

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GARRARD COUNTY WATER
ASSOCIATION, INC.

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)

CASE NO.
89-187

O R D E R

On January 9, 1990, a hearing was held before the Commission in this proceeding. The Commission issued its decision by Order dated April 6, 1990. This Order addresses procedural motions which were subsequently filed.

PETITION FOR REHEARING

On April 26, 1990, Garrard County Water Association ("Garrard County") filed a petition for rehearing with respect to certain of the findings and directives of the Commission's Order of April 6, 1990. Specifically, Garrard County seeks reconsideration of the Commission's Order that James Laughlin be refunded the cost of a pressure-reducing station installed by Laughlin for \$3,453, and that Donald Hensley be refunded the material cost difference between 6-inch pipe and 4-inch pipe.

The Commission finds that Garrard County's petition for rehearing should be granted. Inasmuch as James Laughlin and Donald Hensley have a direct interest in the issues to be heard on rehearing, the Commission further finds that James Laughlin and Donald Hensley should be made parties to this action.

MOTION TO INTERVENE AND
FOR CLARIFICATION OF ORDER

On May 4, 1990, IMCO Development ("IMCO"), the original complainant in this action, moved the Commission for permission to intervene in this proceeding. IMCO further moved for clarification of the Commission's Order of April 6, 1990 insofar as Garrard County was ordered by the Commission to refund the principal sum (\$8,250) of the cash impact fee paid by IMCO, but was not specifically ordered to refund interest earned on that amount by Garrard County since April 13, 1989, the date of payment. IMCO requested the Commission to clarify its Order to reflect that it should be refunded the principal sum of \$8,250 plus interest earned on that amount from April 13, 1989 to the date of refund if refund is made within the 30 days prescribed by the Order. If the refund is not made within the 30 days prescribed by the Order, IMCO requested that interest on the principal sum be paid at the legal rate of 12 percent per annum from May 9, 1990 until refund is made in full.

This Commission finds that IMCO has a special interest in this proceeding which is not otherwise adequately represented and that it should be granted full intervention.

On May 7, 1990, Garrard County filed documentation with the Commission indicating that it has refunded the cash impact fees paid by IMCO, Delbert Hensley, and James Laughlin. The Commission finds that its Order of April 6, 1990 should be clarified to direct that those refunds should include interest accrued on the principal amounts from the date of payment to date of refund.

IT IS THEREFORE ORDERED that:

1. Garrard County's petition for rehearing be and it hereby is granted. The hearing shall be held on June 19, 1990 at 10:00 a.m., Eastern Daylight Time, in the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

2. The rehearing shall be limited to the issues raised by Garrard County in its petition for rehearing; to the issue of the amount of impact fee paid by James Laughlin and Donald Hensley; and to the issue of interest to be paid in conjunction with the refund, if ordered, of the impact fees paid by James Laughlin and Donald Hensley.

3. Donald Hensley and James Laughlin are hereby made parties to this proceeding.

4. IMCO's motion to intervene be and it hereby is granted.

5. The Commission's Order of April 6, 1990 be and it hereby is clarified as follows: Within 30 days of the date of this Order, Garrard County shall refund to IMCO, Delbert Hensley, and James Laughlin an amount equal to the interest which accrued on the principal amounts of the respective impact fees while on deposit in the escrow account at Hilliard Lyons.

Done at Frankfort, Kentucky, this 16th day of May, 1990.

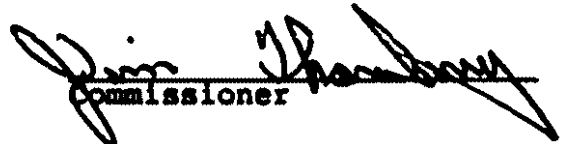
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner