

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MCKINNEY WATER DISTRICT )	
OF LINCOLN COUNTY, KENTUCKY, FOR A )	
CERTIFICATE OF PUBLIC CONVENIENCE AND )	CASE NO.
NECESSITY TO CONSTRUCT AND FINANCE )	99-010
PURSUANT TO THE PROVISIONS OF KRS 278.023 )	

O R D E R

On January 11, 1999, McKinney Water District ( McKinney District ) submitted an application for a Certificate of Public Convenience and Necessity to construct a \$350,000 waterworks improvement project and for approval of its plan of financing for this project. This project consists of the construction of a 100,000 gallon elevated water storage tank. Project funding is a \$220,000 bond issue to be purchased pursuant to an agreement with the U.S. Department of Agriculture's Rural Development ( RD ) and a \$130,000 grant from the RD.

McKinney District'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 January 11, 1999, 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. McKinney District is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. McKinney District's proposed plan of financing with RD is accepted.
3. McKinney District is authorized to issue bonds not to exceed \$220,000.
4. McKinney 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 construction certificated herein.

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 26<sup>th</sup> day of January, 1999.

By the Commission

ATTEST:

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Executive Director