

*Dorothy Jo Mastin*

*Attorney at Law*

433 Main Street  
Paris, Kentucky 40361

Office: 859-987-9995

July 2, 2010

Mr. ~~Jeff~~ Derouen, Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

RECEIVED

JUL 06 2010

PUBLIC SERVICE  
COMMISSION

Re: Harrison County Water Association, Inc.  
Application for Certificate of Public Convenience and Necessity  
Case No. 2010- 289

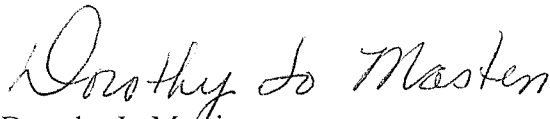
Dear Mr. Derouen:

Enclosed please find the Application of Convenience and Necessity (plus three copies) and the Certificate signed by HCWA President, William Robert Toadvine, to implement this newest water line construction and improvement project for HCWA. We expect to begin construction (with your approval) on or about August 1, 2010, and end on or about February 1, 2011.

If you or your staff have any questions or comments about this matter, please feel free to contact me at any of the numbers listed or contact Danny Northcutt, Manager of HCWA at 859-234-4284. Our engineer for this project is Mark Askin of Strand Engineers. He can be reached at 502-583-7020.

Thanks for your help and direction in this matter.

Sincerely,



Dorothy Jo Mastin  
Legal Counsel for Harrison Co. Water  
859-987-2145  
859-340-0118

djm

enc.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 06 2010

PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE HARRISON COUNTY )  
WATER ASSOCIATION, INC., OF HARRISON )  
COUNTY, KENTUCKY, FOR A CERTIFICATE OF )  
PUBLIC CONVENIENCE AND NECESSITY TO )  
CONSTRUCT AND FINANCE A PROJECT )

2010-00289  
NO. 10-\_\_\_\_\_

A P P L I C A T I O N

This Application of the Harrison County Water Association, Inc. (the "Applicant") of Harrison County, Kentucky, respectfully shows:

1. That Applicant is a water association of Harrison County, Kentucky, created and existing under and by virtue of Chapter 273 of the Kentucky Revised Statutes.

2. That the post office address of Applicant is:

Harrison County Water Association, Inc.  
Mr. Danny Northcutt, Manager  
P. O. Box 215  
Cynthiana, Kentucky 41031

3. That Applicant, pursuant to the provisions of KRS 278.020 and 278.023, seeks (I) a Certificate of Public Convenience and Necessity, permitting Applicant to construct a waterworks construction project, consisting of extensions, additions, and improvements (the "Project") to the existing waterworks system of Applicant; and (ii) approval of the proposed plan of financing said Project.

4. That the Project consists of the construction and installation of approximately 121,140 linear feet of 4-inch water mains, two booster pump stations. This will provide service to customers in Harrison County on Pughs Ferry Road, Havilandsville Road, Snake Lick Road, Lang Road, Rocky Ford Road, Durbintown Road, KY 1054, Wagner Lane, Stringtown-Webber Road, Martin Road, Spirito Road, Hughes Lane, Junction Pike, Moores/Ruddle Fort Road and Dryden Road.

5. That Applicant proposes to finance the construction of the Project through an RUS/Grant for \$1,180,000.00; HB 608 199N-2008 Grant through KIA for \$820,000.00; and HB 380 TDF-2007 Grant through KIA for \$59,213.21 totaling \$2,059,213.21.

6. That Applicant does not contemplate having the Project constructed with any deviation from minimum construction standards of this Public Service Commission.

7. That Applicant files herewith the following Exhibits pursuant to 807 KAR 5.069 in support of this Application:

A. Copy of RECD Letter of Conditions and the RUS agency approval letter (Grant Agreement).

B. Copy of RECD of Concurrence in Bid Award.

C. Copy of Preliminary and Final Engineering Reports.

D. Certified statement from the President of Applicant, based upon statements of the Engineers for Applicant, concerning the following:

- (1) The proposed plans and specifications for the project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5.066, Section 4(3-4), Section 5 (11), Section 6, Section 7, Section 8(1-3), Section 9(1), and Section 10;
- (2) All other state approvals or permits have already been obtained;
- (3) The current rates shall produce the total revenue requirements set out in the engineering reports; and
- (4) Setting out the dates when it is anticipated that construction will begin and end.

