

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTHERN MADISON)	
WATER DISTRICT FOR CERTIFICATE OF)	CASE NO.
NECESSITY AND CONVENIENCE FOR UPGRADE OF)	95-542
EXISTING FACILITIES AND EXTENSION OF LINE)	
BENEATH 1-75 TO SOUTH, U. S. 25 AREA)	

O R D E R

On February 13, 1996, Southern Madison Water District ("Southern Madison") filed an application for a Certificate of Public Convenience and Necessity to construct a \$210,700 water-works improvement project and for approval of its plan of financing for this project. Project funding includes \$17,165 from a previous construction project financed in part by the U. S. Department of Agriculture's Rural Utilities Service ("RUS"), formerly known as the Rural Economic and Community Development Service, and \$193,535 in Southern Madison funds.

Southern Madison'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 February 13, 1996, 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. Southern Madison is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Southern Madison's proposed plan of financing with RUS is accepted.

3. Southern Madison 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. Southern Madison 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), Southern Madison shall take immediate action to bring the system in 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 27th day of February, 1996.

PUBLIC SERVICE COMMISSION

Lynda K Breathitt
Chairman

E J Hines
Vice Chairman

Robert M. Davis
Commissioner

ATTEST:

Don Mills
Executive Director