

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE KENTUCKY PUBLIC SERVICE COMMISSION)
VS) CASE NO. 9339
PARKWAY WATER ASSOCIATION, INC.)

THE APPLICATION OF PARKWAY WATER)
ASSOCIATION, INC., FLOYD COUNTY,)
KENTUCKY, FOR APPROVAL AND AUTHORI-)
ZATION OF ITS PROPOSED SALE AND) CASE NO. 9717
CONVEYANCE OF ALL OF ITS WATER SYSTEM)
PROPERTIES, ASSETS AND FUNDS TO THE)
CITY OF PRESTONSBURG, KENTUCKY)

O R D E R

On August 27, 1984, a periodic inspection was made of the Parkway Water Association, Inc., ("Parkway") by a member of the Commission staff. The report of that inspection described certain operational matters that were not meeting the minimum requirements of the Commission's regulations and recommended that corrective action be taken by Parkway. A copy of the report was mailed to Parkway and a response with regard to the recommended corrective action was requested by September 28, 1984. Parkway did not respond as requested and did not respond to any of the staff's follow-up letters.

On May 9, 1985, the Commission established this matter as a case due to Parkway's failure to comply with Commission

regulations. This case was set for hearing by the Commission on July 24, 1985.

On July 24, 1985, the Commission received a letter from the Secretary/Treasurer of Parkway explaining that they were in the process of transferring Parkway to the City of Prestonsburg ("Prestonsburg"). The Commission instructed Parkway in a letter dated July 31, 1985, that they should apply to the Commission for prior approval of the transfer of its water system properties, assets and funds to Prestonsburg.

On September 5, 1985, Parkway's attorney wrote a letter to the Commission stating an application was being prepared for transfer of Parkway to Prestonsburg.

On October 16, 1986, the Commission received an application to transfer all water system properties, assets and funds from Parkway to Prestonsburg.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

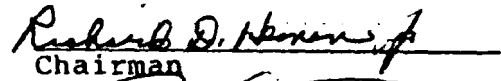
1. Case No. 9339 should be closed.
2. A new case should be established to consider the transfer of Parkway to Prestonsburg and the entire record of Case No. 9339 should be incorporated therein by reference.

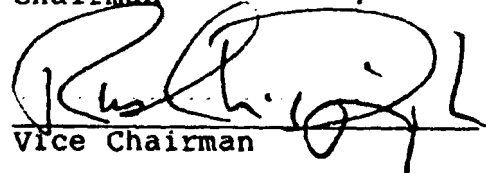
IT IS THEREFORE ORDERED that:

1. Case No. 9339 be and it hereby is closed.
2. Case No. 9717 be and it hereby is established to consider the transfer of Parkway to Prestonsburg and the entire record of Case No. 9339 is hereby incorporated therein by reference.

Done at Frankfort, Kentucky, this 27th day of October, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director