

Acres"). Forty residents were interviewed, which represents substantially all households in Pineur Acres. Nineteen of the households surveyed were not willing to pay more than \$500 for a water line with meter to their property. Twenty-one residents surveyed were willing to pay up to \$773.09. White Hall concluded from the results of the survey that 40 residents will pay for service at \$500 per household.

3. Without the participation of 100 percent of the residents, water service cannot be provided to Pineur Acres at an affordable cost, as evidenced by the survey.

4. Funding assistance is being sought by White Hall for improvement of its entire water distribution system but said funding is not available in the near term sufficient to satisfy the Complainants' immediate demand for water.

5. The long range plan of White Hall is to improve its water distribution system by constructing a connecting main between Third Street Lane and the Lexington Access Road. The construction of a distribution main down Pineur Acres Drive would serve this purpose. This would benefit the entire system and would effect a cost savings to the residents of Pineur Acres Drive. Its cost would be borne by White Hall.

6. A construction cost estimate prepared by White Hall's consulting engineer shows that Pineur Acres can be provided water service by White Hall for \$500 per household, if White Hall pays for the distribution main down Pineur Acres Drive.

7. The consulting engineer's estimate for the Shady Hills Subdivision ("Shady Hills") shows a cost of \$451 per customer on the basis that 40 residents will become customers at the time the construction is completed.

8. White Hall should take the necessary steps to annex any of the proposed service area not currently within its service territory in accordance with Chapter 74 of the Kentucky Revised Statutes.

IT IS THEREFORE ORDERED that the Complainants and White Hall shall agree upon the form and terms of a contract to provide water service to Pineur Acres and Shady Hills consistent with this Order and the Commission's regulations concerning extension of service and reimbursement to original customers if additional customers are added. The form and terms of the contract shall be filed with the Commission within 20 days of the date of this Order.

IT IS FURTHER ORDERED that White Hall shall provide water service to Pineur Acres for the sum of \$500 per connection on the condition that 40 customers are obtained in Pineur Acres. If less than 40 customers within Pineur Acres agree to take water service, the cost of the deficiency shall be prorated among the customers desiring water.

IT IS FURTHER ORDERED that White Hall shall provide water service to Shady Hills for the sum of \$451 per connection on the condition that 40 customers are obtained in Shady Hills. If less than 40 customers within the


subdivision agree to take water service, the cost of the deficiency shall be prorated among the customers desiring water.


IT IS FURTHER ORDERED that White Hall is directed to expeditiously start preparing the necessary engineering and financial documentation to provide water service to Pineur Acres and Shady Hills and shall make application with the Commission for a certificate of public convenience and necessity for this work within 180 days of the date of this Order.


IT IS FURTHER ORDERED that White Hall shall take the necessary steps to annex any of the proposed service area not currently within its service territory in accordance with Chapter 74 of the Kentucky Revised Statutes.

Done at Frankfort, Kentucky, this 24th day of August, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary