

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH ANDERSON WATER)	
DISTRICT FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO BEGIN)	CASE NO.
CONSTRUCTION OF NEW OFFICE)	2018-00244
HEADQUARTERS)	

ORDER

On July 12, 2018, South Anderson Water District (South Anderson District) submitted an application for a Certificate of Public Convenience and Necessity (CPCN) to purchase a new building for the purpose of maintaining and operating a water district office headquarters. A deficiency letter was issued on July 17, 2018 and South Anderson District responded to the deficiency letter on July 24, 2018. The application was accepted for filing on July 24, 2018.

Commission Staff issued and South Anderson District responded to one request for information. No person has sought intervention in this matter, and South Anderson District has not requested a hearing. The record for this case is complete.

South Anderson District, a water district organized under KRS Chapter 74, provides retail water service to approximately 2,941 customers in Anderson County, Kentucky.¹

This CPCN is for the purchase of a building to serve as the new water district headquarters. The cost of purchasing the building will be approximately \$231,500.00.

¹ *Annual Report of South Anderson Water District Report to the Kentucky Public Service Commission* for the Year Ended December 31, 2017 at 48.

South Anderson District has the funds to purchase the building and will not be borrowing the funds or increasing its rates in order to complete the purchase.² South Anderson District headquarters is currently located in a building, which is rented by South Anderson District. South Anderson District currently pays \$6,000 in rent annually.³

South Anderson District states that the proposed new building would be 700 square feet larger than the current one, has a private parking area designated for customers of the water district, would increase monthly utility expenses by approximately \$81, and would be handicap accessible, which the current headquarters is not.⁴ South Anderson District further estimated the proposed building would need \$9,875 in renovations to meet the needs of the District.⁵

Having reviewed the record and being sufficiently advised, the Commission finds that:

1. The record for this case is complete.
2. The proposed purchase will not result in wasteful duplication of existing facilities.
3. The proposed purchase does not conflict with any existing certificates or service of any other utility operating in the area.

² Application at paragraph 11 and 12.

³ Answers to Commission Staff's First Request for Information, Response No. 5.

⁴ *Id.* at Response Nos. 1, 2, 3 and 8.

⁵ *Id.* at Response No. 15.

4. Public convenience and necessity requires the proposed purchase, which will allow South Anderson District to provide service that is more convenient to all customers while no longer incurring a monthly rental expense.

IT IS THEREFORE ORDERED that:

1. South Anderson District is granted a CPCN to proceed with the proposed purchase as set forth in its application.

2. Southern Anderson District is also authorized to perform the necessary minor renovations set forth in its Answers to Commission Staff's First Request for Information, Response No. 15.

3. South Anderson District shall notify the Commission prior to performing any additional purchases or renovations not expressly authorized by this Order.

4. Any deviation from the purchase approved by this Order shall be undertaken only with the prior approval of the Commission.

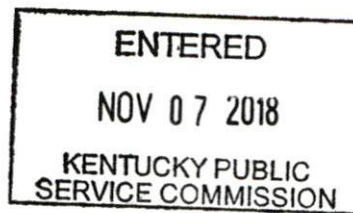
5. South Anderson District shall file with the Commission documentation of the total costs of this project, within 60 days of the date of completion of the allowed minor renovations.

6. Any documents filed in the future pursuant to ordering paragraph 5, shall reference this case number and shall be retained in the post-case correspondence file.

7. The Executive Director is delegated authority to grant reasonable extensions of time for filing any documents required by this Order upon South Anderson District's showing of good cause for such extension.

8. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:

A handwritten signature in blue ink that reads "Steven R. Punsler".

Executive Director

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