COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT PETITION TO APPROVE TRANSFER)OF OWNERSHIP AND CONTROL OF THE SEWER)SERVICES OF REIDLAND WATER-SEWER) CASE NO. 99-094DISTRICT TO PADUCAH-MCCRACKEN COUNTY)JOINT SEWER AGENCY)

<u>ORDER</u>

On March 15, 1999, a joint petition was filed to approve the transfer of ownership and control of Reidland Water and Sewer District to the Paducah-McCracken County Joint Sewer Agency.

Having reviewed the application and the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. The above-referenced transferors are utilities as defined by KRS 278.010.

2. The Paducah-McCracken County Joint Sewer Agency was formed in 1998 pursuant to KRS 76.231 for the purpose of managing, controlling and operating regional, comprehensive wastewater treatment plants within the city of Paducah, Kentucky and the county of McCracken, Kentucky.

3. Said utilities serve the general public.

4. In view of its financial assets, the Paducah-McCracken County Joint Sewer Agency appears to have sufficient financial integrity to ensure the continuity of the subject utility service to the public and also appears to have the requisite technical and managerial abilities to provide a continuing utility service to the customers of Reidland Water and Sewer District. IT IS THEREFORE ORDERED that:

1. The proposed transfer be and it is hereby approved.

2. The Paducah-McCracken County Joint Sewer Agency shall within 30 days of closing file evidence with this Commission that the transfer of all sewer system assets has been accomplished, that any and all long-term debt, current and accrued liabilities of the sewer system shall have been either assumed, refinanced, or paid off.

Done at Frankfort, Kentucky, this 11th day of May, 1999.

By the Commission

ATTEST:

Executive Director