

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE RATTLESNAKE RIDGE)
WATER DISTRICT TO ISSUE SECURITIES IN THE)
APPROXIMATE PRINCIPAL AMOUNT OF \$865,000) CASE NO.
FOR THE PURPOSE OF REFUNDING CERTAIN) 95-575
OUTSTANDING REVENUE BONDS OF THE DISTRICT)
PURSUANT TO THE PROVISIONS OF KRS 278.300)
AND 807 KAR 5:001)

O R D E R

On December 21, 1995, the Rattlesnake Ridge Water District ("Rattlesnake Ridge") submitted its application seeking authority to issue \$865,000 of Rattlesnake Ridge Water District Waterworks Refunding Revenue Bonds, Series 1996, ("Refunding Revenue Bonds, Series 1996"). The interest rate will vary between 4.5 and 6.25 percent per annum for a 30 year term.

The proceeds will be used to refund the Rattlesnake Ridge Water District Water System Revenue Bonds, Series 1984 A and B. Rattlesnake Ridge estimates the proposed refinancing will result in total gross savings of \$503,111 and a net present value savings of \$222,012. This represents a net present value savings of approximately 25.7 percent.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Rattlesnake Ridge's proposal to issue \$865,000 of Refunding Revenue Bonds,

Series 1996, is for a lawful object within its corporate purpose, is necessary, appropriate for and consistent with the proper performance of its service to the public, and should therefore be approved.

IT IS THEREFORE ORDERED that:

1. Rattlesnake Ridge is authorized to issue \$865,000 of Refunding Revenue Bonds, Series 1996, at an interest rate that varies between 4.5 and 6.25 percent per annum.

2. Rattlesnake Ridge shall agree only to such terms that will result in a positive net present value savings and which are consistent with the parameters set out in the application.

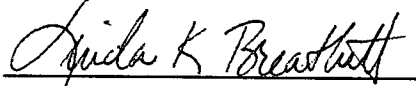
3. Rattlesnake Ridge shall, within 30 days after issuance of the securities, file with the Commission a statement setting forth the date or dates of issuance of the securities, the price paid, the interest rate, the purchasers, and all fees and expenses, including underwriting discounts or commissions, or other compensation involved in the issuance and distribution.

4. The proceeds from the transactions authorized herein shall be used only for the lawful purposes set out in the application.

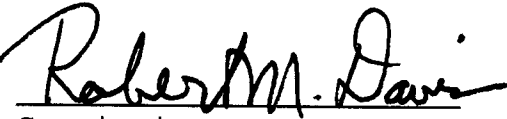
Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

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


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director