

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WEST DAVIESS WATER)	
DISTRICT FOR A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY TO CONSTRUCT)	94-340
WATER LINE EXTENSIONS)	

O R D E R

By application filed September 30, 1994, West Daviess Water District ("West Daviess") is seeking authorization to construct a \$107,082 waterworks improvement project. Project funding includes \$2,000 in West Daviess funds and \$105,082 in surcharge funds approved by the Commission in Case No. 93-103.¹

The proposed construction will make line extensions and tie existing water lines together. Plans and specifications for the proposed improvements prepared by Hale, Riney and Gilmore, Inc. of Owensboro, Kentucky ("Engineer"), have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Public convenience and necessity require that the construction proposed be performed and that a Certificate of Public Convenience and Necessity be granted.

¹ Case No. 93-103, The Application of West Daviess County Water District for Approval of a Rate Surcharge.

2. The proposed construction consists of about 6.3 miles of 4-inch diameter pipelines, and related appurtenances. After allowances are made for fees, contingencies, and other indirect costs, the total cost of this project is approximately \$107,082.

3. West Daviess should 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 is outside the requirements of 807 KAR 5:066, Section 5(1), West Daviess should take immediate action to maintain the level of service in conformance with the regulations of the Commission.

4. West Daviess should only install fire hydrants in those instances where the installation complies with the requirements of 807 KAR 5:066, Section 10(2)(b).

5. West Daviess should obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

6. Any deviation from the construction approved should be undertaken only with the prior approval of the Commission.

7. West Daviess should furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.

8. West Daviess should require construction to be inspected under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering, to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

9. West Daviess should furnish, within 60 days of the date of substantial completion of this construction, a copy of "as-built" drawings and a signed statement of the Engineer that the construction has been satisfactorily completed in accordance with the contract plans and specifications.

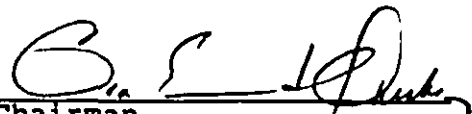
IT IS THEREFORE ORDERED that:

1. West Daviess be and it hereby is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project as set forth in the drawings and specifications of record herein.

2. West Daviess shall comply with requirements contained in Findings 3 through 9.

Done at Frankfort, Kentucky, this 13th day of December, 1994.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner