COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LYON COUNTY WATER DISTRICT, LYON COUNTY, KENTUCKY [1] FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING SAID DISTRICT TO CONSTRUCT MAJOR IMPROVEMENTS AND EXTENSIONS TO ITS EXISTING MUNICIPAL WATER DISTRIBUTION SYSTEM PURSUANT TO THE PROVISIONS OF CHAPTER 74 OF THE KENTUCKY REVISED STATUTES; AND [2] SEEKING APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES; AND [3] FOR AN ADJUSTMENT OF RATES; AND [4] APPROVAL TO PURCHASE LAKE BARKLEY WATER SYSTEM, INC.

CASE NO. 9120

ORDER

IT IS ORDERED that Lyon County Water District ("Lyon") shall file an original and ten copies of the following information with the Commission, with a copy to all parties of record, within 3 weeks of this Order. If neither the requested information nor a motion for extension is filed by the stated date, the Commission may dismiss the case without prejudice.

- 1. The following are in reference to the purchase of Lake Barkley Water System:
 - a. Provide documentation to support the original cost of the system of \$140,305.

- b. Provide Lake Barkley's depreciation schedule and the present total of Accumulated Depreciation that is presently recorded.
- c. Provide documentation of the calculation of labor incident to the original construction of the Lake Barkley Water System in the amount of \$35,000.
- d. How was the purchase price of \$149,765 determined?
- 2. Since Lake Barkley Water System Customers purchased a share of stock for approximately \$300 in order to be connected to the system, why should they pay to be connected to the Lyon County System?

Done at Frankfort, Kentucky, this 30th day of July, 1985.

PUBLIC SERVICE COMMISSION

Rechard D. Heman f

ATTEST: