

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE HOPKINSVILLE)	
WATER ENVIRONMENT AUTHORITY'S)	CASE NO.
WHOLESALE RATE TO CHRISTIAN COUNTY)	2003-00087
WATER DISTRICT)	

ORDER

On December 17, 2003, the Commission issued an Order in this proceeding approving the Settlement Agreement between the Christian County Water District ("Christian County") and the Hopkinsville Water Environment Authority ("Hopkinsville") on the rate to be charged by Hopkinsville for wholesale water service. The Commission included a finding in the Order stating that:

Any future modifications to the 1973 Wholesale Water Supply Contract, as amended through September 1, 1994, that have not been approved by the Commission should be submitted to the Commission for approval. If they are not submitted within 30 days of the date of this Order, they shall be void. Any future modifications to the approved 1973 Wholesale Water Supply Contract that is on file with the Commission must not be implemented until approved by the Commission.

On January 16, 2004, Christian County submitted a "Memorandum Agreement Between Christian County Water District and Hopkinsville Water Environment Authority" that provides for (1) extension of the contract between the parties for 42 additional years, (2) a cap of 2 million gallons per day or 49 million gallons per month on the water purchases, (3) a requirement that Christian County provide written notice to Hopkinsville before any major line extensions are installed, (4) a prohibition against the sale by Christian County of wholesale water without the written approval of Hopkinsville, and (5) a pledge between the parties to cooperate in the planning of new facilities in order to

avoid duplication of facilities. The agreed amendments were to the Water Purchase Contract executed June 28, 1973 and its subsequent amendments.

As of the date of this Order, no other amendments to the Water Purchase Contract of June 28, 1973, except as approved by the Commission in its Order of December 17, 2003, have been submitted for Commission approval. Given that the 30 days provided in the December 17, 2003 Order for filing new amendments to the contract have expired, it is the finding of the Commission that all other amendments to the contract not specifically approved in the December 17, 2003 Order and this Order are void.

The five amendments contained in the agreement between Christian County and Hopkinsville dated January 8, 2004 are necessary and appropriate and should be approved.

IT IS THEREFORE ORDERED that:

1. The provisions contained in the Agreement, attached as Appendix A, are approved.
2. Any amendments to the June 28, 1973 contract not specifically approved by the December 17, 2003 Order or herein are null and void.

Done at Frankfort, Kentucky, this 6th day of February, 2004.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2003-00087 DATED FEBRUARY 6, 2004

(See document named "200300087_02062004apx.pdf" for appendix.)