessity ("CPCN") for a hydraulic improvement project. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. NKWD proposes to construct approximately 6,100 feet of 36-inch ductile iron water transmission main and related appurtenances along Horsebranch Road from Right Fork Road to Rhine Valley, then north to Centre View Boulevard in Crestview Hills, Kentucky.

2. NKWD's Water Distribution System Master Plan identified the proposed project as necessary to provide redundancy to the NKWD's water distribution system in Kenton County.

The existing 36-inch concrete main that serves the area in question is the primary feed main for a large portion of Kenton County. This primary feed main has recently experienced a number of leaks and can be taken out of service for repairs only in late fall and early spring.

3. The construction is in the public interest and is required to allow NKWD to

continue to provide adequate service to its customers.

4. NKWD estimates the total cost of the proposed project to be \$1,850,000.

The cost of constructing the proposed project is estimated to be \$1,630,427.

5. NKWD proposes to finance the proposed project through the issuance of bond anticipation notes in 2010.

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

7. The proposed project will not result in the wasteful duplication of plant, equipment or facilities, or conflict with the existing service of other utilities operating in the same area.

8. The public convenience and necessity require the construction of the proposed project.

IT IS THEREFORE ORDERED that:

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

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

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

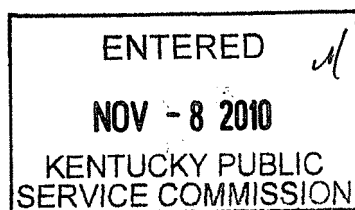
4. NKWD shall furnish documentation of the total costs of this project, including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.), within 60 days of the date that construction is substantially completed. Construction costs shall be classified into appropriate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

System of Accounts for water utilities prescribed by the Commission.

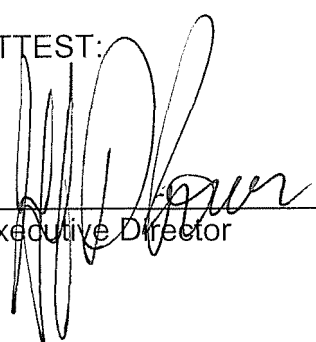
5. NKWD shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

6. NKWD 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

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