

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BEAVER-ELKHORN WATER)
DISTRICT FOR (1) CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY - CONSTRUCTION -)
PHASE III WATER LINE EXTENSIONS PURSUANT)
TO KRS 278.020(1); (2) AUTHORIZATION OF) CASE NO. 93-203
BORROWING FROM THE COMMONWEALTH OF)
KENTUCKY, KENTUCKY INFRASTRUCTURE)
AUTHORITY WATER RESOURCES LOAN FUND -)
PHASE III PURSUANT TO KRS 278.300; (3))
AUTHORITY TO INCREASE RATES PURSUANT TO)
807 KAR 5:001, SECTION 10)

O R D E R

On August 10, 1993, Beaver-Elkhorn Water District ("Beaver-Elkhorn") moved the Commission for an Order granting it an extension of time within which to file its engineering plans, specifications, plats and reports for the construction project proposed in this case. In support of its motion, Beaver-Elkhorn represented to the Commission that the Division of Water ("DOW") of the Natural Resources and Environmental Protection Cabinet had not issued its approval of the plans and specifications. The Commission denied the extension by Order dated August 12, 1993 finding that the engineering plans and specifications could be reviewed by the Commission while awaiting DOW approval. Beaver-Elkhorn was ordered to submit duplicates of the plans and specifications filed with DOW no later than September 1, 1993.

On August 19, 1993, Beaver-Elkhorn filed a motion with the Commission requesting our Order be vacated and an extension of time

be granted until October 8, 1993 for the engineering information to be filed. In support of its second motion for an extension of time, Beaver-Elkhorn represents that the reason for the extension was "erroneously stated" in its first motion, and the engineers are still in the process of completing the plans and specifications and will complete and file them with the DOW and us on or before the date requested for the extension.

Beaver-Elkhorn has requested the Commission approve not only Phase III of an ongoing project, but financing and new retail rates as well. The Commission must determine the rate increase necessary to meet increased operation, maintenance and debt service requirements on Phase III no later than January 12, 1994 pursuant to the suspension requirement in KRS 278.190. To conduct a meaningful review of the project scope and its impact upon the current rates of Beaver-Elkhorn, the Commission must have adequate time to review the project plans and specifications and conduct a financial field review of Beaver-Elkhorn's current operations. Without specific detail on the project specifications and scope, this review cannot even begin. Granting the extension requested will allow the Commission only three months before the suspension period expires within which to begin and complete our review and it, therefore, cannot be granted.

Beaver-Elkhorn should be given ten days from the date of this order within which to provide the engineering plans and specifications. If the information is not provided within that

time, this case will be dismissed without prejudice, without further order of the Commission.

IT IS THEREFORE ORDERED that Beaver-Elkhorn shall file complete plans and specifications for Phase III of its project within 10 days of the date of this Order or this case will be dismissed without prejudice, without further Order of the Commission.

Done at Frankfort, Kentucky, this 9th day of September, 1993.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director