

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY	)	
WATER DISTRICT FOR (A) AN ADJUSTMENT	)	
OF RATES; (B) A CERTIFICATE OF PUBLIC	)	CASE NO.
CONVENIENCE AND NECESSITY FOR	)	2003-00224
IMPROVEMENTS TO WATER FACILITIES IF	)	
NECESSARY; AND (C) ISSUANCE OF BONDS	)	

INTERIM ORDER

On August 28, 2003, Northern Kentucky Water District ( Northern District ) applied to the Commission seeking approval for (a) an adjustment of rates; (b) a Certificate of Public Convenience and Necessity ( Certificate ) for improvements to water facilities if necessary; and (c) the issuance of bonds. On September 11, 2003, the Commission issued a letter to Northern District rejecting the application due to deficiencies in its filing. In its Order of October 1, 2003, the Commission found that Northern District had cured all outstanding filing deficiencies and declared the application filed as of September 22, 2003.

Northern District identifies in Exhibit O of the application a number of projects it intends to construct in 2003. Of the projects identified, only the Supervisory Control and Data Acquisition Upgrade ( SCADA project ), which consists of two phases, and the Customer Information System require Certificates.

In its October 31, 2003 filing, Northern District submitted the final bid tabulations for the first phase of the SCADA project and moved the Commission to issue an Interim Order granting a Certificate for this phase. The first phase will cost approximately \$1.473 million and consist of installing the SCADA equipment at the

Memorial Parkway Treatment Plant along with several of the distribution pumping stations and storage tanks. This Interim Order will address only the issue of granting a Certificate for this first phase.

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

1. Northern District's proposed SCADA system will increase the integrity of the water system, does not result in the wasteful duplication of any existing utility facilities, and will not compete with any other utility.

2. The proposed SCADA system is in the public interest, and public convenience and necessity require construction of the proposed project.

IT IS THEREFORE ORDERED that:

1. Northern District is granted a Certificate to construct its proposed SCADA system.

2. Northern District shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

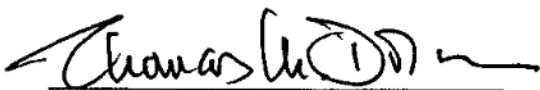
3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.

4. Northern 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.

Done at Frankfort, Kentucky, this 20<sup>th</sup> day of November, 2003.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Charles H. [unclear]", written over a horizontal line.

Executive Director