

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN WATER	)	
COMPANY FOR A CERTIFICATE OF PUBLIC	)	
CONVENIENCE AND NECESSITY AUTHORIZING	)	
THE CONSTRUCTION OF RICHMOND ROAD	)	CASE NO.
STATION HYDRAULIC AND CHEMICAL FEED	)	2002-00201
IMPROVEMENTS	)	

O R D E R

By application filed June 11, 2002, Kentucky-American Water Company ( Kentucky-American ) seeks authorization for improvements to its Richmond Road Water Treatment Plant at a total project cost of approximately \$1,600,000. The project will be initially funded by either available funds from a previous financing or short-term bank borrowings.

The proposed project includes hydraulic and chemical feed system modifications to increase the reliable plant capacity from 25 to 30 million gallons per day during peak day conditions. This project will improve plant efficiencies and operations by improving chlorine and caustic redundancy and by allowing for the rewashing of filters. Plans and specifications for the proposed improvements prepared by PDR Engineers, Inc. of Lexington, Kentucky, have been approved by the Division of Water of the Natural Resources and Environmental Protection Cabinet.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Public convenience and necessity requires that the construction proposed be performed and that a Certificate of Public Convenience and Necessity be granted.

2. The proposed construction consists of hydraulic improvements to raw water piping, finished water pumping and piping between the sedimentation basins and filters, replacement of existing powdered activated carbon feed equipment, modifications to the existing chlorine feed system, replacement of the existing caustic feed system, installation of full production filter-to-waste capability to the existing filters and miscellaneous instrumentation hardware improvements.

3. After allowances for fees, contingencies, and other indirect costs, the total project cost is approximately \$1,600,000.

4. Kentucky-American should obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

5. Kentucky-American should 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.

6. Kentucky-American should require construction to be inspected under the general supervision of a professional engineer licensed in Kentucky and competent 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.

7. Kentucky-American should notify the Commission, in writing, one week prior to the start of construction and after fifty percent completion.

IT IS THEREFORE ORDERED that:

1. Kentucky-American is granted a Certificate of Public Convenience and Necessity to proceed with the proposed construction project.

2. Kentucky-American shall comply with the requirements contained in Findings 4 through 7 as if the same were individually so ordered.

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 1<sup>st</sup> day of August, 2002.

By the Commission

ATTEST:

Deputy W. H. Fowler  
Executive Director