COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTH MARSHALL WATER DISTRICT FOR A CERTIFICATE OF PUBLIC CASE NO. CONVENIENCE AND NECESSITY TO CONSTRUCT 96-282 FACILITY IMPROVEMENTS

<u>O R D E R</u>

By application filed June 20, 1996, North Marshall Water District ("North Marshall") is seeking authorization to construct a \$50,000 waterworks improvement project. Project funding includes \$50,000 in North Marshall funds.

The proposed project includes the construction of a new 1,600 square foot building to house meter testing facilities, chlorine facilities and provide additional storage. In addition, a new roof will be installed over the existing clearwell and modifications made to the existing clearwell building. Plans and specifications for the proposed improvements prepared by Art Travis of Benton, 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.

2. The proposed construction consists of a new pre-engineered metal building, existing building improvements and related appurtenances. After allowances are made for fees, contingencies, and other indirect costs, the total cost of this project is approximately \$50,000.

3. North Marshall should obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

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

5. North Marshall 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.

6. North Marshall 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.

7. North Marshall 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.

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IT IS THEREFORE ORDERED that:

1. North Marshall 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. North Marshall shall comply with the requirements contained in Findings 3 through 7.

Done at Frankfort, Kentucky, this 5th day of July, 1996.

PUBLIC SERVICE COMMISSION

K Breathett Chair

Vice Chairman

ATTEST:

Executive Director