

COMMONWEALTH OF KENTUCKY
BEFORE THE UTILITY REGULATORY COMMISSION

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In the Matter of

THE JOINT APPLICATION OF THE CITY)
OF PROSPECT, KENTUCKY, A CITY OF THE)
FIFTH CLASS AND HUNTING CREEK SANITATION)
CO., A KENTUCKY CORPORATION, FOR AN) CASE NO. 7771
ORDER AUTHORIZING THE SALE OF TWO SEW-)
AGE TREATMENT PLANTS, THE SUPPORTING)
SEWAGE COLLECTION SYSTEM AND RELATED)
FACILITIES TO THE CITY OF PROSPECT)

O R D E R

Preface

On March 12, 1980, Hunting Creek Sanitation Co. ("Seller") and the City of Prospect ("Purchaser") filed with the Commission a Joint Application with attachments thereto seeking approval of the sale and purchase of two sewage treatment plants, the supporting sewage collection system and related facilities (the "Project") as described in the Application and other evidence according to the terms of the Purchase Agreement dated March 10, 1980. The Project provides sewage service for the City of Prospect and surrounding area in Jefferson County, Kentucky.

This matter was set for hearing at the Commission's offices in Frankfort, Kentucky, on March 27, 1980. At the hearing, the Seller was advised by the Commission to file its 1979 annual report as soon as possible. This information has now been received and the entire matter is now considered to be fully submitted for a final determination by this Commission.

Findings In This Matter

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

1. That by the Joint Application filed on March 12, 1980, Hunting Creek Sanitation Co. has agreed to sell and the City of Prospect has agreed to buy the Project as described in the Joint Application and other evidence for good and valuable consideration as set forth in the Purchase Agreement filed herein.

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

3. That the proposed sale of the Project does not adversely affect the public interest and should be approved.

4. That Mr. Lawrence K. Foley, Councilman for the City of Prospect, testified that the City has no immediate plans to change the rates in effect at the time of the hearing. (Transcript of Hearing p.16.)

5. That since municipally owned utilities are not subject to the regulatory jurisdiction of this Commission, consummation of the sale and purchase herein approved will result in termination of this Commission's jurisdiction over the facilities acquired by the City of Prospect, Kentucky.

6. That the Seller should file with this Commission the appropriate closing journal entries effecting the sale of the Project described herein.

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 the City of Prospect be and is hereby authorized to purchase the Project as described herein in accordance with the terms of sale as set forth in the Purchase Agreement dated March 10, 1980.

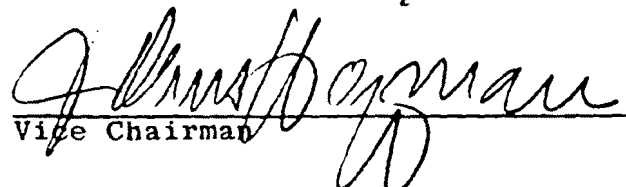
IT IS FURTHER ORDERED that upon consummation of the sale and purchase approved herein, the regulatory jurisdiction of this Commission concerning the Project described in the Joint Application shall cease.


IT IS FURTHER ORDERED that the Hunting Creek Sanitation Co. shall file with this Commission the appropriate closing journal entries effecting the sale of the Project described in the Joint Application.

Done at Frankfort, Kentucky, this 1st day of August, 1980.

UTILITY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary