

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CRITTENDEN-LIVINGSTON)	
COUNTY WATER DISTRICT FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY TO)	CASE NO.
CONSTRUCT, FINANCE AND INCREASE RATES)	2000-391
PURSUANT TO KRS 278.023)	
)	

O R D E R

On August 7, 2000, Crittenden-Livingston County Water District ("Crittenden-Livingston") submitted an application for a Certificate of Public Convenience and Necessity to construct, finance, and increase rates for a \$6,255,000 waterworks improvement project. This project consists of the renovation and expansion of the water treatment plant, construction of a 400,000 gallon elevated water storage tank and approximately 26 miles of water mains to provide service to approximately 79 new customers. Project funding consists of a \$4,425,000 loan from the U.S. Department of Agriculture's Rural Development ("RD"), a \$1,800,000 grant from the RD and a \$30,000 contribution from the applicant.

Crittenden-Livingston'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 August 7, 2000, 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. Crittenden-Livingston is granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Crittenden-Livingston's proposed plan of financing with RD is accepted.

3. Crittenden-Livingston is authorized to issue bonds not to exceed \$4,425,000.

4. Crittenden-Livingston 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. Crittenden-Livingston shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 5(1), Crittenden-Livingston shall take immediate action to maintain the level of service in conformance with the regulations of the Commission.

7. Crittenden-Livingston shall notify the Commission one week prior to the actual start of construction and at the 50 percent completion point.

8. Three years from the effective date of this Order, Crittenden-Livingston 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 5th day of September, 2000.

By the Commission

ATTEST:

Deputy W. H. Fowler
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2000-391 DATED SEPTEMBER 5, 2000

The following rates and charges are prescribed for the customers in the area served by Crittenden-Livingston County Water District. 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

5/8" x 3/4" Meter:

First	1,000 gallons	\$ 12.15	Minimum bill
Next	9,000 gallons	5.48	per 1,000 gallons
Next	10,000 gallons	4.52	per 1,000 gallons
Over	20,000 gallons	3.54	per 1,000 gallons

1"Meter:

First	5,000 gallons	\$ 34.07	Minimum bill
Next	5,000 gallons	5.48	per 1,000 gallons
Next	10,000 gallons	4.52	per 1,000 gallons
Over	20,000 gallons	3.54	per 1,000 gallons

1-1/2" Meter:

First	10,000 gallons	\$ 61.47	Minimum bill
Next	10,000 gallons	4.52	per 1,000 gallons
Over	20,000 gallons	3.54	per 1,000 gallons

2"Meter:

First	15,000 gallons	\$ 84.07	Minimum bill
Next	5000 gallons	4.52	per 1,000 gallons
Over	20,000 gallons	3.54	per 1,000 gallons

Bulk Sales to Tank Holders (Loading Stations) \$3.43 per 1,000 gallons

Water for Resale to Cities of Salem, Grand Rivers
Smithland, Marion and Ledbetter Water Districts \$1.83 per 1,000 gallons