

COMMONWEALTH OF KENTUCKY  
BEFORE THE UTILITY REGULATORY COMMISSION

In the Matter of:

THE APPLICATION OF DOE VALLEY UTILITIES, )	
INC., A KENTUCKY CORPORATION, FOR AN )	
ORDER PURSUANT TO CHAPTER 278 OF THE )	
KENTUCKY REVISED STATUTES FOR A CER- )	
TIFICATE OF APPROVAL OF CONSTRUCTION )	CASE NO. 7487
PERMIT AUTHORIZING AND PERMITTING SAID )	
APPLICANT TO CONSTRUCT ADDITIONAL WASTE )	
WATER TREATMENT FACILITIES AND WATER )	
LINE AND SANITARY SEWER COLLECTION )	
TO SERVICE THE RESIDENTS OF THE DOE )	
VALLEY SUBDIVISION )	
PETITION FOR REHEARING )	

O R D E R

This Order is entered in response to the Petition for Rehearing filed August 21, 1980 by the Utility (Doe Valley Utilities, Inc.) and the September 17, 1980 hearing at which additional evidence and testimony were presented by the Utility.

Certain matters included in the Commission's Order entered August 1, 1980, are supplemented and revised herein. Said Order was entered in response to the Application of the Utility filed June 11, 1979, and the July 24, 1979 hearing in response thereto. All matters set forth in the Order entered August 1, 1980, not specifically addressed and modified herein shall remain in full force and effect.

The evidentiary record of the Petition for Rehearing is now considered to be fully submitted for the Commission's final determination of the matters included therein.

FINDINGS IN THIS MATTER

The Commission, after consideration of the Utility's Petition for Rehearing, reconsideration of certain aspects of the Order entered August 1, 1980, the additional evidence and testimony presented at the September 17, 1980 hearing, and being advised is of the opinion and FINDS:

1. The Utility challenged the Commission's description of the method of financing the project cost. The Commission, after consideration of evidence regarding the escrow account, finds that the escrow account was created by a Third Party Agreement to be held by the developer, Doe Valley, Inc., and to be paid over to Doe Valley Utilities for expansion of the treatment plant.

2. The Utility challenged the inadvertent error concerning the Commission finding with regard to the Utility's planned recoupment of the project cost by means of an apportionment of costs in the sales price of the lots within Doe Valley. In actuality, the Commission now finds that the developer, Doe Valley, Inc., will recoup the entire cost of the collection system from the lot purchaser, out of the proceeds from the sale of said lots to be paid to the developer, Doe Valley, Inc.

3. The Utility challenged the Commission's finding concerning the collection of sewer connection fees. The Commission, after consideration of evidence regarding the collection of said fees, finds that the developer, Doe Valley, Inc., and not the Utility actually collects said sewer connection fees to be placed in an escrow account to be used for further expansion.

#### ORDERS IN THIS MATTER

The Commission on the basis of the matters hereinbefore set forth, the additions to the evidentiary record provided by the Petition for Rehearing and the September 17, 1980 hearing in response thereto:

HEREBY ORDERS that the revised findings in this Order supersede related findings four (4) and six (6) of the Commission's Order dated August 1, 1980.

IT IS FURTHER ORDERED that the last Ordered paragraph of the August 1, 1980 Order be and is hereby set aside as that part of Finding No. 6 of the said Order, which was the basis therefor, has been deleted herein.

Done at Frankfort, Kentucky this 21st day of November, 1980.

UTILITY REGULATORY COMMISSION

John H. Haysman  
Vice Chairman

James Ray Baker  
Commissioner

ATTEST:

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Secretary