

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CROSS CREEK)	
SANITARY, INC. FOR AUTHORITY TO)	
ASSUME OPERATION AND MANAGEMENT OF)	
THE SEWAGE TREATMENT PLANT LOCATED)	
AT THE CROSS CREEK SUBDIVISION,)	CASE NO. 95-206
STAFFORDSVILLE, JOHNSON COUNTY,)	
KENTUCKY CURRENTLY OPERATED AND)	
MANAGED BY STAFFORDSVILLE SANITARY)	
SYSTEMS, INC.)	

O R D E R

Cross Creek Sanitary, Inc. ("Cross Creek Sanitary") has applied for Commission approval of its proposed acquisition of the sewage treatment facilities of Staffordsville Sanitary Systems, Inc. ("Staffordsville").

Having considered the application and being otherwise sufficiently advised, the Commission finds that:

1. Staffordsville is a Kentucky corporation which owns the subdivision treatment facility plant providing service for compensation to the residents of the Cross Creek Subdivision of Johnson County, Kentucky.

2. Cross Creek Sanitary is a non-stock, non-profit corporation organized under the provisions of KRS Chapter 273 and which is composed of owners of real property in the Cross Creek Subdivision.

3. The members of Cross Creek Sanitary depend upon Staffordsville's sewage treatment facilities for sewer service. No

other public or private sewage treatment facility provides sewage treatment service to the Cross Creek Subdivision.

4. Staffordville has agreed to transfer its sewage treatment facilities to Cross Creek Sanitary.

5. Cross Creek Sanitary has retained a certified wastewater treatment plant operator to operate the sewage treatment facilities.

6. The members of Cross Creek Sanitary are served by Staffordville's sewage treatment facilities and have a significant financial interest in their maintenance and operation. Given this interest, Cross Creek Sanitary should not be required to present a third party beneficiary agreement as required by 807 KAR 5:071, Section 3(1)(a).

7. Cross Creek Sanitary has the financial, managerial, and technical abilities to provide reasonable utility service to the persons who currently are served by the Staffordville sewage treatment facilities.

IT IS THEREFORE ORDERED that:

1. The transfer of Staffordville's sewage treatment facilities to Cross Creek Sanitary is approved.

2. Within 30 days of the transfer of legal title, Cross Creek Sanitary shall notify the Commission of that event.

3. Within 30 days of the transfer of legal title, Cross Creek Sanitary shall file with the Commission the journal entries recording the transfer of title.

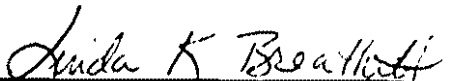
4. Staffordsville shall file an annual report for 1995 which reflects its operations until the transfer of its sewage treatment facilities to Cross Creek Sanitary.

Done at Frankfort, Kentucky, this 2nd day of August, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director