

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A JOINT APPLICATION OF THE CITY)
OF MAYSVILLE, KENTUCKY, A MUNICI-)
PAL CORPORATION OF THE THIRD CLASS)
SITUATED IN MASON COUNTY, KENTUCKY,)
AND ARNOLD REALTY COMPANY, INC., A)
REGULATED UTILITY, THAT THE PUBLIC)
SERVICE COMMISSION OF KENTUCKY)
APPROVE THE SALE BY SAID ARNOLD)
REALTY COMPANY, INC., AND THE PUR-)
CHASE BY SAID CITY OF THE SEWER)
COLLECTION SYSTEM OWNED BY SAID)
ARNOLD REALTY COMPANY, INC., AND)
OPERATED BY SAID CITY, LOCATED IN)
THE CITY OF MAYSVILLE, KENTUCKY.)

CASE NO. 8776

ORDER

On February 22, 1983, the City of Maysville, Kentucky, ("Maysville") filed a joint application with Arnold Realty Company, Inc., ("Arnold") requesting approval of the sale of certain assets of Arnold's sewage treatment system to Maysville. A purchase agreement was signed September 1, 1981, subject to approval by the Commission, whereby Maysville agreed to purchase Arnold's entire sewer collection system, excluding sewer plant and fences but including mains and laterals, easements and rights-of-way, and system facilities.

The Commission, after consideration of the evidence of record and being advised, is of the opinion and finds that:

1. Maysville presently owns a municipal sewer collection and treatment system which is operated by the Maysville Utility Commission and serves approximately 3100 customers.

2. The Arnold sewer system serves 66 customers and is already connected to the Maysville system.

3. Maysville has been treating the sewage collected by the Arnold system since approximately September 15, 1981.

4. Arnold desires to sell its sewage collection system to Maysville and Maysville desires to acquire Arnold's system.

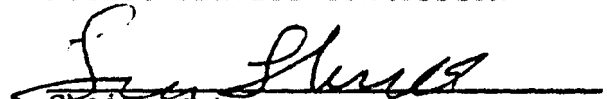
5. Maysville possesses the requisite expertise to own and operate Arnold's sewer collection system in an adequate, efficient and reasonable manner.


6. Upon the transfer of Arnold's sewer collection system to Maysville, Arnold will cease to be a utility as defined by KRS 278.010(3)(f) and consequently it will not be subject to this Commission's jurisdiction.

IT IS THEREFORE ORDERED that the sale of Arnold's sewer collection system to Maysville be and it hereby is approved.

Done at Frankfort, Kentucky, this 4th day of April, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary