

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE NORTH HOPKINS WATER)	
DISTRICT TO ISSUE SECURITIES IN THE APPROXIMATE)	
PRINCIPAL AMOUNT OF \$2,095,000 FOR THE PURPOSE)	CASE NO.
OF REFUNDING CERTAIN OUTSTANDING REVENUE)	98-092
BONDS OF THE DISTRICT PURSUANT TO THE)	
PROVISIONS OF KRS 278.300 AND 807 KAR 5:001)	

O R D E R

On February 12, 1998, the North Hopkins Water District, Hopkins County, Kentucky ("North Hopkins") submitted its application for authority to issue certain securities, as required by KRS 278.300, in the approximate principal sum of \$2,095,000 (subject to adjustment of up to 10 percent) for the purpose of refunding certain outstanding waterworks revenue bonds of North Hopkins which bear interest at the rates varying between 6.125 and 7.375 percent per annum. The application was considered filed on February 27, 1998, when all filing deficiencies were cured. The bond proceeds will be used to refinance North Hopkins' Waterworks Revenue Bonds of 1988, Series A (the "1988 Series A Bonds"), Waterworks Revenue Bonds of 1988, Series B (the "1988 Series B Bonds"), and Waterworks Revenue Bonds, Series 1994 (the "1994 Bonds"). North Hopkins estimates the refunding will result in total gross savings exceeding \$1,321,000, with net present value savings exceeding \$367,000. The Series 1998 Bonds mature in various annual amounts from 1999 through 2023 and will bear interest anticipated to be between 3.90 percent and 5.20 percent. North Hopkins stated the issuance of the

securities will not impair its ability to perform its services and is reasonably necessary and appropriate for the stated purpose.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that North Hopkins' proposal to issue these bonds for purposes of refinancing its outstanding bonds is for a lawful object within North Hopkins' 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. North Hopkins is authorized to issue bonds for an approximate principal sum \$2,095,000 (subject to adjustment of up to 10 percent), at an interest rate between 3.90 percent and 5.20 percent per annum.

2. North Hopkins shall issue its proposed Series 1998 Bonds only on such terms that will result in a positive net present value savings and which are consistent with its application.

3. North Hopkins shall, within 30 days after issuance of the securities, advise the Commission in writing of 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 specified in the District's application.

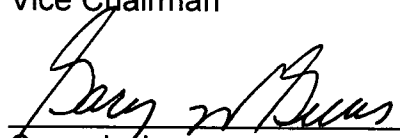
Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 17th day of March, 1998.

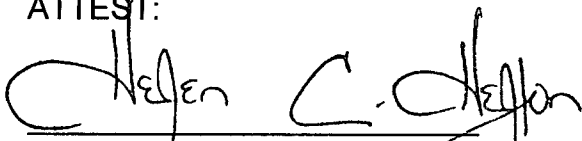
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director