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#### COMMONWEALTH OF KENTUCKY

SEP 9 2016

## BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

Public Service Commission

#### IN THE MATTER OF:

THE APPLICATION OF BEECH GROV	E )		
WATER SYSTEM, INC. FOR CERTIFIC	CATE)		
OF PUBLIC CONVENIENCE AND	)	CASE NO. 2016-	
NECESSITY	j		

#### **APPLICATION**

The applicant, **BEECH GROVE WATER SYSTEM, INC.** ("Applicant") respectfully shows:

- (a) Applicant was established as a nonprofit corporation on or about March 13, 1970, when its articles of incorporation were filed with the Kentucky Secretary of State. A copy of applicant's bylaws are on file in Case No. 2010-00309. Applicant attests that it is in good standing. The district is now, and has been since its inception, regulated by the Commission, and all records and proceedings of the Commission with reference to Applicant are incorporated by reference in this application. Applicant serves members in McLean County and Daviess County, Kentucky.
- (b) The address of the Applicant is Beech Grove Water Systems, Inc., 445 SR 56 N. Calhoun, KY 42327.
- (c) Applicant proposes to purchase and install 525 5/8 X ¾ inch radio frequency meters and 55 one inch radio frequency meters along with hardware and software.

- (d) Beech Grove Water System, Inc. solicited bids for its initial set of radio frequency meters on September 10, 2015. G & C Supply Company, Inc. was the sole bidder and was awarded the bid. The purchase price for the system is \$32,000.00 for the hardware and software installation and training, \$159.00 each for the 525 smaller meters (\$82,521.00) and \$195.00 each for the 55 larger meters (10,730) for a total of \$130,234.14 (see exhibits to application in 2016-00255 as updated by the attached).
- (e) The \$130,234.14 meter purchase will be funded by Government Capital Corporation. Applicant will pay \$28,556.12 annually at an interest rate of 4.53% for five (5) years (See application exhibits in 2016-00255). Applicant seeks approval of the purchase of the meters and a certificate of public convenience and necessity pursuant to KRS 278.020.
- (f) After the proposed facilities are complete the estimated cost of operation will be lower than the average system costs presently incurred. An adjustment in rates will not be required, 807 KAR 5:001 Section 9(2)(f).

WHEREFORE, applicant asks that the Public Service Commission of the Commonwealth of Kentucky grant a certificate of public convenience and necessity for the purchase of 577 new radio frequency meters and accompanying hardware/software systems along with installation and training for its use, for approval of the proposed financing in the matter previously filed, and that it be afforded all proper relief.

#### DORSEY, GRAY, NORMENT & HOPGOOD

318 Second Street

Henderson, KY 42420

Telephone: (270) 826-3965 Telefax: (270) 826-6672

Counsel for Beech Grove Water Systems, Inc.

By

J. Christopher Hopgood chopgood@dkgnlaw.com

STATE OF KENTUCKY

COUNTY OF M; Hun

The affiant, **NATHAN WARD**, being first duly sworn, states: That he is the President of **BEECH GROVE WATER SYSTEMS**, **INC.**, the Applicant in this case; that he has read the foregoing Application and has noted the contents thereof; that the same are true of his own knowledge and belief, except as to matters which are herein stated to be based on information or belief, and that these matters, he believes to be true and correct.

NATHAN WARD

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by NATHAN WARD, President of BEECH GROVE WATER SYSTEM, INC. on this the 23 day of August, 2016.

ANDREA AYER
MOTARY PROPERTY OF THE PROPERTY O

My commission expires

Kentucky, State At Large My Commission Expires 5/2/200

Notary Public, State of Kentucky at Large

(seal) # 556304

# G & C SUPPLY CO., Inc.

Water, sewer & gas supplies sign & safety supplies

P.O. Drawer 459 - 1105 State Route 77 Alwood, TN 38220 (731)662-7193 or (800)238-3836

### **QUOTATION**

Order Number				
1651438				
Order Date	Page			
8/18/2016 12:39:59	1 of 2			

Bill To:

BEECH GROVE WATER SYSTEM 445 STATE ROUTE 56 N CALHOUN, KY 42327 Ship To: BEECH GROVE WATER SYSTEM 445 HIGHWAY 56 NORTH CALHOUN, KY 42327

(270) 273-5738

**Customer ID:** 

1036

PO Number AMI (FIXED BASE) METERING SYSTEM			Ship Route		Taker SFOSTER				
			UTLY						
B = Back		Status Key B = Backorder	Gey     Item ID			Unit	Extended		
Ordered	Remaining	Status of Balance	D = Direct C = Canceled P = In Production	tion		Unit Size	Price	Price	
		Deliver	y Instructions:	***CALL DA	Y BEFORE***		<u>-</u>		
525	525				NER MULTI-JET NCODER 5' BAR		EA	62.0000	32,550.00
55	55				IULTIJET METE NCODER 5' BAR		EA	115.0000	6,325.00
580	580			ST2BW. ZENNER STI	EALTH READER	ENDPOINTS	EA	88.0000	51,040.00
10	10			MIUR ZENNER STE	EALTH MIU REP	EATER	EA	96.0000	960.00
1	1			BILLING INT BILLING INT			EA	5,000.0000	5,000.00
1	1			STEALTH-HA STEALTH HA	ANDHELD ANDHELD UNIT	W/CRADLE KIT	EA	3,200,0000	3,200,00
1	1			SCE ZENNER STE READY	EALTH COLLEC	FOR ETHERNET	EA	3,200.0000	3,200.00
2	2			SERAC ZENNER STE AC POWERE	EALTH ENHANC	ED REPEATER	EA	975.0000	1,950.00
2	2			SERB ZENNER STE BATTERY PO	EALTH ENHANC		EA	825.0000	1,650.00
1	1			STEALTH-SC	FTWARE		EA	1,200.0000	1,200.00



WATER, SEWER & CAS SUPPLIES SIGN & SAFETY SUPPLIES

P.O. Drawer 459 - 1105 State Route 77 Atwood, TN 36220 (731)662-7193 or (800)238-3836

## **QUOTATION**

Order Number 1651438				
8/18/2016 12:39:59	2 of 2			

Quani	ities		Status Key B = Backorder	Item ID	Unit		Fortan dad
Ordered	Remaining	Status of Balance	¬D = Direct C = Canceled P = In Production	Item Description	Unit Size	Price	Extended Price
			·	STEALTH READER SOFTWARE			
10	10			PROJECT MANAGEMENT PROJECT MANAGEMENT OPTIONAL IF PROJECT IS TURNKEY - SPECIFIC AMOUNT DEPENDENT ON PROJECT SCOPE OF WORK	EA	1,200.0000	12,000.00
580	580 			S-PIT-INSTALLKIT STEALTH PIT INSTALL KIT	EA	2.0300	1,177.40
580	580			S-LID/LOCK-SHORT-EXT STEALTH LID & LOCK SHORT W/EXT	EA	4.5000	2,610.00
Total L	ines: 13	-			SUB	-TOTAL:	122,862.40
						TAX:	7,371.74
					AMOU	NT DUE:	130,234.14
						U.S. Dolla	ırs