

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED MERGER OF KINGSTON-TERRILL)
WATER DISTRICT, WACO WATER DISTRICT AND) CASE NO. 96-012
WHITE HALL WATER DISTRICT)

O R D E R

On January 16, 1996, Kingston-Terrill Water District, White Hall Water District and Waco Water District (Petitioners) petitioned the Commission for an Order finding the merger of the three districts to be in the public interest and authorizing the merger of the three into one consolidated water district. The Board of Commissioners of each of the Petitioners have agreed in principle to merge into one consolidated district.

The resolutions of each of Petitioners' Board of Commissioners specifically references the fact that each Board will appoint Commissioners and appropriate staff to negotiate with the other Petitioners to establish the terms of merger and to prepare a "merger agreement" for consideration by the respective boards. Each of the three resolutions was passed in October, 1995.

On April 10, 1996, the Commission issued an Order directing that the merger agreement be filed and directing that the Petitioners address various organizational, managerial and financial issues in narrative form if those issues were not addressed in the merger agreement. The Petitioners responded on April 19, 1996 that the merger agreement referenced in the resolutions had not been prepared and, further, that the


information requested in the Commission's April 10, 1996 Order would not be available until a merger study was completed. The Petitioners stated that the merger study would be filed as soon as possible. To date, no study has been filed.


Although KRS 74.361 provides that as a legislative finding of fact mergers are in the public interest, without specific information in the record regarding this particular merger, the Commission can make no findings related to the Petitioners' request. The Commission accordingly finds that if the merger study is not filed within 30 days of the date of this Order the case should be dismissed without prejudice to refile it when the study is completed.

IT IS THEREFORE ORDERED that the Petitioners shall file a merger study or some comparable document addressing those matters specified in the Commission's April 10, 1996 Order within 30 days of the date of this Order. Should no document(s) be filed by that date, this case shall be dismissed without further order of the Commission and without prejudice to the Petitioners to refile when a merger study is completed.

Done at Frankfort, Kentucky, this 9th day of July, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director