

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BLACK MOUNTAIN UTILITY     )  
DISTRICT AND GREEN HILLS WATER DISTRICT    ) CASE NO. 2012-00095  
FOR MERGER PURSUANT TO KRS 74.363         )

ORDER

On March 14, 2012, Black Mountain Water District and Green Hills Water District applied pursuant to KRS 74.363<sup>1</sup> for Commission approval of their proposed merger. To the extent that KRS 278.020(6) applies to the proposed transaction,<sup>2</sup> it requires the Commission to reach a final decision on the proposed merger within 60 days of the filing of the application unless it is necessary, for good cause shown, to continue the application. If good cause for an extension exists, the Commission may extend the review period for an additional 60 days.

The Commission has carefully reviewed the record in this proceeding and finds that it will need additional information before it can render a final decision in this matter. Therefore, pursuant to KRS 278.020, the Commission concludes that good cause exists to extend the review period to 120 days.

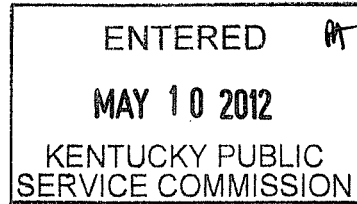
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<sup>1</sup> KRS 74.363(1) provides: "Boards of commissioners of any two (2) or more water districts may by concurrent action and by approval of a majority of the membership of the board of each merge their districts into one (1)." While KRS 74.363 does not expressly require Commission approval of the merger of water districts, KRS 74.363(2), which establishes membership of the merged water district's board of commissioners for "one (1) year after approval of the merger by the Public Service Commission," impliedly assumes that Commission approval is required.

<sup>2</sup> See Case No. 2007-00496, *Joint Application of Consumers Water District, Fancy Farm Water District, Hardeman Water District, and South Graves Water District for Approval of Merger and Formation of the Graves County Water District* (Ky. PSC May 21, 2008) at 9 n. 30 (stating that KRS 278.020(6) is not applicable to water district mergers).

The Commission, having been sufficiently advised, HEREBY ORDERS that the period for reviewing the proposed merger is extended to 120 days.

By the Commission



ATTEST:

Stephanie Bell for Jeff Derow  
Executive Director

Case No. 2012-00095

Honorable Sidney B Douglass  
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