

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HARDIN COUNTY WATER)
DISTRICT NO. 2 FOR A CERTIFICATE OF)
CONVENIENCE AND NECESSITY AUTHORIZING)
CONSTRUCTION OF A CUSTOMER SERVICE)
FACILITY PURSUANT TO THE PROVISIONS OF)
KRS 278.020 AND 807 KAR 5:001)

CASE NO.
96-407

O R D E R

Hardin County Water District No. 2 ("Hardin District") has applied for a Certificate of Public Convenience and Necessity to construct a \$952,515 Customer Service Center Facility. Having reviewed the application, and being otherwise sufficiently advised, the Commission finds that:

1. Hardin District proposes to construct a 7,286 square foot building to serve as Hardin District's headquarters and with additional future construction eventually to house all of Hardin District's operations, equipment, and inventory at one central location.
2. The proposed building will be located on a seven-acre site at 360 Ring Road in the Hughes Commerce Center on the west side of Elizabethtown, Kentucky.
3. Hardin District purchased the real estate site in 1996.
4. The proposed location is more centrally located to Hardin District's existing service area.

5. Hardin District's existing facilities are extremely overcrowded. The existing facilities lack adequate space to accommodate customer visits, and to allow employees to perform their job duties efficiently.

6. After allowances for fees, contingencies, and other indirect costs, the total project cost is approximately \$952,515.

7. Hardin District intends to fund the proposed project from its depreciation fund and other unrestricted reserve funds. Hardin District does not intend to adjust its rates for water service to cover the system's cost.

8. Construction of the proposed building will reduce Hardin District's annual rental expense by \$4,800.

9. Construction of the proposed building will not result in the wasteful duplication of existing facilities.

10. The public convenience and necessity require the construction of the proposed building.

IT IS THEREFORE ORDERED that:

1. Hardin District is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction as set forth in its application.

2. Hardin District 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 proposed construction project.

3. Hardin District shall not deviate from the construction approved without prior Commission approval.

4. Hardin District shall obtain Commission approval before performing any additional construction.

Done at Frankfort, Kentucky, this 25th day of November, 1996.

PUBLIC SERVICE COMMISSION

Jinda K. Breathitt
Chairman

E. J. H.
Vice Chairman

B. J. Helton
Commissioner

ATTEST:

Don Mills
Executive Director