

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WEST MCCRACKEN )  
COUNTY WATER DISTRICT FOR A CERTIFICATE )  
OF PUBLIC CONVENIENCE AND NECESSITY TO ) CASE NO. 95-514  
CONSTRUCT WATER DISTRIBUTION SYSTEM )  
IMPROVEMENTS )

O R D E R

By application filed December 11, 1995, West McCracken County Water District ("West McCracken") is seeking authorization to construct a \$52,260 waterworks improvement project. The project will be financed by a \$150,000 line of credit from the Peoples First National Bank and Trust, Paducah, Kentucky. Payments will be made using surcharge receipts and, if necessary, depreciation reserves as approved in Case No. 94-450, Order dated July 27, 1995.<sup>1</sup>

The proposed construction will provide water service to about 14 additional customers. Plans and specifications for the proposed improvements prepared by Civil Design Group, Inc., Paducah, Kentucky ("Engineer"), have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

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<sup>1</sup> Commission Order dated July 27, 1995 in Case No. 94-450, In the Matter of the Application of West McCracken County Water District for (1) General Rate Increase, (2) Revision of Tariffs, (3) Approval of Surcharge, and (4) Request for Approval of Variance on Financial Data.

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.

2. The proposed construction consists of about 6,970 feet of 6-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 \$52,260.

3. West McCracken should monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or if the pressure to any customer fails to meet the requirements of 807 KAR 5:066, Section 5(1), West McCracken should take immediate action to maintain the level of service in conformance with the regulations of the Commission.

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

5. West McCracken 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 McCracken 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 McCracken 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 McCracken 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 McCracken 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 McCracken shall comply with the requirements contained in Findings 3 through 9.

Done at Frankfort, Kentucky, this 17th day of January, 1996.

PUBLIC SERVICE COMMISSION

Janice K. Breadhott  
Chairman

E. J. Hovens  
Vice Chairman

Robert M. Davis  
Commissioner

ATTEST:

Don Mills  
Executive Director