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DAMON R. TALLEY

ATTORNEY AT LAW

September 17, 2010

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
PO Box 615  
Frankfort, KY 40602

**RECEIVED**

SEP 21 2010

PUBLIC SERVICE  
COMMISSION

RE: Case No. 2010-00354  
Green River Valley Water District

Dear Mr. Derouen:

Enclosed are the original and ten (10) copies of the Amended Application of the Green River Valley Water District.

Yours truly,

DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY, ATTORNEY FOR  
GREEN RIVER VALLEY WATER DISTRICT

DRT:ms

Enclosures

cc: David Paige, General Manager, GRVWD

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

THE APPLICATION OF GREEN RIVER VALLEY	)
WATER DISTRICT, HART AND BARREN	)
COUNTIES, KENTUCKY, (1) SEEKING APPROVAL	)
OF REVISED WATER SERVICE RATES AND	)
CHARGES; AND (2) SEEKING APPROVAL OF THE	)
ISSUANCE OF CERTAIN SECURITIES, PURSUANT	)
TO THE PROVISIONS OF KRS 278.023 AND 807	)
KAR 5:069.	)

CASE NO.  
2010- 00354

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**AMENDED APPLICATION**

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The Applicant, **GREEN RIVER VALLEY WATER DISTRICT**, (the “District”), by Counsel, amends its Application as follows:

1. The purpose of this Amended Application is: (a) to provide information which will assist the staff of the Public Service Commission (“Commission”) in its review of this matter; (b) to more fully describe the Project; and (c) to request the Commission to issue a Certificate of Public Convenience and Necessity for the two (2) construction contracts for which the Commission has not already granted a Certificate of Public Convenience and Necessity.

2. Paragraph 4 of the Application is amended to read as follows:

The Project consists of the construction and installation of the following water system improvements:

- A. A 1,000,000 gallon ground-level water storage tank and approximately 75,640 linear feet of 16-inch diameter, 1,650 linear feet of 12-inch diameter, and 800 linear feet of 8-inch diameter PVC pipe and related appurtenances (the “2009 Construction Contracts”);
- B. A 500,000 gallon concrete clearwell, backwash pump, high service pumps and related appurtenances (the “Clearwell Contract”). The new clearwell will replace two (2) existing steel clearwells; and
- C. Approximately 75,000 linear feet of 4-inch and 3-inch diameter PVC pipe and related appurtenances (the “Water Lines Contract”).

3. The Project is more fully described in plans, specifications, contract documents and reports prepared on behalf of the District by Water Management Services, LLC, Nashville, Tennessee (the “Engineers”) and previously filed with the Commission.

4. In Case No. 2009-00162 (see Order dated August 26, 2009), the Commission granted the District a Certificate of Public Convenience and Necessity to construct a 1,000,000 gallon ground-level water storage tank and approximately 75,640 linear feet of 16-inch diameter, 1,650 linear feet of 12-inch diameter, and 800 linear feet of 8-inch diameter PVC pipe and related appurtenances (the “2009 Construction Contracts”). The total estimated cost of the 2009 Construction Contracts was **\$4,067,193**, including construction costs, engineering and inspection fees and contingencies.

5. The 2009 Construction Contracts were awarded following the Commission's August 26, 2009 Order and construction of that portion of the Project is nearing completion.

6. The District is now seeking a Certificate of Public Convenience and Necessity to construct the remainder of the Project, which consists of the following:

- A. A 500,000 gallon concrete clearwell, backwash pump, high service pumps and related appurtenances (the "Clearwell Contract"); and
- B. Approximately 75,000 linear feet of 4-inch and 3-inch diameter PVC pipe and related appurtenances (the "Water Lines Contract").

7. The Clearwell Contract and the Water Lines Contract are more fully described in plans, specifications, contract documents and reports prepared on behalf of the District by the Engineers and previously filed with the Commission.

8. The District has solicited competitive bids according to law through public advertising for the construction of the Clearwell Contract and the Water Lines Contract portion of the Project; has received, opened and considered the construction bids; and has reviewed data prepared by the Engineers with respect thereto. In addition, the United States Department of Agriculture, Rural Development (the "USDA-RD") has reviewed the bids and has approved the District's proposed award of the best bids as evidenced by the Letter of Concurrence in Bid Award dated June 30, 2010 and filed as **EXHIBIT 2** to the original Application filed in this proceeding (Case No. 2010-00354).

9. A cost summary of the Clearwell Contract and the Water Lines Contract, based on the low construction bids received, is set forth below:

**Clearwell Contract**

Construction	\$ 1,545,250	
Engineering Design	101,315	
Contract Monitoring Services	25,329	
Engineering Inspection	78,109	
Contingency	<u>105,918</u>	
Total Cost For Clearwell		\$ 1,855,921

**Water Lines Contract**

Construction	\$ 595,000	
Engineering Design	46,450	
Contract Monitoring Services	11,613	
Engineering Inspection	40,639	
Contingencies	<u>40,782</u>	
Total Cost For Water Lines		<u>\$ 734,484</u>

**TOTAL CLEARWELL & WATER LINES \$ 2,590,405**

10. The Final Engineering Report, which is attached as **EXHIBIT 5** to the Application in Case No. 2010-00354, itemizes the total estimated Project cost as **\$6,840,869**.

11. The following table summarizes the Total Project Cost and reconciles it with the Final Engineering Report.

**TOTAL PROJECT COST SUMMARY**

<b>DESCRIPTION</b>	<b>COST</b>
1. Tank and Water Transmission Mains (CPCN Granted in Case No. 2009-00162)	\$4,067,193
2. Clearwell and Water Lines (For which CPCN is requested in this case)	2,590,405
3. Interest During Construction (For Entire Project)	<u>183,271</u>
<b>TOTAL PROJECT COST</b>	<b>\$ 6,840,869</b>

12. Any and all provisions of the District's original Application which are inconsistent with this Amended Application are hereby amended, modified or deleted, as appropriate.

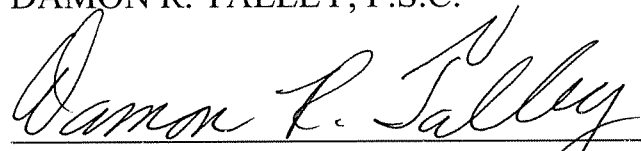
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WHEREFORE, the Applicant, Green River Valley Water District, pursuant to KRS 278.023, respectfully requests the Public Service Commission of Kentucky to take the following actions:

- A. Issue a Certificate of Public Convenience and Necessity to construct the Clearwell Contract and Water Lines Contract portion of the Project as proposed and described in this Amended Application;
- B. Incorporate by reference the records in Cases No. 2009-00162 (the CPCN Case) and 2009-00455 (the Rate Case) into the record in this proceeding;
- C. Grant the District a deviation, to the extent necessary, from the strict requirements of 807 KAR 5:069, Section 2, which requires the notice to customers to contain a brief description of the construction project;
- D. Issue an Order approving the proposed plan of financing which consists of the issuance of \$3,200,000 Green River Valley Water District Waterworks Revenue Bonds, Taxable Series 2010 (Build America Bonds – Direct Payment to Issuer);
- E. Issue an Order approving the proposed schedule of water service rates and charges as set forth in the Letter of Conditions attached as **EXHIBIT 1** to the original Application in this case; and
- F. Grant the District any and all other proper relief.

This 17<sup>th</sup> day of September, 2010.

Respectfully submitted;  
DAMON R. TALLEY, P.S.C.



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