

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)	
WATER DISTRICT FOR APPROVAL OF)	
CONSTRUCTION OF 12-INCH WATER MAINS)	CASE NO. 2005-00200
AND ISSUANCE OF A CERTIFICATE OF)	
CONVENIENCE AND NECESSITY)	

ORDER

On May 13, 2005, Northern Kentucky Water District ("NKWD") applied for a Certificate of Public Convenience and Necessity ("CPCN") to construct a \$1,180,000 waterworks project. The proposed project involves the construction and installation of approximately 13,000 linear feet of 12-inch water mains along Poplar Ridge Road, Four Mile Pike, and Nelson Road in Campbell County to replace existing 3- and 6-inch mains. NKWD states that without this planned improvement in place, system pressure in the area may fall below 30 PSI during peak projected conditions at the meter. NKWD further states that the project is designed to strengthen and improve the system, to meet population growth, commercial development, will improve water flow to Campbell County, and improve water quality and fire protection in the area.

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. NKWD is a water district organized pursuant to KRS Chapter 74.

2. NKWD owns and operates facilities used to distribute water for compensation to approximately 78,469 customers in Kenton, Boone, Campbell, and Pendleton Counties, Kentucky.

3. NKWD proposes to construct approximately 13,000 linear feet of 12-inch water mains along Poplar Ridge Road, Four Mile Pike, and Nelson Road in Campbell County.

4. The proposed project will improve pressures during peak demand, improve the local distribution system, and improve water flow and fire protection in the area.

5. Viox & Viox of Erlanger, Kentucky prepared the plans and specifications for the proposed project.

6. The Division of Water of the Kentucky Environmental and Public Protection Cabinet has approved the plans and specifications for the proposed project.

7. The proposed construction will neither create wasteful duplication of plant, equipment, property, or facilities, nor result in uneconomic or wasteful competition between public utilities.

8. Public convenience and necessity require the construction set forth in NKWD's application.

9. The estimated total cost of the proposed project, including construction cost, contingencies, and engineering and inspection fees is \$1,180,000.

10. NKWD proposes to finance the proposed project through the issuance of a Bond Anticipation Note in the amount of \$1,180,000.

IT IS THEREFORE ORDERED that:

1. NKWD is granted a Certificate of Public Convenience and Necessity to construct the proposed waterworks project as set forth in the plans and specifications of record herein.
2. NKWD shall obtain approval from the Commission prior to performing any additional construction not expressly authorized within this Order.
3. Any deviation from the construction approved herein 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 (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.
5. NKWD shall require the construction to be inspected under the general supervision of a professional engineer with a Kentucky registration 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.
6. NKWD 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.

Done at Frankfort, Kentucky, this 22nd day of July, 2005.

By the Commission

ATTEST:



Executive Director