

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH ANDERSON)	
WATER DISTRICT OF ANDERSON COUNTY,)	
KENTUCKY, FOR A CERTIFICATE OF PUBLIC)	CASE NO. 99-239
CONVENIENCE AND NECESSITY; AND)	
APPROVAL OF PROPOSED PLAN OF FINANCING)	

O R D E R

On July 20, 1998, South Anderson Water District ("South Anderson District") applied for a Certificate of Public Convenience and Necessity to construct a \$267,981 waterworks improvement project and for approval of its plan for financing the project. The proposed project involves the construction of 1,670 linear feet of 8-inch polyvinyl chloride (PVC) water transmission main and appurtenances, a booster pump station and appurtenances, and a new 184,000 gallon standpipe. Project funding is a \$100,000 loan from the Lawrenceburg National Bank of Lawrenceburg, Kentucky at an interest rate of 5.5 percent for a period of 5 years and the remaining \$167,981 from internally generated funds.

The proposed project includes the construction of a booster pump station and a 184,000 gallon water storage standpipe to increase pressure in the high elevation areas along U.S. 62 and to provide more water storage for the south end of the county. Plans and specifications for the proposed improvements prepared by Kenvirons, Inc. of Frankfort, Kentucky, 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 1,670 linear feet of 8-inch (PVC) water transmission main and appurtenances, a booster pump station and appurtenances, and a new 184,000 gallon standpipe.

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

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

5. South Anderson District 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. South Anderson District should require construction to be inspected under the general supervision of a professional engineer with a Kentucky registration in civil or mechanical engineering.

7. The financing plan proposed by South Anderson District is for lawful objects within the corporate purpose of its utility operation, is necessary and appropriate for and

consistent with the proper performance of its service to the public, will not impair its ability to perform that purpose, should therefore be approved.

IT IS THEREFORE ORDERED that:

1. South Anderson District is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project consisting of 1,670 linear feet of 8-inch (PVC) water transmission main and appurtenances, a booster pump station and appurtenances, and a new 184,000 gallon standpipe.

2. South Anderson District shall comply with the requirements contained in Findings 3 through 6 as if the same were individually so ordered.

3. The financing plan proposed by South Anderson District is hereby approved.

Done at Frankfort, Kentucky, this 12th day of August, 1999.

By the Commission

ATTEST:

Executive Director