

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF ARTHUR E. ABSHIRE )  
FOR THE TRANSFER OF ALL OUTSTANDING ) CASE NO.  
SHARES OF FERN LAKE COMPANY TO JOHN ) 93-012  
ASHER, LARRY ASHER, AND GARY ASHER )

O R D E R

On January 7, 1993, Arthur E. Abshire, president of Fern Lake Company ("Fern Lake") applied for Commission approval to transfer all 1300 outstanding shares of Fern Lake stock to Appolo Fuels, Inc. ("Appolo") and the subsequent assignment of the shares to John Asher, Larry Asher, and Gary Asher ("the Ashers").

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. KRS 278.020 requires Commission approval of the proposed transfer of the outstanding shares of Fern Lake.
2. Arthur E. Abshire currently owns all 1300 outstanding shares of Fern Lake which supplies water at wholesale to Aqua/KWS, Inc.
3. By contract dated December 18, 1992, Arthur E. Abshire agreed to transfer all 1300 outstanding shares of Fern Lake to Appolo for the sum of \$880,000.
4. The Ashers formed Appolo in 1972. Gary Asher is the current president.

5. The Contract provides that consummation of the contract is contingent upon the approval without modification by the U.S. Bankruptcy Court and the Commission.

6. The contract provides that Appolo shall assign its rights to purchase the 1300 shares under the contract to the Ashers.

7. Appolo has executed an Assignment of Contract whereby it absolutely and unconditionally assigns, transfers and conveys to the Ashers all of its rights, interest and estate under the contract.

8. The Ashers are seasoned businessmen with substantial financial resources.

9. As of December 31, 1991, the net worth of Gary Asher was \$7,557,250 and the net worth of Larry Asher was \$7,456,250.

10. The Ashers will continue to employ Dennis W. Lynch, the current manager of Fern Lake, to operate and manage the utility.

11. The Ashers have the managerial, technical, and financial abilities to provide reasonable service.

12. The proposed transfer is made in accordance with law, is for a proper purpose and is consistent with the public interest.

IT IS THEREFORE ORDERED that:

1. The proposed transfer of outstanding shares of Fern Lake per the terms of the Contract and Assignment of Contract is approved.

2. The Ashers shall give written notice to the Commission within 10 days of the closing of the proposed transfer.

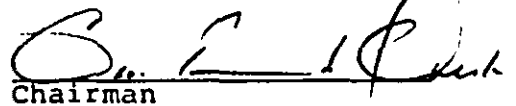
3. In the event the transfer does not occur, the Ashers shall immediately notify the Commission in writing that they will not be assuming the 1300 outstanding shares of Fern Lake.

4. If formal closing does not occur before May 1, 1993, the Ashers shall advise the Commission in writing of the current status of the proposed transfer and the expected date of the stock transfer.

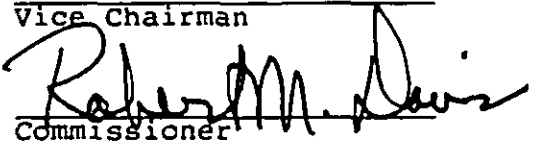
5. The Ashers shall file with the Commission the Adoption Notice required by 807 KAR 5:011 within 20 days of the date of closing.

Done at Frankfort, Kentucky, this 20th day of January, 1993.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director