

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BOONE COUNTY WATER AND SEWER DISTRICT

ALLEGED VIOLATION OF KRS 278.020

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CASE NO.
89-343

ORDER TO SHOW CAUSE

During a routine compliance inspection of the sewer system ("Facility") which serves Boone Aire Estates and some neighboring homes in Boone County, the Commission became aware that the Facility had been acquired by Boone County Water and Sewer District ("District"). The District acquired the Facility on February 11, 1988 from ODF Properties, Inc. ("ODF") according to the deed and bill of sale given by ODF to the District. The District stated in a letter to the Commission dated September 29, 1989 that the District accepted ownership of the Facility on May 9, 1988. (See letter marked Exhibit A and attached hereto.) No application was made by the District and ODF for Commission approval of the transfer of the Facility.

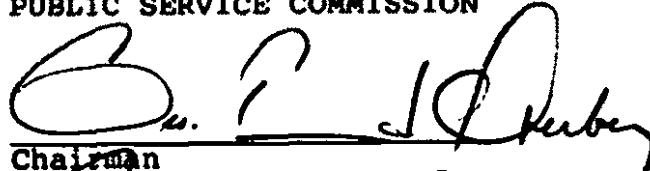
The Commission finds that there has been a prima facie showing that the District acquired the Facility without prior approval of the Commission in violation of KRS 278.020.

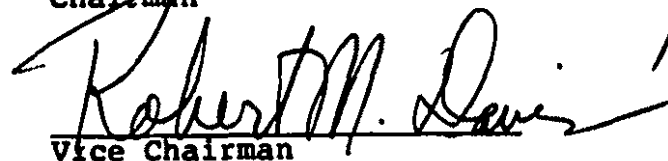
IT IS THEREFORE ORDERED that the District shall appear at a hearing scheduled for December 21, 1989, at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 at 730 Schenkel Lane, Frankfort,

Kentucky, to present evidence on the alleged violation of KRS 278.020 and to be prepared to show cause why the District should not be penalized under KRS 278.990 if such violation is found to have occurred.

Done at Frankfort, Kentucky, this 22nd day of November, 1989.

PUBLIC SERVICE COMMISSION

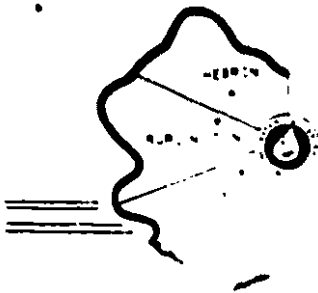

Chairman


Vice Chairman

Commissioner

ATTEST:

Executive Director



BOONE COUNTY WATER AND SEWER DISTRICT

5825 BULLITTSVILLE ROAD
BURLINGTON, KY 41005
606 / 586-6155

COMMISSIONERS

JACK E. TORLINE
ROBERT E. BELL
DWIGHT C. BRAY

September 29, 1989

FILED RECEIVED

OCT 2 1989

OCT 02 1989

PUBLIC SERVICE
COMMISSION

GENERAL COUNSEL

Per. U

Ms. Susan Hutcherson
Administrative Specialist, Pr.
Public Service Commission
Commonwealth of Kentucky
P.O. Box 615
Frankfort, Kentucky 40602

Dear Ms. Hutcherson:

In response to your letter relative to the Boone Aire Homeowner's Association, Inc. sanitary sewage system, the enclosed is provided.

The District has accepted ownership of said treatment plant and collection lines as of May 9, 1988 and has entered the corresponding dollar amounts of the contribution to its books, as reflected in the year end report to the Public Service Commission, December 31, 1988.

As per our conversations, the District will incorporate the Boone Aire collection system into the Oakbrook treatment plant and eventually into the Regional system within the next three years.

The current rate being charged by the District for operation and maintenance was not changed and is consistent with existing District rates.

I trust the enclosed is sufficient for your purpose. Should you require additional information, please advise.

Sincerely,

Paul E. Kroger
District Manager

PEK:fs
cc: BCWD Commission
file: Boone Aire Sanitary

EXHIBIT A