

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO THE OPERATING)
STATUS OF FRANKLIN DEVELOPMENT) CASE NO. 10352
COMPANY, INC.)

O R D E R

On June 10, 1983, Franklin Development Company, Inc. ("Franklin") filed a letter advising the Commission that the City of Madisonville was in the process of connecting the municipal sewer system to the Franklin system serving the residents of Oak Hill subdivision. On July 5, 1984, the Commission Staff conducted a field investigation which confirmed the fact that the system had been transferred from Franklin to the City of Madisonville. The Commission records reflect that the transfer by Franklin was done without the Commission's approval in violation of KRS 278.020(4). On January 25, 1987, Franklin requested that it be deleted from the Commission's records as a public utility.

After consideration of the record, the Commission FINDS that

(1) This case should be established to recognize the City of Madisonville as the operator of the former Franklin Development Company, Inc. While Franklin Development Company, Inc. failed to submit an application requesting Commission approval of the transfer pursuant to KRS 278.020(4), Commission Staff has determined that the transfer occurred in March, 1984.

(2) Based upon the fact that the transfer has occurred and the City of Madisonville has been operating the system for approximately 4 1/2 years, no action should be taken for Franklin Development Company, Inc.'s failure to obtain Commission approval.

(3) The City of Madisonville sewage operation, as a municipal utility, is specifically exempted from Commission jurisdiction under KRS 278.010.

(4) Franklin Development Company, Inc. should be removed from the Commission's records as an operating public utility.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 18th day of August, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

EXECUTIVE DIRECTOR