

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOHN N. TINSLEY; NEAL GRAYSON AND KEN)	
MACK DEVELOPMENT CORPORATION, GEORGE W.)	
BRIDGES, AGENT FOR CORPORATION)	
)	
COMPLAINANTS)	
)	CASE NO.
VS.)	93-070
)	
)	
MUHLENBERG COUNTY WATER DISTRICT AND)	
TODD COUNTY WATER DISTRICT)	
)	
DEFENDANTS)	

O R D E R

John N. Tinsley, Neal Grayson and Ken Mack Development Corporation filed this complaint pursuant to KRS 278.260 alleging that both Todd County Water District ("Todd District") and Muhlenberg County Water District ("Muhlenberg District") refuse to provide service to their adjoining properties in Muhlenberg County. The complaint was filed February 23, 1993 and the answers of Muhlenberg District and Todd District were filed March 18 and 19, 1993, respectively. At the request of the parties, an informal conference was held on May 19, 1993 with the Commission Staff. As a result of that conference, the complainants and the two districts have resolved their differences and reduced their agreement to writing as a Contract for Water Service. That contract was filed into the record of this proceeding on July 6, 1993 fully executed by the districts and subject to the approval of this Commission.

Complainants, Tinsley and Grayson, own property in both Logan and Muhlenberg counties. Their Logan County properties have water service provided by defendant Todd District, while the Muhlenberg County properties are undeveloped and no water service is available. According to the complaint, water service has been requested for the properties but both districts refused to provide service. Ken Mack Development Corporation owns some of the remaining undeveloped lots in the King Cove Subdivision. Todd District may presently be serving approximately five customers in Muhlenberg County adjacent to the King Cove development.

The contract provides that Todd District serve the King Cove Subdivision in Muhlenberg County. Muhlenberg District assigns the right to all tap on fees and payments for water service to Todd District and Todd District will bill and collect charges from the King Cove subdivision customers pursuant to its approved rate schedules. Under the agreement, Todd District acquires no ownership interest in the existing or future distribution system used to serve this area. Todd District will be responsible for all installation and maintenance costs and will serve those residents of Muhlenberg County who reside in the contract area pursuant to all Public Service Commission regulations and the regulations set out in Todd District's approved tariff.

After consideration of the contract, the record in this proceeding and being otherwise sufficiently advised, the Commission finds the contract should be approved. The Commission has taken into consideration the fact that the contract as executed

represents the most expedient and probably, the least costly means to provide water service in this area of Muhlenberg County. Clearly, the contract is in the public interest and is a reasonable resolution to the dispute in this proceeding.

IT IS THEREFORE ORDERED that:

1. The Contract for Water Service be and it hereby is approved.

2. Todd and Muhlenberg Districts shall amend their respective tariffs within 10 days of the date of this Order indicating service is provided to the area by contractual agreement, the terms of which are on file with the Public Service Commission.

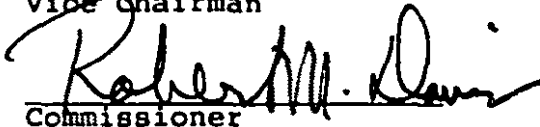
3. This case be and it hereby is closed.

Done at Frankfort, Kentucky, this 6th day of August, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director