

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE JOINT APPLICATION AND PETITION )  
OF COUNTY WIDE RENTALS, INC., AND )  
MULBERRY ENTERPRISES, INC., BOTH )  
CORPORATIONS OF FRANKFORT, FRANKLIN )  
COUNTY, KENTUCKY, FOR THE SALE BY )  
COUNTY WIDE RENTALS, INC., OF THE ) CASE NO. 8408  
THREE SEWAGE TREATMENT PLANTS WHICH )  
COUNTY WIDE RENTALS, INC., OPERATES )  
IN THE FARMGATE, MEADOWBROOK, AND )  
EDGEWOOD ESTATES SUBDIVISIONS IN )  
FRANKLIN COUNTY, KENTUCKY )

O R D E R

On December 14, 1981, County Wide Rentals, Inc., ("County Wide") filed a joint application with Mulberry Enterprises, Inc., ("Mulberry") petitioning the Commission to allow the sale by County Wide to Mulberry of the three sewage treatment plants that it operates in the Farmgate, Meadowbrook, and Edgewood Estates Subdivisions in Frankfort, Kentucky, for \$25,000. This order allows the proposed sale.

In order to determine the reasonableness of the proposed sale, the Commission held a public hearing at its offices in Frankfort, Kentucky, on February 17, 1982. Several requests for additional information were made at the hearing and with this information being submitted, the Commission has determined that this matter is now ready for final determination. There were no intervenors present or participating in this matter.

### Summary

The Commission, after examining the record and being advised, is of the opinion and finds that:

(1) A written sales contract was made and entered into by and between County Wide, Mulberry and Roy and Elois Peach on December 21, 1981, in which County Wide agreed to sell and Mulberry to buy the right, title and interest in the sewer plants located in Edgewood Estates Subdivision, Meadowbrook Subdivision and Farmgate Subdivision as set out in the sales agreement.

(2) Mulberry is ready, willing and able to provide adequate sewage service to the customers presently being served by County Wide.

(3) The sale of the sewage systems to Mulberry will have no effect on the rates of the customers of the sewage systems.

(4) The existing rates and tariffs of the sewage systems should be adopted by Mulberry.

(5) County Wide has been filing one annual report for the combined operations of the sewage systems.

(6) County Wide recovered the cost of two of the three sewage systems through the sale of lots.

(7) The purchase price that Mulberry is paying for the sewage systems includes an allowance for payment in excess of the original cost of the systems which, under the Uniform System of Accounts for Sewer Utilities, is an acquisition

adjustment and may or may not be considered by this Commission in future rate proceedings.

(8) Mulberry does not have a valid third-party beneficiary agreement.

(9) County Wide should file with this Commission its closing journal entries upon the transfer of the assets described in the "Contract and Bill of Sale" entered into by County Wide and Mulberry and that Mulberry should file its corresponding opening entries.

(10) Mulberry should file its annual reports for the sewage systems herein described in such manner as to distinguish and separate the operations of the sewage systems.

(11) Mulberry should file, within 30 days of the date of this order, its tariff sheets setting forth its rates and rules and regulations of operations.

IT IS HEREBY ORDERED that Mulberry be and hereby is authorized to purchase the three sewer systems operated by County Wide at the Farmgate, Meadowbrook and Edgewood Estates Subdivisions in accordance with the terms set forth in the Contract and Bill of Sale dated December 21, 1981.

IT IS FURTHER ORDERED that the existing rates, tariffs and regulations of the above-mentioned sewer systems filed by County Wide with this Commission shall be adopted by Mulberry.

IT IS FURTHER ORDERED that Mulberry shall file with this Commission, within 30 days of the date of this order, its tariff sheets setting forth its rates and all rules and regulations authorized herein.

IT IS FURTHER ORDERED that upon the transfer of the assets described herein, County Wide shall provide its closing journal entries and Mulberry its corresponding opening journal entries.

IT IS FURTHER ORDERED that within 30 days of the date of this order, Mulberry shall file with the Commission a valid third-party beneficiary agreement.

Done at Frankfort, Kentucky, this 20th day of April, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Vohr  
Chairman

Katherine Baudell  
Vice Chairman

Derm Corrigan  
Commissioner

ATTEST:

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Secretary