

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTHERN)	
KENTUCKY WATER SERVICE DISTRICT)	
FOR AUTHORITY TO ACQUIRE TITLE)	CASE NO. 99-410
TO TAYLOR MILL'S WINSTON PARK)	
WATER FACILITIES)	

O R D E R

On September 29, 1999, Northern Kentucky Water Service District ("Northern Kentucky Water") filed an application for authority to acquire all of the water lines, improvements, and related appurtenances of the Winston Park System in Kenton County, Kentucky. The Winston Park System is part of a municipal water system owned by the city of Taylor Mill, Kentucky (Taylor Mill).

Northern Kentucky Water is a water district formed and operating under the provisions of KRS Chapter 74. It is subject to the jurisdiction of the Commission under KRS Chapter 278. Northern Kentucky Water is serving approximately 60,000 retail customers in northern Kentucky, plus supplying four cities and three other water districts with water for resale. Northern Kentucky Water's gross plant is approximately \$15,000,000.

The transfer will add approximately 210 customers to Northern Kentucky Water's system. This addition will not affect Northern Kentucky Water's system since it presently operates the Winston Park System with its tariff in effect. The purchase price

for the transfer is one dollar. Northern Kentucky Water has published notice of the proposed transfer.

This is a transfer of a part of the operating facilities of a non-jurisdictional utility, Taylor Mill, to a jurisdictional utility, Northern Kentucky Water. Upon the transfer of a part of the operations of one company to another company, 807 KAR 5:011, Section 11(1), requires the new operating company to file with the Commission an Adoption Notice, adopting, ratifying, and making its own all rates, rules, classifications, and administrative regulations of the old operating company. However, in this case, Northern Kentucky Water cannot adopt the rates, rules, and regulations of a non-jurisdictional utility. This fact is coupled with the fact that the portion to be transferred has been subject to Northern Kentucky Water's tariff for several years.

The Commission finds that an Adoption Notice is not required to be filed in this case. 807 KAR 5:011, Section 11(1) and Section 14.

IT IS THEREFORE ORDERED that:

1. The request of Northern Kentucky Water for the approval of the transfer of Winston Park System, as contained in the agreement dated July 28, 1998, is granted.
2. An Adoption Notice is not required to be filed in this case.
3. Northern Kentucky Water shall notify the Commission of the transfer within 10 days of completion of the transfer.

Done at Frankfort, Kentucky, this 29th day of November, 1999.

By the Commission

ATTEST:

Executive Director