

CITY OF EVARTS



P.O. BOX 208
EVARTS, KY 40828

MAYOR
BURL FEE

(606)837-2477
(606)837-2093

March 16, 2005

Mr. Jim Adcock
Kentucky Public Service Commission
211 Sower Boulevard
PO Box 615
Frankfort, Kentucky 40602-0615

Re: Case No. 2001-404
Turner Water System
(Transfer/Sale/Purchase/Merger) to the City of Evarts

Dear Mr. Adcock:

In response to your inquiry regarding the aforementioned matter, I have reviewed the City's records. After reviewing our records, it appears that the City of Evarts did not take over the existing Turner Water System and did not use any of the equipment previously used by Mr. Turner. Instead, the City completed a line extension of our existing system, completely replacing the entire Turner system. This action took place in July 2002. Prior to that, the City submitted an application for a proposed sale/conveyance of the Turner System. However, I was then advised that the Turner Water System had never been incorporated and was therefore not being regulated by the Commission. As such, we were instructed to submit a Motion to Dismiss our application. Please feel free to contact me should you require any further information or should any further action be required by the City.

Sincerely,


Burl Fee, Mayor

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PUBLIC SERVICE
COMMISSION
OF KENTUCKY

CITY OF EVARTS



P.O. BOX 208
EVARTS, KY 40828

MAYOR
BURL FEE

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THIS AGREEMENT IS ENTERED INTO BETWEEN THE CITY OF EVARTS AND MR. JAMES TURNER, 56 SUNNY ACRES, HARLAN, KY 40831. THIS AGREEMENT WILL BE THAT THE CITY WILL MAINTAIN ALL OPERATION AND MAINTENANCE AND ACCEPT ALL RESPONSIBILITIES OF TURNER WATER SYSTEM. THIS AGREEMENT DOES NOT HAVE TO BE APPROVED THROUGH THE PUBLIC SERVICE COMMISSION. UNTIL THE CITY GETS THE NEW SYSTEM OPERABLE, MR. TURNER WILL BE ALLOWED TO COLLECT ALL WATER PAYMENTS. WHEN TIME COMES TO ABANDON TURNER WATER SYSTEM ALL NECESSARY DOCUMENTS WILL BE PREPARED BY THE CITY ATTORNEY

James Turner
JAMES TURNER
56 SUNNY ACRES
HARLAN, KY 40831

Burl Fee
BURL FEE, MAYOR
CITY OF EVARTS
EVARTS, KY 40828

SUBSCRIBED AND SWORN BEFOR ME THIS 22 DAY OF Feb 2002.

H. L. Lyle
NOTARY

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COMMISSION
OF KENTUCKY

FEB-12-02 TUE 1:22 PM

P. 1



Paul E. Patton, Governor
Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet
Thomas M. Dorman
Executive Director
Public Service Commission

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 616
FRANKFORT, KENTUCKY 40602-0616
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3480

Martin J. Huelsmann
Chairman
Gary W. Gillis
Vice Chairman
Robert E. Spurlin
Commissioner

February 6, 2002

Shannon M. Doan
Attorney at Law
P.O. Box 430
Loyall, KY 40054

RE: City of Evans Water Expansion

Dear Ms. Doan:

This is in response to your letter of January 30, 2002, concerning the City of Evans plans to extend its water system to serve a group of customers now being served by the Turner Water System, a jurisdictional utility owned and operated by James Turner. To provide the service, the City plans to install new water lines and meters and not to utilize the existing facilities, lines or equipment being used by the Turner Water System. You state that the Turner Water System is in a state of deterioration and that the City has received funding in the form of grants for the project. You further state that Mr. Turner does not object to the project and that he can be expected to abandon the system once the extension is operable. Since the City will not be acquiring the Turner system, you ask whether KRS 278.020 (4) and (5) require Commission approval for the extension.

KRS 278.020 (4) and (5) require prior approval from the Commission of any transfer of ownership or control of a jurisdictional utility. Since the City's plan is to extend its own system and not acquire the Turner Water System, it is our opinion that those provisions are not applicable and that the extension does not require Commission approval. However, it is important that Mr. Turner request approval to abandon his system once the extension is complete.

I trust that this answers your questions. If you require further assistance, you may contact Paul Shapiro, an attorney on the Commission staff.

Sincerely,

Thomas M. Dorman
Executive Director

/rst
cc: File



AN EQUAL OPPORTUNITY EMPLOYER M/F/D

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3/16/2005
PUBLIC SERVICE
COMMISSION
OF KENTUCKY

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF TURNER WATER)
SYSTEM FOR AUTHORIZATION OF ITS)
PROPOSED SALE AND CONVEYANCE OF) CASE NO.
ALL OF ITS WATER SYSTEM PROPERTY,) 2001-00404
ASSETS AND FUNDS TO THE CITY OF)
EVARTS, KENTUCKY)

O R D E R

Turner Water System having moved the Commission to dismiss its application for authority to transfer its water system, assets and funds to the city of Evarts, Kentucky, and the Commission finding good cause, IT IS HEREBY ORDERED that the motion is granted and this case is dismissed and is removed from the Commission's docket.

Done at Frankfort, Kentucky, this 5th day of March, 2002.

By the Commission

ATTEST:


Executive Director

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PUBLIC SERVICE
COMMISSION
OF KENTUCKY

TURNER WATER SYSTEM

P.S.C. Ky. No. 1

Cancels P.S.C. Ky. No. _____

TURNER WATER SYSTEM

OF

VERNA, KY

RATES, RULES AND REGULATIONS FOR FURNISHING

WATER SERVICE

AT

VERDA, KY

CANCELLED

March 16, 2005

**KENTUCKY PUBLIC
SERVICE COMMISSION**

FILED WITH PUBLIC SERVICE COMMISSION OF

KENTUCKY

ISSUED February 4, 1991

EFFECTIVE February 4, 1991

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 28 1991

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

ISSUED BY Turner Water System
(Name of Utility)

BY: James F. Turner
Vice President

Form for filing Rate Schedules FOR Verda, KY
Community, Town or City

P.S.C. NO. 1

Original SHEET NO. 1

Turner Water System
Name of Issuing Corporation

CANCELLING P.S.C. NO. _____

_____ SHEET NO. _____

CLASSIFICATION OF SERVICE

RATE
PER UNIT

Monthly Rate

All customers served
(No meters)

\$9.00

CANCELLED

March 16, 2005

**KENTUCKY PUBLIC
SERVICE COMMISSION**

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 28 1991

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE February 4, 1991

DATE EFFECTIVE February 4, 1991

ISSUED BY James F. Turner
Name of Officer

TITLE Vice President

Issued by authority of an Order of the Public Service Commission
of Kentucky in Case No. _____ dated _____.