

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LAKE CUMBERLAND RESORT)
)
COMPLAINANT)
)
v.) CASE NO. 98-421
)
SOUTH EASTERN WATER ASSOCIATION)
)
DEFENDANT)

ORDER TO SATISFY OR ANSWER


South Eastern Water Association ("South Eastern") is hereby notified that is has been named as defendant in a formal complaint filed on August 7, 1998, a copy of which is attached hereto.

Pursuant to 807 KAR 5:001, Section 12, South Eastern is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within 10 days from the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

Done at Frankfort, Kentucky, this 29th day of September, 1998.

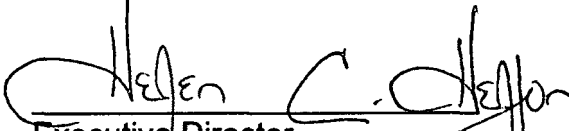
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

Lake Cumberland Resort

500 Roberts Bend Rd.
606-561-5611

Burnside, Kentucky, 42519
Fax 606-561-5928

RECEIVED

AUG 07 1998

August 5, 1998

Ms Helen Helton

PUBLIC SERVICE
COMMISSION

Re: South Eastern Water Association Hookup for Lake Cumberland Resort
CASE 98-421

Dear Ms Helton,

Lake Cumberland Resort is in the process of constructing the largest Resort Community around the 1,200 mile shore line of this beautiful lake. Our goal is to make this community the pinnacle of this resort area. We are presently developing 500 acres and are working very actively with the Daniel Boone National Forest to acquire 488 acres on a land exchange. Our Resort will provide 1450 acres of desirable property which this agency desperately want to obtain. This exchange is in its completion stages and could occur by early 1999 unless some unforeseen situation occurs.

Lake Cumberland has already sold 85 homes and lots since its inception in 1996. There is over 57 local residents on Route 751 that do not have city water as well.

We have constructed a 1.7 mile road for the use of the County of Pulaski. In addition, we constructed a public boat ramp and loading dock at total cost to the Resort of \$1,000,000. This was necessary to provide the needed facilities to make our project a total success.

Unfortunately, from date of inception, we have been required to haul city water by truck to our own water cisterns. Although effective, this procedure is too costly and impossible to continue over a long term.

Our Resort has not received the cooperation necessary from the South Eastern Water Association to construct a main water line from Highway 27, (7) miles on Route 751 to our project. The Water Association is opposing the installation, at this time. We need this line to provide Kentucky with a tourism attraction it so disparately needs to compete with communities such as Pigeon Forge and Gattlinburg

We are asking your office to help us. We have invested over \$6,000,000 to make this project what it is today. Compliments on our Resort have been received from all walks of life. The attached recent article from the Lexington Herald speaks for itself. Is there any aid we can obtain from your division? Our spokesperson Johnny Bench, Cincinnati Hall of Famer, has made his retreat here. That in itself reflects the appeal of our community.

Upon the Resort's completion, we expect to surround a 1,000 acre peninsula, (5) square miles, 500 to 700 homes, views from lakefront and mountain views overlooking Tennessee's skyline 35 miles away. We call our Resort "A Bit of Heaven on Earth." help us to complete and share this Resort with the residents of Kentucky and Ohio.

I trust you will look into this matter and advise us of your agency's intention to assist us in this matter.

Respectfully,

A handwritten signature in cursive script that reads "Anthony Del Spina".

Anthony Del Spina
Lake Cumberland Resort
President/Developer