

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN WATER)	
COMPANY FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY AUTHORIZING)	
THE CONSTRUCTION OF APPROXIMATELY 51,900)	CASE NO. 90-249
FEET OF 24" MAIN, 3,250 FEET OF 12" MAIN,)	
WITH ASSOCIATED VALVES AND FITTINGS,)	
KNOWN AS THE "JACK'S CREEK PIPELINE")	

O R D E R

On April 15, 1991, Kentucky-American Water Company ("Kentucky-American") filed a petition for rehearing of the Commission's March 28, 1991 Order denying a Certificate of Public Convenience and Necessity to construct a water transmission line, commonly known as the "Jack's Creek Pipeline." Kentucky-American presents two arguments in support of its request for rehearing. The first is that the Commission's Order misinterpreted Kentucky-American's philosophy in providing water service to existing or potential customers of another water utility; the second is that a rehearing will allow Kentucky-American adequate time to relocate the transmission line, solicit bids, and supplement the record in this case to allow consideration of the alternate route.


On April 30, 1991, Lexington-South Elkhorn Water District and Spears Water Company, Inc., (collectively referred to as "Intervenors"), filed motions in opposition to Kentucky-American's petition. The Intervenors state that the Commission's March 28, 1991 Order accurately describes Kentucky-American's philosophy in providing water service to existing or potential customers of another water utility, and that the Commission's Order is amply supported by Kentucky-American's testimony. Further, the Intervenors state that Kentucky-American, having already amended its application once to change the location of the proposed transmission line, should not be permitted on rehearing to file a second amendment proposing another relocation.

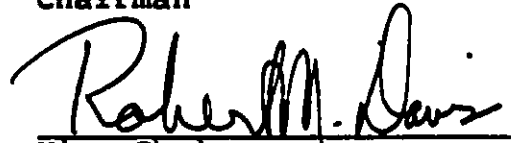
Based on the petition and responses, and being advised, the Commission hereby finds that Kentucky-American has failed to demonstrate good cause to grant rehearing. The findings of fact set forth in the Commission's March 28, 1991 Order are sufficiently supported by the evidence of record and should not be disturbed. The Commission further finds no justification to keep this case open while Kentucky-American relocates the proposed transmission line, solicits bids, and then files this new evidence. New evidence relating to a relocation of the proposed facilities should be filed in a new application pursuant to KRS 278.020(1).

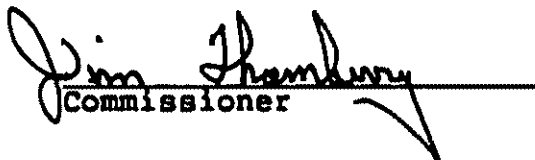
IT IS THEREFORE ORDERED that Kentucky-American's petition for rehearing be and it hereby is denied.

Done at Frankfort, Kentucky, this 3rd day of May, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director