

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)
SEWER SYSTEM AND BULLITT) CASE NO. 9367
UTILITIES, INC. FOR AUTHORITY)
TO ACQUIRE AND OPERATE THESE)
ASSETS IN BULLITT COUNTY, KY)

O R D E R

On July 31, 1985, the Commission issued an Order requiring Bluelick Sewer Corp. ("Bluelick") and Bullitt Utilities, Inc., ("Bullitt") to provide information necessary for the Commission to make its determination in this proceeding. Bluelick and Bullitt did not provide adequate responses to the following requests for information.

IT IS ORDERED that Bluelick and Bullitt shall file an original and seven copies of the following information with this Commission, with a copy to all parties of record, within 10 days of the date of this Order. Bluelick and Bullitt shall be jointly responsible for the responses to this Order. All responses should be in sufficient detail as to provide the information requested. If the requested information is not filed by the stated date, the case will be dismissed without prejudice.

1. 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.)

2. Provide accounting entries to record the appropriate acquisition adjustment based upon purchase price and the balance sheet referred to in question #6.

3. 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.

4. 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 Bluelick plans to retire due to the discontinuance of its facilities.

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

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

7. 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.

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

9. Provide copies of any operational, material or service contracts currently in effect or which will be placed in effect upon acquisition of the utility by the purchaser.

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

Done at Frankfort, Kentucky, this 17th day of October, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Demanick
For the Commission

ATTEST:

Secretary