COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| THE APPLICATION OF MEADE COUNTY WATER |) | |
|--|-----|-----------|
| DISTRICT FOR A CERTIFICATE OF PUBLIC |) | |
| CONVENIENCE AND NECESSITY TO EXTEND |) (| CASE NO. |
| WATER SERVICE TO UNSERVED AREAS AND |) 2 | 002-00111 |
| REPLACE AN EXISTING WATER STORAGE TANK |) | |
| PURSUANT TO KRS 278.020 |) | |

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

On April 2, 2002, Meade County Water District (Meade District) applied for a Certificate of Public Convenience and Necessity to construct a \$1,000,000 water system improvements project. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

- 1. The proposed water system improvements project consists of the installation of approximately 34,780 feet of 6-inch polyvinyl chloride (PVC) water main and 23,037 feet of 8-inch PVC water main extensions along Payne Road, Shumate Road, Smith Road, Kentucky Highway 710, Kentucky Highway 79, Sirrocco Road and Milan Road in Meade County, Kentucky and the construction of a 300,000 gallon elevated water storage tank to replace an existing ground storage tank. This proposed tank will provide additional pressure and storage to the area.
- 2. Construction of the proposed water system improvement project will not result in the wasteful duplication of any existing utility facilities nor will it compete with

any other utility. It will potentially provide potable water service to approximately 128 new customers.

- 3. Quest Engineers, Inc. of Louisville, Kentucky prepared the engineering plans and specifications for this project.
- 4. The Division of Water of the Kentucky Natural Resources and Environmental Protection Cabinet has approved the plans and specifications for the proposed project.
- 5. Estimated total cost of the proposed improvement project, including contingencies, is \$1,000,000.
- 6. This project will be funded by a \$1,000,000 appropriation from the Kentucky State Treasury.
- 7. Public convenience and necessity require construction of the proposed project.

IT IS THEREFORE ORDERED that:

- 1. Meade District is granted a Certificate of Public Convenience and Necessity to construct the proposed water system improvements project as set forth in its application.
- 2. Meade District 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. Meade District 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. Meade District should require construction to be inspected under the

general supervision of a professional engineer with Kentucky licensure, competent to

practice 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.

6. Meade District 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.

7. Meade District shall notify the Commission one week prior to the actual

start of construction and at the 50 percent completion point.

Done at Frankfort, Kentucky, this 9th day of April, 2002.

By the Commission

ATTEST:

Executive Director