

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF B & H INC., FOR)	
A DEVIATION FROM THE REQUIREMENTS OF)	CASE NO. 92-464
807 KAR 5:071, SECTION 3(1)(A))	

O R D E R

By letter received October 26, 1992, B & H Inc. ("B & H") requested a deviation from Commission Regulation 807 KAR 5:071, Section 3(1)(a), which provides for a copy of a third-party beneficiary agreement guaranteeing the continued operation of the sewage treatment facilities or other evidence of financial integrity such as will ensure the continuity of sewage service.

The Commission, having reviewed the letter and being otherwise sufficiently advised, finds that:

1. On June 5, 1969, a Trust was created between State Bank and Trust Company (currently Bank One) and B & H.

2. B & H has petitioned the Madison County Circuit Court to terminate the existing Trust so that the funds can be used to make repairs to the sewage system and pay off debts incurred by B & H.

3. Although no third-party beneficiary agreement exists between B & H and Bank One, the Trust functioned as an adequate substitute since 1969.

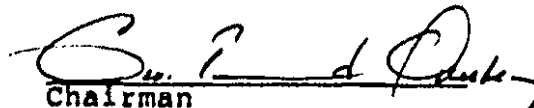
4. B & H is currently in good standing with the Commission.

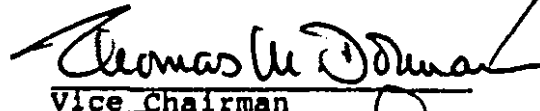
5. For good cause shown, B & H should be permitted to deviate from Commission Regulation 807 KAR 5:071, Section 3(1)(a).

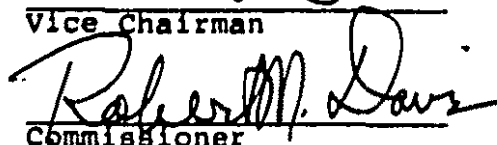
IT IS THEREFORE ORDERED that B & H's request for deviation
from 807 KAR 5:071, Section 3(1)(a), be and it hereby is granted.

Done at Frankfort, Kentucky, this 6th day of November, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director