

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE HARDIN COUNTY)	
WATER DISTRICT NO. 1 FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	CASE NO.
AND NECESSITY TO RENOVATE THE)	2008-00095
PIRTLE SPRING WATER TREATMENT)	
PLANT)	

O R D E R

Hardin County Water District No. 1 (“Hardin District”) has applied for a Certificate of Public Convenience and Necessity (“CPCN”) to construct a waterworks improvement project at an approximate total cost of \$5,635,960. Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. Hardin District proposes to renovate its Pirtle Spring Water Treatment Plant located at Cecilia, Kentucky in western Hardin County. This is Hardin District’s only water treatment plant, and it was constructed in 1982. The plant has a capacity of 3 million gallons per day (“mg/d”) and currently serves approximately 30,000 persons. Despite efforts to maintain and care for the existing plant, it is in disrepair, presents numerous safety hazards and operational difficulties, and the facilities are aging.

2. This reconstruction project consists of reusing the existing site, sludge lagoons, concrete clearwell, concrete foundations and walls, clarifiers, chlorine feed building, raw water pumps and pump building. The remaining structures will be demolished and rebuilt. Hardin District will construct a new facility on top of the existing concrete foundation and clearwell that will include a new control building, new chemical

feed and storage, new filters and backwash system, new shop, two water quality laboratories, new restrooms and break facilities, and new electric switchgear, pumps and motors. This equipment will be sized to handle 4.5 mg/d to accommodate future expansion of Hardin District's treatment capacity.

3. Due to the condition and age of Hardin District's existing facilities, the proposed construction is in the public interest and will provide for future growth within Hardin District's service area and allow Hardin District to continue to provide quality potable water to all customers.

4. Hardin District proposes to fund the project from \$5 million in approved grants administered through the Kentucky Infrastructure Authority and the remainder from internally generated funds.

5. HDR / Quest Engineers, Inc. of Lexington, Kentucky prepared the drawings and specifications for the proposed project.

6. By letter dated November 9, 2007, the Division of Water of the Kentucky Environmental and Public Protection Cabinet has approved the plans and specifications for the proposed project.

7. The public convenience and necessity require the construction of the proposed improvements.

IT IS THEREFORE ORDERED that:

1. Hardin District is granted a CPCN to construct a major renovation of its Pirtle Spring Water Treatment Plant as described in the findings above and as set forth in detail in its application.

2. Hardin District shall notify 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. Hardin 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.

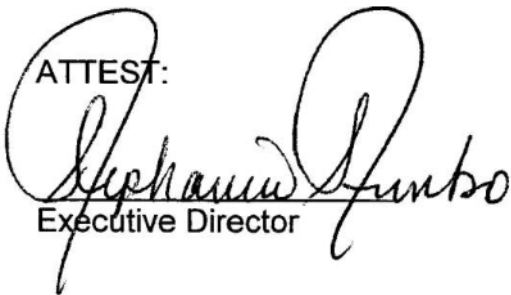
5. Hardin District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

6. Hardin District shall require the construction to be performed under the general supervision of a licensed professional engineer with a Kentucky registration in civil, electrical, 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.

Done at Frankfort, Kentucky, this 13th day of May, 2008.

By the Commission

ATTEST:


Executive Director

Case No. 2008-00095