

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE EAST CASEY COUNTY )  
WATER DISTRICT, A WATER DISTRICT ORGANIZED )  
PURSUANT TO CHAPTER 74 OF THE KENTUCKY )  
REVISED STATUTES, IN CASEY COUNTY, KENTUCKY, )  
FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE )  
AND NECESSITY, AUTHORIZING AND PERMITTING )  
SAID WATER DISTRICT TO CONSTRUCT WATERWORKS )  
DISTRIBUTION SYSTEM IMPROVEMENTS CONSISTING )  
OF A 50,000 GALLON WATER TANK, 100 GPM PUMP )  
STATION, AND 36 MILES OF DISTRIBUTION LINES )  
AND (2) AN INCREASE IN CUSTOMER WATER RATES )  
AND (3) APPROVAL OF THE PROPOSED PLAN OF )  
FINANCING OF SAID PROJECT )

CASE NO.  
94-019

O R D E R

On January 20, 1994, East Casey County Water District ("East Casey") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,090,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will provide service to 325 additional customers. Project funding includes a \$400,000 loan from the Farmers Home Administration ("FmHA"), a \$270,000 grant from FmHA, a \$400,000 Community Development Block Grant from the U.S. Department of Housing and Urban Development ("HUD"), and \$20,000 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 5 percent per annum.

East Casey's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water

districts and FmHA or HUD and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on February 14, 1994, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. East Casey is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. East Casey's proposed plan of financing with FmHA and HUD is accepted.

3. East Casey shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

4. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.

5. East Casey shall submit its revised tariff sheets setting out the rates in Appendix A within 30 days of the date of this Order.


6. East Casey shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1), East

Casey shall take immediate action to bring the system into compliance with Commission regulations.

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 24th day of February, 1994.

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. 94-019 DATED FEBRUARY 24, 1994

The following rates and charges are prescribed for the customers in the area served by East Casey 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

First 2,000 gallons	\$ 10.10 (Minimum Bill)
Next 3,000 gallons	4.71 per 1,000 gallons
Next 5,000 gallons	4.49 per 1,000 gallons
Next 5,000 gallons	4.26 per 1,000 gallons
Next 5,000 gallons	4.04 per 1,000 gallons
Over 20,000 gallons	3.59 per 1,000 gallons