COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JESSAMINE COUNTY WATER DISTRICT NO. 1, A WATER DISTRICT ORGANIZED PURSUANT TO CHAPTER 74 OF THE KENTUCKY REVISED STATUTES, IN JESSAMINE COUNTY, KENTUCKY, FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, AUTHORIZING AND PERMITTING SAID WATER DISTRICT TO CONSTRUCT WATER WORKS CASE NO. 99-292 DISTRIBUTION SYSTEM IMPROVEMENTS. CONSISTING OF A ONE MILLION GALLON ELEVATED WATER TANK AND ACCOMPANYING **BOOSTER PUMP STATION AND RADIO** TELEMETRY SYSTEM AND APPURTENANCES, (2) AN INCREASE IN CUSTOMER WATER RATES AND (3) APPROVAL OF THE PROPOSED PLAN OF FINANCING OF SAID PROJECT

ORDER

On July 2, 1999, Jessamine County Water District No. 1 (Jessamine District No. 1) submitted an application for a Certificate of Public Convenience and Necessity to construct a \$1,492,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project consists of the construction of a 1,000,000 gallon elevated water storage tank, 350 gallon per minute booster pump station, and related appurtenances. Project funding is a \$1,492,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Development (RD).

Jessamine District No. 1'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 July 2, 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:

- Jessamine District No. 1 is hereby granted a Certificate of Public
 Convenience and Necessity for the proposed construction project.
 - 2. Jessamine District No. 1's proposed plan of financing with RD is accepted.
- 3. Jessamine District No. 1 is authorized to issue bonds not to exceed \$1,492,000.
- 4. Jessamine District No. 1 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.
- 5. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.
- 6. Jessamine District No. 1 shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

7. Three years from the effective date of this Order Jessamine District No. 1 shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

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 30th day of July, 1999.

By the Commission

ATTEST:		
Executive Director		
	APPENDIX A	

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-292 DATED JULY 30, 1999

The following rates and charges are prescribed for the customers in the area served by Jessamine County Water District #1. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	3,000	gallons	\$18.00	Minimum bill
Next	7,000	gallons	4.20	per 1,000 gallons
Over	10,000	gallons	4.10	per 1,000 gallons