COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HARDIN COUNTY WATER DISTRICT NO. 1 FOR (1) ISSUANCE OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY; (2) AUTHORIZATION TO BORROW FUNDS AND TO ISSUE ITS EVIDENCE OF INDEBTEDNESS THEREFOR; (3) AUTHORITY TO ADJUST RATES; AND (4) APPROVAL TO REVISE AND ADJUST TARIFF

CASE NO. 2001-211

<u>O R D E R</u>

On July 11, 2001, Hardin County Water District No. 1 ("Hardin District") applied for a Certificate of Public Convenience and Necessity to construct certain water main extensions, authority to issue \$4.8 million in variable rate revenue bonds, an adjustment in its rates for water service, and approval of certain revisions to its tariff. Because the application did not comply with Administrative Regulation 807 KAR 5:001, Section 10, it was not accepted for filing purposes. Hardin District subsequently amended its application to cure these deficiencies and to modify its proposed rates. The Commission directed that the application, as amended, be considered filed as of October 16, 2001.¹

KRS 278.300(2) requires the Commission to render a decision regarding a utility's request to issue securities or to obtain financing within 60 days, unless it is necessary for good cause to continue the application for a longer time. Since the proceeds of the proposed revenue bond issuance will be used to fund the proposed

¹ Order of November 6, 2001.

water main extension projects, our decision on the proposed issuance is dependent upon our action on Hardin District's application for a Certificate of Public Convenience and Necessity. As we have not completed our review of the proposed water main extension projects and do not expect to do so before December 15, 2001, the Commission finds that good cause exists to continue the application for authority to issue revenue bonds for a period longer than 60 days.

IT IS THEREFORE ORDERED that Hardin County's application for approval to issue variable rate revenue bonds to fund its proposed waterworks improvement project is continued beyond the 60-day period specified in KRS 278.300(2).

Done at Frankfort, Kentucky, this 14th day of December, 2001.

By the Commission

ATTEST: