

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE ELKHORN WATER)	
DISTRICT (1) FOR A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY TO CONSTRUCT)	
A WATER STORAGE TANK AND ADDITIONAL)	CASE NO.
LINES; (2) FOR APPROVAL OF FINANCING)	9896
PLAN FOR SAID PROJECT; AND (3) FOR)	
APPROVAL OF WATER RATES AND CHARGES)	

O R D E R

On May 10, 1991, Elkhorn Water District ("Elkhorn") filed with the Commission a motion for an extension of time in which to comply with the Commission's Order of February 10, 1988. That Order granted Elkhorn a deviation from the one-day water storage requirement of 807 KAR 5:066, Section 5(4), until July 1, 1991. The February 10, 1988 Order also directed Elkhorn to review its water storage situation prior to the expiration date of the deviation and to construct the amount of storage necessary to supply adequate and reliable service to its customers.

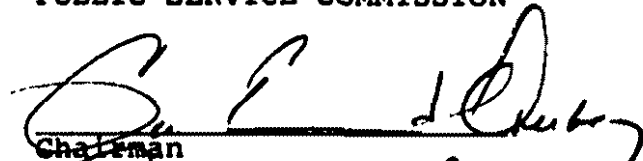
In its motion, Elkhorn states that its efforts to obtain funding assistance to construct the additional storage have been successful, with FmHA agreeing to assist Elkhorn in the amount of \$200,000. Elkhorn is currently working toward satisfying the terms of FmHA's "Letter of Intent to Meet Conditions." Elkhorn also attached to its motion a letter from its engineer estimating that the storage tank should be in service by December 1992.

Having reviewed the evidence of record and being otherwise sufficiently advised, the Commission finds that Elkhorn should be granted an extension of time in which to complete the construction of additional water storage facilities ordered by the Commission.

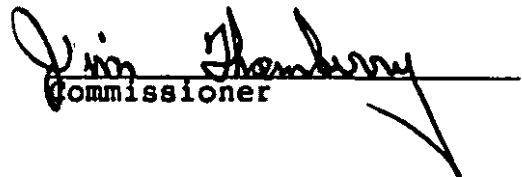
IT IS THEREFORE ORDERED that Elkhorn be and hereby is granted an extension of time in which to comply with the Commission's Order of February 10, 1988, the extension of the deviation granted therein to expire on December 31, 1992.

Done at Frankfort, Kentucky, this 23rd day of May, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director