

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

JOINT APPLICATION OF BLUELICK )  
SEWER CORP. FOR AUTHORITY TO )  
TRANSFER THE ASSETS OF BLUELICK ) CASE NO. 9367  
SEWER SYSTEM AND BULLITT )  
UTILITIES, INC. FOR AUTHORITY )  
TO ACQUIRE AND OPERATE THESE )  
ASSETS IN BULLITT COUNTY, KY )

O R D E R

IT IS ORDERED that Bluelick Sewer Corp. ("Bluelick") and Bullitt Utilities, Inc., ("Bullitt") shall file an original and 7 copies of the following information with this Commission, with a copy to all parties of record, within 2 weeks of the date of this Order. Bluelick and Bullitt shall be jointly responsible for the response to this Order. For each response identify the witness who will be available at the public hearing for responding to questions concerning each area of information requested. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Who is currently operating the system?
2. On what date did the current operator begin operating the system?
3. Provide the cost which Bluelick incurred in the installation of the equipment necessary (pumping station, force mains, gravity sewers, etc...) to connect the two systems

together. (This should be broken down into its separate components.)

4. Provide accounting entries to record the appropriate acquisition adjustment based upon purchase price and the balance sheet referred to in question #9.

5. Provide a statement setting forth the reasons for the sale and transfer.

6. Provide a statement showing the original cost of the plant, estimated if not known. Provide an explanation of the basis for any estimates used in the statement.

7. After a review of the purchase agreement it appears that the Bluelick treatment plant will be bypassed and that all waste will be transported to the Bullitt plant. Provide the cost of plant that Bullitt plans to retire due to the discontinance of its facilities.

8. Provide the proposed journal entries on the books of both the purchaser and the seller that will reflect the sale and transfer.

9. Provide a current balance sheet for the acquired utility.

10. Provide a statement showing projected annual revenues and expenses of the utility under the new ownership including a detailed explanation of how the projected annual revenue and expenses were determined.

11. Provide a statement setting forth the complete details of proposed operating changes under the new ownership, including changes in management.

12. Provide statements indicating the approval of the transfer by an creditors having liens on the assets of the seller.

13. Provide copies of any operational, material or service contracts to be placed into effect upon acquisition of the utility by the purchaser.

14. Provide a statement setting forth any financial resources available to the purchaser other than those contained in the financial statements.

15. Provide a statement setting forth any anticipated change in rates within the next 12 months.

16. Provide a copy of the map or plat of the area served.

17. Provide a copy of any applicable third party agreement that was made other than the purchase agreement provided with the application.

18. Provide copies of any feasibility or other studies performed to determine that the purchase is economically feasible.

Done at Frankfort, Kentucky, this 7th day of August, 1985.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

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Secretary