COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF THE CITY OF) HILLVIEW, KENTUCKY TO PURCHASE, OWN) AND OPERATE THE BULLITT HILLS AND) THE HUNTERS HOLLOW SEWER SYSTEMS) CASE NO. 10465 AND FOR BULLITT UTILITIES, INC. TO) SELL THESE ASSETS TO THE CITY OF) HILLVIEW)

ORDER

On November 4, 1988, the city of Hillview ("Hillview"), a fourth class city located in Bullitt County, Kentucky and Bullitt Hills Sewer System, Inc. ("Bullitt Hills"), a privately owned sewer utility, filed a joint application for approval of the sale of Bullitt Hills' assets to Hillview. The terms of the sale are set forth in the letter of Agreement to purchase executed by Hillview and dated October 19, 1988 and the letter of Acceptance executed by Bullitt Hills on October 27, 1988.

The Commission has reviewed the Agreement and the Acceptance as well as the financial, technical, and managerial abilities of Hillview and is of the opinion and finds that Hillview is ready, willing, and able to own and operate the Bullitt Hills system. Hillview has proposed to contract with a qualified company for the supervision of daily operation and maintenance until such time as the city can engage and train certified operating personnel. The Commission is also of the opinion and finds that Hillview is financially capable of providing adequate and reliable service to the customers presently served by Bullitt Hills.

IT IS THEREFORE ORDERED that:

1. The sale of the assets of Bullitt Hills Sewer System, Inc. be and it hereby is approved.

2. Bullitt Hills shall be responsible for filing the annual report with the Commission for the portion of 1988 in which it operated its system.

Done at Frankfort, Kentucky, this 9th day of December, 1988.

PUBLIC SERVICE COMMISSION

Chairman

M Williams L

ATTEST:

Executive Director