

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY WATER)	
DISTRICT FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY FOR THE)	CASE NO.
CONSTRUCTION OF A 24-INCH WATER MAIN)	2002-00238
FROM THE FT. THOMAS TREATMENT PLANT TO)	
U.S. 27, PHASE II)	

O R D E R

Northern Kentucky Water District (NKWD) has applied for a Certificate of Public Convenience and Necessity to construct a \$1,080,292.75 waterworks improvement project. The subject construction project is the second phase of a two phase project to transmit potable water from the Ft. Thomas Treatment Plant to the Aqua Storage Tank. The Phase I project was approved by the Commission in its Order dated January 4, 2002 in Case No. 2001-00412. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. The proposed project (Phase II) includes the construction of approximately 7,385 linear feet of 24-inch and 538 linear feet of 16-inch water mains and related appurtenances. Phase II will connect to the Phase I project at Three Mile Road and U.S. 27 located in Ft. Thomas, Kentucky. Phase II will continue through the City of Highland Heights to U.S. 27 at Sunset Avenue.

2. The proposed waterworks improvement project will not compete with any other water utility in the area.

3. The proposed project is necessary to meet current water demands as identified in NKWD's Water Distribution System Master Plan. It is in the public interest and is required to allow NKWD to continue to provide adequate service to its customers.

4. NKWD's Board of Commissioners approved Paul Rack Excavating and Paving as the lowest responsible bidder for the project at a cost of \$1,080,292.75.

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.

6. Viox & Viox, Inc., Consulting Engineers and Surveyors, of Erlanger, Kentucky prepared the drawings and specifications for the proposed waterworks improvement project and have obtained approval from the Division of Water of the Kentucky Natural Resources and Environmental Protection Cabinet.

7. The public convenience and necessity require the construction of the proposed Phase II waterworks improvement project.

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, including, but not limited to, engineering, legal and administrative expenses, 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 with the Commission 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. NKWD 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.

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

Done at Frankfort, Kentucky, this 22nd day of August, 2002.

ATTEST:


Executive Director