

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GAINSBORO UTILITIES,)
INC., FOR AUTHORITY TO ACQUIRE THE)
ASSETS OF NETTLECREEK TREATMENT PLANT,)
INC., IN JEFFERSON COUNTY, KENTUCKY;) CASE NO. 9470
AUTHORITY TO BORROW THE NECESSARY)
FUNDS TO FINANCE PURCHASE AND A)
PETITION FOR AN ADJUSTMENT OF THE)
RATES CHARGED CUSTOMERS)

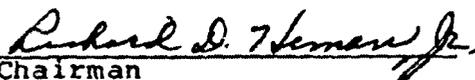
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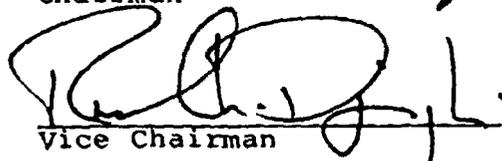
On August 7, 1986, the Commission issued its Final Order in this proceeding. A provision of that Order was that the routine maintenance expense for Gainsboro Utilities, Inc., ("Gainsboro") be limited to the amount in effect at the time of its last rate proceeding pending the final disposition of Case No. 9101, The Application of Enviro Utilities, Inc., for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities. Case No. 9101 was established as a generic proceeding to investigate the reasonableness of the affiliated party, routine maintenance contracts of utilities owned by Carroll Cogan. The August 7, 1986, Order in this proceeding further provided that if, upon final disposition of Case No. 9101, amounts greater than the fee allowed in Gainsboro's most recent case were found to be reasonable, the Commission would make appropriate adjustments to reflect recovery of the current contract amount.

On August 12, 1986, the Commission issued its Final Order in Case No. 9101. Inasmuch as that Order found that increases in the fee for routine maintenance were not justified for rate-making purposes, the Commission hereby affirms its treatment of routine maintenance in its Order dated August 7, 1986, and therefore, no adjustments to the revenue levels granted therein are necessary.

Done at Frankfort, Kentucky, this 28th day of August, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director