Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Ronald J. Barrow Assistant General Manager Northern Kentucky Water District 100 Aqua Drive P.O. Box 220 Cold Spring, KY 41076



Commonwealth of Kentucky
Public Service Commission

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July 21, 2005

Mark David Goss Chairman

> Gregory Coker Commissioner

RE: Case No. 2005-00148

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

Beth O'Donnell Executive Director

BOD/jc Enclosure



Ronald J. Barrow Assistant General Manager Northern Kentucky Water District 100 Aqua Drive P.O. Box 220 Cold Spring, KY 41076 Honorable John N. Hughes Attorney at Law 124 West Todd Street Frankfort, KY 40601

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)
WATER DISTRICT FOR (A) FOR AN)
ADJUSTMENT OF RATES; (B) A CERTIFICATE) CASE NO. 2005-00148
OF PUBLIC CONVENIENCE AND NECESSITY)
FOR IMPROVEMENTS TO WATER FACILITIES)
IF NECESSARY AND (C) ISSUANCE OF BONDS)

ORDER

On May 27, 2005, Northern Kentucky Water District ("NKWD") applied to the Commission seeking approval for an adjustment of rates, a Certificate of Public Convenience and Necessity for certain improvements to its water facilities, and for authority to issue \$29 million of revenue bonds. This application was rejected because of certain filing deficiencies in its filing. On July 1, 2005, NKWD amended its application to correct the noted deficiencies.

In its amended application, NKWD advised the Commission that the Division of Water ("DOW") has yet to issue a permit for one of the proposed projects for which NKWD seeks a Certificate of Public Convenience and Necessity. NKWD requested that the Commission accept its application for filing pending NKWD's receipt and filing of the DOW permit. The Commission considers this request as a motion for a deviation from 807 KAR 5:001, Section 9(2)(b), which requires that an application for a certificate of public convenience and necessity include a copy of all franchises or permits for proposed construction from the appropriate public authority.

Having considered this motion and being otherwise sufficiently advised, the Commission finds that good cause exists to permit NKWD to deviate from 807 KAR 5:001, Section 9(2). The Commission further finds that no Certificate of Public Convenience and Necessity may be issued until NKWD has submitted the required permit for the proposed construction projects from DOW.

IT IS THEREFORE ORDERED that:

- 1. NKWD's motion to deviate from the requirements of 807 KAR 5:001, Section 9(2)(b) is granted.
- 2. NKWD's application shall be considered filed with the Commission as of July 1, 2005.

Done at Frankfort, Kentucky, this 21st day of July, 2005.

By the Commission

Executive Director