



Ernie Fletcher
Governor

LaJuana S. Wilcher, Secretary
Environmental and Public
Protection Cabinet

Christopher L. Lilly
Commissioner
Department of Public Protection

Jack Bragg
Vice President of Finance
Northern Kentucky Water District
100 Aqua Drive
P.O. Box 220
Cold Spring, KY 41076

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Mark David Goss
Chairman

Teresa J. Hill
Vice Chairman

Gregory Coker
Commissioner

February 24, 2006

CERTIFICATE OF SERVICE

RE: Case No. 2005-00551
Northern Kentucky Water District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on February 24, 2006.

Executive Director

BOD/jc
Enclosure

Jack Bragg
Vice President of Finance
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:

THE APPLICATION OF NORTHERN KENTUCKY)	
WATER DISTRICT FOR A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY FOR THE)	CASE NO.
CONSTRUCTION OF A 0.75 MG ELEVATED)	2005-00551
STORAGE TANK)	

O R D E R

Northern Kentucky Water District ("NKWD") has applied for a Certificate of Public Convenience and Necessity to construct a 0.75-million-gallon ("MG") elevated storage tank in southern Campbell County at an approximate total project cost of \$2,845,000. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. NKWD proposes to construct a 750,000-gallon elevated water storage tank in the Claryville, Kentucky area and to rehabilitate and repaint an existing 1 MG tank.
2. The proposed water storage tank will allow for maintenance on the existing 1 MG Old State Route 4 Tank and for increases in future water demand in this area of Campbell County.
3. NKWD's Board of Commissioners approved C B & I Constructors, Inc. as the lowest and best bid for the construction of the Claryville Elevated Water Storage Tank at a cost of \$2,195,000.
4. NKWD proposes to finance \$2,195,000 of the proposed project through the 2003 Bonds and \$650,000 from the Old State Route 4 Tank Operation and Maintenance Budget for 2007.

5. Black & Veatch Corporation, of Cincinnati, Ohio prepared the drawings and specifications for the proposed water storage tank and obtained approval from the Division of Water, Department for Environmental Protection, Environmental and Public Protection Cabinet.

6. Public convenience and necessity require the construction of the proposed 0.75 MG elevated storage tank.

IT IS THEREFORE ORDERED that:

1. NKWD is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction as set forth in its application.

2. NKWD shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

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

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.

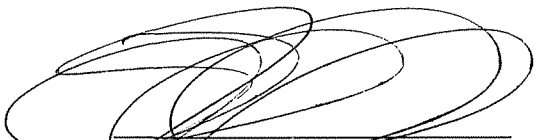
6. NKWD shall require construction to be inspected under the general supervision of a licensed professional engineer with a Kentucky registration in civil or mechanical engineering, to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

7. NKWD shall notify the Commission 7 days prior to the actual start of construction and at the 50 percent completion point.

Done at Frankfort, Kentucky, this 24th day of February, 2006.

By the Commission

ATTEST:



Executive Director