

COMMONWEALTH OF KENTUCKY

BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

THE JOINT APPLICATION AND)
PETITION OF THE CITY OF)
EDMONTON, KENTUCKY, A CITY)
OF THE FIFTH CLASS, AND)
SUMMER SHADE WATER DISTRICT,)
A WATER DISTRICT ORGANIZED)
UNDER CHAPTER 74 OF THE)
KENTUCKY REVISED STATUTES,)
BOTH OF METCALFE COUNTY,) CASE NO. 7968
KENTUCKY, FOR (1) THE)
APPROVAL OF THE COMMISSION)
OF THE MERGER OF SAID DISTRICT)
INTO SAID CITY; AND (2) THE)
APPROVAL OF THE DISSOLUTION)
OF SAID WATER DISTRICT)

ORDER

On September 15, 1980, the City of Edmonton, Kentucky, a city of the fifth class, hereinafter referred to as "City", and Summer Shade Water District, a water district organized under Chapter 74 of the Kentucky Revised Statutes, hereinafter referred to as "District", both of Metcalfe County, Kentucky, respectfully filed a Joint Application and Petition with attachments thereto seeking approval of the merger of said District into said City and the approval of the dissolution of said District pursuant to a "Merger Agreement" made and entered into on July 14, 1980, by and between the two parties. The said Merger Agreement set terms and conditions both for the merger if approved or the continuation as two independent political subdivisions if approval was not granted.

This matter was set for public hearing at the Commission's offices in Frankfort, Kentucky, on October 28, 1980. All parties of interest were notified and no protests were entered. At the hearing, certain requests for additional information were made by the Commission Staff. All information has been filed and this matter is now considered to be fully submitted for final determination by the Commission.

FINDINGS IN THIS MATTER

The Commission, after consideration of the evidence of record and being advised, is of the opinion and so finds:

1. That it is in the public interest that the District merge into the City in that certain economies may be realized in the management, operation and maintenance of a merged system and that the District may merge into the City pursuant to provisions of Section 74.361 (10) of the Kentucky Revised Statutes.

2. That the City is ready, willing and able to provide adequate and proper service to the customers presently served by the District and that it will continue to employ such persons as are knowledgeable and experienced for the proper and efficient operation of the water distribution system.

3. That the terms and conditions of the Merger Agreement made and entered into on July 14, 1980, by and between the City and the District should be approved.

4. That the City by an ordinance dated July 7, 1980, passed and adopted the Summer Shade rate structure currently on file with the Commission for customers residing outside city limits.

5. That since municipally owned utilities are not subject to the regulatory jurisdiction of this Commission, consummation of the merger sought herein will result in termination of this Commission's jurisdiction over the facilities acquired by the City.

6. That the District should file with this Commission its financial statements as of the effective date of the proposed merger and the journal entries necessary to complete the merger.

ORDERS IN THIS MATTER

The Commission, on the basis of the findings hereinbefore set forth and the evidence of record in this matter:

HEREBY ORDERS that the terms and conditions of the Merger Agreement, as attached to the Joint Application and Petition, made and entered into on July 14, 1980, by and between the City and the District be and is hereby approved.

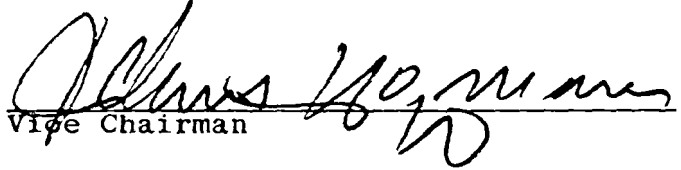
IT IS FURTHER ORDERED that upon consummation of the merger approved herein the regulatory jurisdiction of this Commission concerning the Summer Shade Water District shall cease.

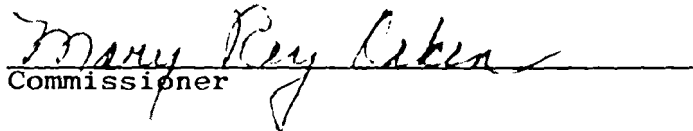
IT IS FURTHER ORDERED that the District shall file with this Commission within thirty (30) days of the consummation of the merger its financial statements as of the effective date of the merger and the journal entries necessary to complete the merger.

Done at Frankfort, Kentucky, this the 21st day of November, 1980.

UTILITY REGULATORY COMMISSION

Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary