

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE HARRISON COUNTY)	
WATER ASSOCIATION, INC., OF HARRISON)	
COUNTY, KENTUCKY, FOR A CERTIFICATE OF)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY TO)	2001-210
CONSTRUCT AND FINANCE A PROJECT)	

O R D E R

On July 10, 2001, Harrison County Water Association, Inc. ("Harrison Association") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$1,468,500 waterworks improvement project and for approval of its plan of financing for this project. This project will provide new service to 132 additional customers with the installation of approximately 19 miles of 4-inch and 9 miles of 6-inch water transmission mains. Project funding includes a \$650,000 loan from the U.S. Department of Agriculture's Rural Development ("RD"), a \$235,000 grant from the RD, a \$452,500 Community Development Block Grant, a \$10,000 contribution from Harrison County Fiscal Court and a \$121,000 contribution from the Applicant.

Harrison Association'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 10, 2001, 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. Harrison Association is granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. Harrison Association's proposed plan of financing with RD is accepted.
3. Harrison Association 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.
4. Harrison Association 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), Harrison Association shall take immediate action to maintain the level of service in conformance with the regulations of the Commission.
5. Harrison Association shall notify the Commission one week prior to the actual start of construction and at the 50 percent completion point.

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 6th day of August, 2001.

By the Commission

ATTEST:


Executive Director