

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WARREN COUNTY WATER)
DISTRICT FOR A CERTIFICATE OF CONVENIENCE) CASE NO.
AND NECESSITY TO CONSTRUCT, FINANCE AND) 89-193
ADJUST WATER RATES)

O R D E R

On July 13, 1989, Warren County Water District ("Warren Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$2,586,300 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. Warren Water's application was made pursuant to KRS 278.023, which requires the Commission to approve the application within 30 days of satisfactory completion of the minimum filing requirements.

This project will make transmission and storage improvements as well as extend service to 262 additional customers. Project funding includes a \$1,998,000 loan from the Farmers Home Administration ("FmHA"), a \$570,000 grant from the Warren County Fiscal Court and \$18,300 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 7 3/4 percent per annum.

The chairman of Warren Water certifies that reliable and adequate service can be maintained throughout the expanded system after completion of the proposed construction. The Commission reminds Warren Water of its obligation to provide adequate and

reliable service to all of its customers. The adequacy of the expanded water distribution system after construction should be monitored. If the level of service is inadequate or declining, or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 6(1), Warren Water must take necessary actions to maintain the level of service in conformance with the regulations of the Commission.

On review of the record and being advised, the Commission finds:

1. Pursuant to KRS 278.023, the Commission has no discretionary authority to modify or reject any portion of this application. The application must be approved if the minimum filing requirements have been satisfactorily completed.

2. The minimum filing requirements were met in this case on July 13, 1989. Warren Water's chairman has certified that the project has been designed to meet the construction and operating standards set out in the Commission's regulations.

3. Warren Water should monitor the adequacy of the expanded water distribution system after construction. If the level of service is inadequate or declining, or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 6(1), Warren Water should take immediate action to bring the system into compliance with the Commission's regulations.

4. Warren Water should be granted a Certificate of Public Convenience and Necessity for the proposed construction project. The proposed construction financing plan with FmHA should also be approved.

5. Warren Water should file with the Commission, within 60 days of the date of substantial completion of this construction, a copy of the "as-built" drawings and a certified statement from its engineer that the construction has been satisfactorily completed in accordance with the contract plans and specifications.

6. The rates set out in Appendix A, attached and incorporated hereto, are the rates approved for Warren Water for services rendered on and after the date of this Order.

7. Warren Water should file its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

BE IT SO ORDERED.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 11th day of August, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 89-193 DATED 8/11/89

The following rates and charges are prescribed for the customers in the area served by Warren County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rates

5/8 x 3/4 Inch Meter

First	2,000 gallons	\$7.46 Minimum Bill
Next	8,000 gallons	1.98 per 1,000 gallons
Next	90,000 gallons	1.58 per 1,000 gallons
Next	900,000 gallons	1.28 per 1,000 gallons
Over	1,000,000 gallons	1.03 per 1,000 gallons

3/4 Inch Meter

First	3,000 gallons	\$9.64 Minimum Bill
Next	7,000 gallons	1.98 per 1,000 gallons
Next	90,000 gallons	1.58 per 1,000 gallons
Next	900,000 gallons	1.28 per 1,000 gallons
Over	1,000,000 gallons	1.03 per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$14.10 Minimum Bill
Next	5,000 gallons	1.98 per 1,000 gallons
Next	90,000 gallons	1.58 per 1,000 gallons
Next	900,000 gallons	1.28 per 1,000 gallons
Over	1,000,000 gallons	1.03 per 1,000 gallons

1 1/2 Inch Meter

First	10,000 gallons	\$26.50 Minimum Bill
Next	90,000 gallons	1.58 per 1,000 gallons
Next	900,000 gallons	1.28 per 1,000 gallons
Over	1,000,000 gallons	1.03 per 1,000 gallons

2 Inch Meter

First 16,000 gallons
Next 84,000 gallons
Next 900,000 gallons
Over 1,000,000 gallons

\$37.48 Minimum Bill
1.58 per 1,000 gallons
1.28 per 1,000 gallons
1.03 per 1,000 gallons

3 Inch Meter

First 30,000 gallons
Next 70,000 gallons
Next 900,000 gallons
Over 1,000,000 gallons

\$96.10 Minimum Bill
1.58 per 1,000 gallons
1.28 per 1,000 gallons
1.03 per 1,000 gallons

4 Inch Meter

First 50,000 gallons
Next 50,000 gallons
Next 900,000 gallons
Over 1,000,000 gallons

\$137.70 Minimum Bill
1.58 per 1,000 gallons
1.28 per 1,000 gallons
1.03 per 1,000 gallons

6 Inch Meter

First 100,000 gallons
Next 900,000 gallons
Over 1,000,000 gallons

\$231.60 Minimum Bill
1.28 per 1,000 gallons
1.03 per 1,000 gallons

8 Inch Meter

First 160,000 gallons
Next 840,000 gallons
Next 1,000,000 gallons

\$323.30 Minimum Bill
1.28 per 1,000 gallons
1.03 per 1,000 gallons

10 Inch Meter

First 550,000 gallons
Next 450,000 gallons
Next 1,000,000 gallons

\$847.40 Minimum Bill
1.28 per 1,000 gallons
1.03 per 1,000 gallons