

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE COUNTY OF BOONE,)	
KENTUCKY REQUESTING APPROVAL TO ADD)	CASE NO.
ADDITIONAL WATER MAINS TO AN EXISTING)	2006-00363
PROJECT)	

ORDER

On February 1, 2006, the County of Boone (“the County”) was granted a Certificate of Public Convenience and Necessity (“CPCN”), Case No. 2005-00291,¹ to proceed with the construction of approximately 13.4 miles of 12-inch and 8-inch ductile iron class 50 water transmission mains in selected portions of unincorporated Boone County, Kentucky to provide service to a potential of 406 new customers. The total estimated cost of the proposed construction project is \$3,815,378 and will be funded through a \$2,548,148 loan from the Kentucky Infrastructure Authority; a grant of \$1,000,000 from the Kentucky Infrastructure Authority; and a contribution of \$267,230 from the County.

On November 3, 2006, the County requested approval to construct approximately 4,850 linear feet of additional 8-inch water transmission main and related appurtenances not included in Case No. 2005-00291. This additional project will add approximately 15 new customers along Big Bone Church Road and approximately 8

¹ Case No. 2005-00291, Application of the County of Boone, Kentucky for Approval of a Certification of Public Convenience and Necessity for the Construction of a Public Water Distribution System in an Unserved Area of Southern and Western Boone County.

new customers along Snow Road at a cost of approximately \$173,577. This extension will be funded from existing contingency money or from internally generated funds. Plans for the proposed extension prepared by Tetra Tech, Inc. of Cincinnati, Ohio, were approved on September 21, 2006 by the Division of Water of the Environmental and Public Protection Cabinet.

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

1. Public convenience and necessity require that the requested additional construction proposed be performed and that a CPCN be granted.

2. The proposed additional construction consists of approximately 2,960 linear feet of 8-inch water transmission main and related appurtenances along Big Bone Church Road and approximately 1,890 linear feet of 8-inch water transmission main and related appurtenances along Snow Road in Boone County, Kentucky.

3. The County should notify the Commission prior to performing any additional construction not expressly authorized by this Order or the February 1, 2006 Order in Case No. 2005-00291.

4. Any deviation from the construction approved should be undertaken only with the prior approval of the Commission.

5. The County should 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.

6. The County should require construction to be inspected under the general supervision of a licensed professional engineer with a Kentucky licensure, 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.

IT IS THEREFORE ORDERED that:

1. The County is granted a CPCN to proceed with the proposed construction project consisting of approximately 4,850 linear feet of 8-inch water transmission main and related appurtenances as set forth in the drawings of record herein.

2. The County is authorized to use the proceeds from its loan of \$2,548,148 from the Kentucky Infrastructure Authority for the additional construction project.

3. The County shall comply with the requirements contained in Findings 3 through 6 as if the same were individually so ordered.

Done at Frankfort, Kentucky, this 12th day of December, 2006.

By the Commission

ATTEST:



Executive Director