E. The Articles of Incorporation of this Applicant have been previously filed as have all amendments thereto in prior proceedings herein including the following actions: Nos. 5155, 6547, 7305, 8911, 9971, 95-342 and 99-409, 00-519 and 01-210.

F. Notice to the customers under this section is not required because there will be no rate increase due to this construction phase.

8. That the foregoing constitutes the documents necessary to obtain the approval of the Public Service Commission in accordance with Section 278.023 of the Kentucky Revised Statutes and in accordance with the "Minimum Filing Requirements" specified in 807 KAR 5:069, Section 3.

WHEREFORE, Applicant, Harrison County Water Association, Inc., asks that the Public Service Commission of the Commonwealth of Kentucky, grant to Applicant the following:

- a. A Certificate of Public Convenience and Necessity permitting Applicant to construct a waterworks project consisting of extensions, additions, and improvements to the existing waterworks system of Applicant.
- b. An Order approving the financing arrangements made by Applicant, viz., RUS/Grant for \$1,180,000.00; HB 608 199N-2008 Grant through KIA for \$820,000.00; and HB 380 TDF-2007 Grant through KIA for \$59,213.21 totaling \$2,059,213.21.

**HARRISON COUNTY WATER ASSOCIATION, INC.**

By: *William R Toadvine*  
William R. Toadvine  
President

**DOROTHY JO MASTIN**

Main Street  
Paris, Kentucky 40361

*Dorothy Jo Mastin*  
Attorney for Applicant

COMMONWEALTH OF KENTUCKY  
COUNTY OF HARRISON

The undersigned, William R. Toadvine, being duly sworn, deposes and states that he is the President of the Board of Directors of the Harrison County Water Association, Inc., Applicant, in the above proceedings; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, he believes same to be true.

IN TESTIMONY WHEREOF, witness the signature of the undersigned on this the 1<sup>st</sup> day of July, 2010.

*William R Toadvine*  
William R. Toadvine  
President

Subscribed and sworn to before me by William R. Toadvine,  
President of the Board of Directors, Harrison County Water  
Association, Inc., this the 1<sup>st</sup> day of July, 2010.

My commission expires:

4/10/14

Danny D. Matkewitz

Notary Public

ID 416573

**CERTIFICATE OF PRESIDENT OF HARRISON COUNTY WATER  
ASSOCIATION, INC., AS TO STATEMENT REQUIRED BY  
SECTION 3(2)(D) OF 807 KAR 5.069**

I, William R. Toadvine, hereby certify that I am the duly qualified and acting President of the Harrison County Water Association, Inc., and that said Association is in the process of arranging to finance the construction of extensions, additions and improvements to the existing waterworks system of the Association (the "Project"), in cooperation with the Engineers for the Association, Parrott, Ely & Hurt, Lexington, Kentucky.

Based on information furnished to me by said Engineers for the Association, I hereby certified as follows:

1. That the proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5.066 807 KAR 5.066, Section 4(3-4), Section 5 (11), Section 6, Section 7, Section 8(1-3), Section 9(1), and Section 10.

2. That all other state approvals and/or permits have already been obtained.

3. That the current rates shall produce the total revenue requirements set out in the engineering reports.

4. That it is now contemplated that construction of the Project will begin on or about Aug. 10, 2010, and will end on or about Feb. 1, 2011.

IN TESTIMONY WHEREOF, witness my signature this the 1<sup>st</sup> day of July, 2010.

William R. Toadvine  
William R. Toadvine

Subscribed and sworn to before me by William R. Toadvine, President, Harrison County Water Association, Inc., this the 1<sup>st</sup> day of July, 2010.

My commission expires:  
4/10/14

Danny D. Northcutt  
Notary Public  
ID 416573