

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CITY OF FRANKLIN)	
)	
COMPLAINANT)	
)	
VS.)	CASE NO. 92-084
)	
SIMPSON COUNTY WATER DISTRICT)	
)	
DEFENDANT)	

O R D E R

On February 23, 1996, the Commission ordered the City of Franklin, Kentucky ("Franklin") to pay to Simpson County Water District ("Simpson District") \$196,033.55, plus accrued interest, for monies collected in excess of the rates contained in the 1986 Second Supplemental Water Purchase Agreement between the parties. Franklin brought an action for judicial review of the Commission's Order. On August 28, 1997, Franklin Circuit Court remanded the Order to this Commission with instructions to modify certain provisions and to alter the existing contract between Franklin and Simpson District.¹

IT IS THEREFORE ORDERED that:

1. Ordering Paragraph 2 of the Commission's Order of February 23, 1996 is amended and modified to read as follows:

¹ City of Franklin v. Kentucky Public Service Commission and Simpson County Water District, No. 96-CI-00402 (Franklin Cir. Ct. Aug. 28, 1997)

2. Franklin shall immediately pay the sum of \$196,033.85 to Simpson District.


2. Franklin is authorized to retain any interest which accrued on the improperly collected monies prior to the date of this Order.

3. The Water Purchase Agreement entered on April 5, 1967, the Supplemental Agreement entered on August 26, 1982 and the Second Supplemental Agreement entered April 8, 1986 are terminated.

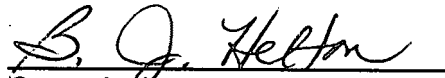
4. Franklin and Simpson District shall provide water service to each other on a stand-by basis. Each party shall individually file with the Commission within 30 days of this Order a rate schedule which sets forth the rate and terms and conditions for this service.

Done at Frankfort, Kentucky, this 11th day of September, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director