

COMMONWEALTH OF KENTUCKY
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of:

THE JOINT APPLICATION OF SPRINGDALE)
DEVELOPMENT CORPORATION, A KENTUCKY)
CORPORATION, "SELLER" AND CITIZENS)
FIDELITY BANK AND TRUST COMPANY,)
d/b/a CITIZENS FIDELITY MORTGAGE)
COMPANY, A CORPORATION, "PURCHASER") CASE NO. 7642
FOR APPROVAL OF THE KENTUCKY UTILITY)
REGULATORY COMMISSION OF THE SALE)
AND TRANSFER OF THE SEWERAGE TREATMENT)
PLANT AND SYSTEM SERVING SPRINGDALE)
WEST, JEFFERSON COUNTY, KENTUCKY)

O R D E R

Preface

On October 26, 1979, Citizens Fidelity Bank and Trust Company, d/b/a Citizens Fidelity Mortgage Company ("Purchaser") and Springdale Development Corporation ("Seller"), filed with the Commission a Joint Application seeking approval of the purchase and sale of the sewage treatment plant and system serving the Springdale West Subdivision in Jefferson County, Kentucky.

This matter was set for hearing at the Commission's Offices in Frankfort, Kentucky, January 28, 1980. All parties of interest were notified and no protests were entered.

Findings in This Matter

The Commission, after a review of the record and being fully advised is of the opinion and finds:

1. That by the Joint Application filed October 26, 1979, Springdale Development Corporation has agreed to sell and Citizens Fidelity Mortgage Company has agreed to buy a tract of land which includes the Springdale Sewage Treatment Plant located in the Sprindale West Subdivision for a purchase price of \$230,000.

2. That the Purchaser is ready, willing and able to provide for the operation and maintenance of the existing sewage treatment facilities in the area set forth in the Application.

3. That the proposed sale of the Sprindale Sewage Treatment Plant does not adversely affect the public interest and should be approved.

4. That the Purchaser will adopt the present rates being charged the customers that are served by the Springdale Development Corporation Treatment Plant.

5. That the Purchaser should maintain a separate set of accounting records for each sewage treatment facility owned and operated by the Purchaser. That said records should conform with standard accounting procedures and be maintained in accordance with the Commission's Rules and Regulations.

6. That Springdale Development Corporation should file with the Commission the appropriate journal entries effecting the sale of the Springdale Development Corporation Sewage Treatment Plant.

7. That Citizens Fidelity Mortgage Company should file with the Commission the appropriate journal entries effecting the purchase of the Springdale Development Corporation Sewage Treatment Plant.

8. That Citizens Fidelity Mortgage Company should file with the Commission the operator and his professional background selected to operate the sewage treatment plant.

Orders in This Matter

The Commission, on the basis of the matters hereinbefore set forth and the evidentiary record in this case:

HEREBY ORDERS that Citizens Fidelity Mortgage Company be and is hereby authorized to purchase the Springdale Sewage Treatment Plant from Springdale Development Corporation for the sum of \$230,000.

IT IS FURTHER ORDERED that the rate for sewage services rendered by Citizens Fidelity Mortgage Company, to the residents of the Springdale West Subdivision shall remain the same as those in effect prior to the date of this Order.

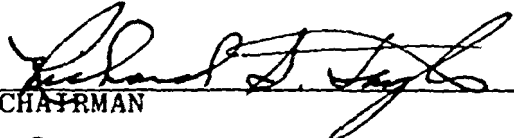
IT IS FURTHER ORDERED that Citizens Fidelity Mortgage Company shall maintain a separate set of accounting records for each sewage treatment facility which it owns and operates. Further that said records shall conform with standard accounting procedures and be maintained in accordance with the Commission's Rules and Regulations.

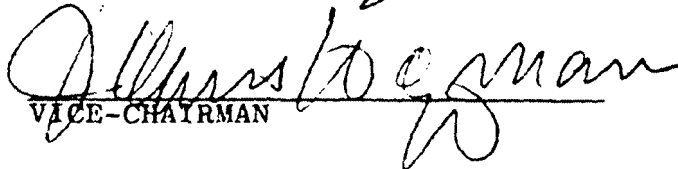
IT IS FURTHER ORDERED that Springdale Development Corporation shall file with the Commission the appropriate journal entries effecting the sale of the Springdale Sewage Treatment Plant.

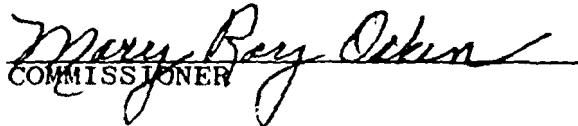
IT IS FURTHER ORDERED that Citizens Fidelity Mortgage Company shall file with this Commission its adoption notice and tariff sheets setting forth the existing rates and also file copies of all of its rules and regulations for providing sewage disposal service in the Springdale West Subdivision, in accordance with Title 807 KAR 2:020, Section 9, within thirty (30) days of the closing date of said purchase.

Done at Frankfort, Kentucky, this 5th day of March, 1980.

UTILITY REGULATORY COMMISSION


CHAIRMAN


VICE-CHAIRMAN


COMMISSIONER

ATTEST:

SECRETARY