



\$5,500 to Columbia to reduce those respective obligations. Johnson County has admitted that the difference between the surcharge revenue collected and its debt payments "was used for the operation of the [C]ompany." Johnson County's Response to the Commission's Order of April 15, 1994, Item 3. Its monthly general ledger statements, moreover, indicate that all proceeds from the surcharge were not placed in escrow.

Based upon the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Prima facie evidence exists that in willful violation of the Commission's Order of October 30, 1990 Johnson County failed to deposit all surcharge proceeds into an escrow account and that it used the surcharge proceeds to fund its operations.

2. Prima facie evidence exists that Estill Branham, Johnson County's manager, procured, aided and abetted Johnson County's alleged failure to comply with the Commission's Order of October 30, 1990.

3. Pursuant to the terms of the Order of October 30, 1990, authorization to assess and collect the surcharge for payment of debts owed by Johnson County to DLG and Columbia should be terminated immediately. Johnson County should immediately cease the assessment and collection of this surcharge.

IT IS THEREFORE ORDERED that:

1. Effective immediately, authorization to assess and collect the surcharge for payment of debts owed by Johnson County to DLG and Columbia is terminated.

2. Johnson County shall cease immediately the assessment and collection of the surcharge authorized by the Commission's Order of October 30, 1990.

3. Johnson County shall appear before the Commission on July 6, 1994 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning its alleged failure to comply with the Commission's Order of October 30, 1990, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for its alleged failure.

4. Estill Branham, in his individual capacity, shall appear before the Commission on July 6, 1994 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning his alleged misconduct in procuring, aiding and abetting Johnson County's alleged failure to comply with the Commission's Order of October 30, 1990, and of showing cause why he should not be subject to the penalties prescribed in KRS 278.990(1) for his alleged misconduct.

5. Johnson County and Estill Branham shall each submit to the Commission, within 20 days of the date of this Order, a written response to the allegations contained herein.

Done at Frankfort, Kentucky, this 1st day of June, 1994.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director