COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTHERN KENTUCKY WATER DISTRICT FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF THE BRISTOW ROAD PUMP STATION

CASE NO. 2001-098

<u>ORDER</u>

Northern Kentucky Water District ("NKWD") has applied for a Certificate of Public Convenience and Necessity to construct a booster pump station at a cost of \$1,396,000. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. NKWD proposes to construct a booster pump station on Bristow Road to include three pumps, each rated at 2,900 gpm at 65 feet of head and a sodium hypochlorite feed system to boost chlorine residuals in the Independence, Kentucky area.

2. The proposed pump station will replace an existing package booster pump station on Bristow Road scheduled to be demolished as a result of road improvements in the area.

3. The proposed pump station will be used to pump water to the Independence Tank to boost system pressure and meet water demands in the Independence area.

4. NKWD's Board of Commissioners approved Ameritcon as the lowest and best bid for the construction of the Bristow Road Pump Station at a cost of \$1,396,000.

5. NKWD proposes to finance the proposed project through the issuance of a Bond Anticipation Note, which will be converted to a long-term bond at some future date. NKWD does not intend to adjust its rates for water service to cover the project cost.

6. Construction of the proposed pump station will not result in the wasteful duplication of existing facilities.

7. The public convenience and necessity require the construction of the proposed Bristow Road Pump Station.

IT IS THEREFORE ORDERED that:

1. NKWD is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction as set forth in its application.

2. NKWD shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.

4. NKWD shall 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 shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for water utilities prescribed by the Commission.

5. NKWD 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.

NKWD shall require construction to be inspected under the general 6. supervision of a licensed professional engineer with a Kentucky registration in civil or mechanical engineering, to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

NKWD shall notify the Commission 7 days prior to the actual start of 7. construction and at the 50 percent completion point.

Done at Frankfort, Kentucky, this 24th day of July, 2001.

By the Commission

ATTEST: