

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE AMENDED APPLICATION OF TRIPORT)
DISPOSAL COMPANY, INC., FOR AN)
ORDER APPROVING THE TRANSFER OF) CASE NO. 9532
ITS ASSETS, INCLUDING ALL)
OPERATING PERMITS, TO DELAPLAIN)
DISPOSAL COMPANY)

O R D E R

IT IS ORDERED that Delaplain Disposal Company ("Delaplain") shall file an original and ten copies of the following information with this Commission, with a copy to all parties of record, by October 22, 1986, or within 2 weeks after the date of this Order, whichever is later. Careful attention should be given to copied material to insure that it is legible. If the information cannot be provided by this date, you should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

1. Provide the journal entries prepared to record the acquisition of the sewer utility plant by Delaplain. The entries must be in conformity with the requirements of the Uniform System of Accounts for Class C and D Sewer Utilities.

2. Provide a financial exhibit for Delaplain, including the following:

a. Amount and kind of stock authorized, issued, and outstanding.

b. Brief description of any mortgages on property of Delaplain, giving date of execution, mortgagor, mortgagee, amount of indebtedness, and other related information.

c. Each note outstanding, giving issue date, maturity date, interest rate, and in whose favor.

d. Other indebtedness, giving the same information as for notes outstanding.

e. Detailed beginning and current balance sheet or other statement of financial condition and a current income statement.

3. In reference to Delaplain's application, Exhibit C, "Purchase Contract," the Triport Disposal Company ("Triport") sewer utility plant was sold to The Webb Companies ("Webbs") for \$10. In Exhibit D, the Webbs assigned its rights, title and interest in the purchase contract to Delaplain for value received. In Exhibit E, "Bill of Sale," Triport is sold to Delaplain for \$1 and other valuable consideration.

a. Explain if Exhibit E and Exhibit C are covering the sale of the same assets, rights, titles and interest of Triport.

b. Provide the actual purchase price paid for Triport by Delaplain.

c. Provide any clarification which would provide an understanding of the transaction presented as Exhibit C through E; there seems to be an overlap in the transactions.

4. Provide a copy of a valid third-party beneficiary agreement for Delaplain. Include any cost of the agreement to keep it in effect or any required escrow deposit amounts.

5. Delaplain's application, item 10, states that Delaplain does not intend to pursue the Application for a Certificate of Public Convenience and Necessity established in Case No. 9485. Yet, information supplied to the Commission in that case indicates that the sewer plant is operating at 35 percent above its design flow. As late as May 20, 1986, indications were that some expansion was still contemplated. Provide an explanation as to why the earlier proposed expansion will not be pursued by Delaplain.

6. Provide the operator's qualifications for operating and managing the sewer plant. Include information as to his past relationship with Triport.

7. According to Exhibit C through E, Triport was sold to Delaplain on April 15, 1986. Delaplain's application requesting approval of the transfer of assets was filed with the Commission on September 25, 1986. Provide an explanation as to why Delaplain did not seek the Commission's approval prior to the transfer.

Done at Frankfort, Kentucky, this 7th day of October, 1986.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director