

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GREEN RIVER VALLEY)
WATER DISTRICT, HART, BARREN, LARUE,)
GREEN AND METCALFE COUNTIES, KENTUCKY,)
(1) FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY AUTHORIZING)
CONSTRUCTION OF MAJOR ADDITIONS AND) CASE NO.
IMPROVEMENTS TO ITS WATER DISTRIBUTION) 95-526
SYSTEM, (2) SEEKING APPROVAL OF REVISED)
WATER SERVICE RATES AND CHARGES AND (3))
SEEKING APPROVAL OF THE ISSUANCE OF)
CERTAIN SECURITIES)

O R D E R

On November 27, 1995, Green River Valley Water District ("Green River Valley") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,734,800 water-works improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will make water system improvements and provide service to 71 additional customers. Project funding includes a \$1,700,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Utilities Service ("RUS") formerly known as the Rural Economic and Community Development Service, and \$34,800 from applicants for service in the proposed project area.

Green River Valley's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development 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 November 27, 1995, KR8 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. Green River Valley is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Green River Valley's proposed plan of financing with RUS is accepted.

3. Green River Valley is authorized to issue bonds not to exceed \$1,700,000 to be held or insured by RUS.

4. Green River Valley 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.

5. 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.

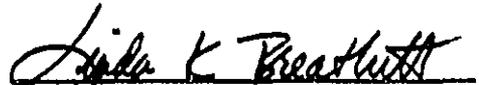
6. Green River Valley shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

7. Green River Valley 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), Green River Valley 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 20th day of December, 1995.

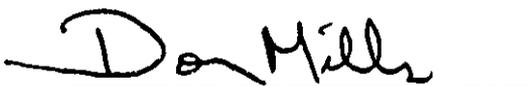
PUBLIC SERVICE COMMISSION


Chairman

Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-526 DATED DECEMBER 20, 1995.

The following rates and charges are prescribed for the customers in the area served by Green River Valley 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" Meter x 3/4" Meter

First	2,000 gallons	\$ 10.70	Minimum
Next	8,000 gallons	2.70	per 1,000 gallons
Next	10,000 gallons	2.25	per 1,000 gallons
Next	30,000 gallons	1.95	per 1,000 gallons
Next	50,000 gallons	1.75	per 1,000 gallons
Over	100,000 gallons	1.70	per 1,000 gallons

1" Meter

First	5,000 gallons	\$ 18.00	Minimum
Next	5,000 gallons	2.70	per 1,000 gallons
Next	10,000 gallons	2.25	per 1,000 gallons
Next	30,000 gallons	1.95	per 1,000 gallons
Next	50,000 gallons	1.75	per 1,000 gallons
Over	100,000 gallons	1.70	per 1,000 gallons

1-1/2" Meter

First	10,000 gallons	\$ 32.00	Minimum
Next	10,000 gallons	2.25	per 1,000 gallons
Next	30,000 gallons	1.95	per 1,000 gallons
Next	50,000 gallons	1.75	per 1,000 gallons
Over	100,000 gallons	1.70	per 1,000 gallons

2" Meter

First	16,000 gallons	\$ 48.00	Minimum
Next	4,000 gallons	2.25	per 1,000 gallons
Next	30,000 gallons	1.95	per 1,000 gallons
Next	50,000 gallons	1.75	per 1,000 gallons
Over	100,000 gallons	1.70	per 1,000 gallons

Wholesale Rates

City of Horse Cave	\$ 1.18	per 1,000 gallons
City of Cave City	1.18	per 1,000 gallons
City of Munfordville	1.18	per 1,000 gallons
City of Bonnieville	1.18	per 1,000 gallons
Green-Taylor Water District	1.18	per 1,000 gallons
Larue County Water District	1.18	per 1,000 gallons

Maintenance and billing charge per customer for cities of Horse Cave and Cave City \$ 3.70 per month