

COMMONWEALTH OF KENTUCKY

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BEFORE THE PUBLIC SERVICE COMMISSION

AUG 30 2012

PUBLIC SERVICE
COMMISSION

In the Matter of:

JOINT APPLICATION OF)	
HILLRIDGE FACILITIES, INC., AND)	
AND LOUISVILLE AND JEFFERSON)	Case No. 2012- 00373
COUNTY METROPOLITAN)	
SEWER DISTRICT FOR APPROVAL OF TRANSFER)	
OF SANITARY SEWER COLLECTION SYSTEM)	
TO LOUISVILLE AND JEFFERSON COUNTY)	
METROPOLITAN SEWER DISTRICT)	

MOTION TO EXPEDITE JOINT APPLICATION FOR APPROVAL OF TRANSFER

Comes Hillridge Facilities, Inc. (“Hillridge”), and, for the reasons set forth below, hereby moves the Public Service Commission (“PSC”) to approve, on or before September 30, 2012, the transfer of the Hillridge Wastewater Treatment Plant (“WWTP”) and collection system to the Louisville and Jefferson County Metropolitan Sewer District (“MSD”).

1) On Friday, August 17, 2012, Hillridge and MSD entered into an Assets Purchase Agreement that provided for the sale of the Hillridge WWTP and collection system to MSD. The Joint Application initiating the above-styled matter was filed with the PSC on August 20, 2012, and a copy of the Assets Purchase Agreement was filed with same. By letter dated August 24, 2012, the PSC Staff indicated that the Joint Application had been accepted for filing. Pursuant to the Assets Purchase Agreement, Hillridge is to cease operating the WWTP by no later than September 30, 2012, and MSD is to either divert the flow from the Hillridge customers on or before that date or MSD will begin operating the Hillridge WWTP and collection system.

2) MSD is a metropolitan sewer district created pursuant to KRS Chapter 76, which

provides sanitary sewer and drainage services to approximately 226,430 customers in Jefferson County, Kentucky. In the matter of Application of the Louisville and Jefferson County Metropolitan Sewer District for an Order Approving a Transfer of Ownership and Control, PSC Case No. 2009-00494, the PSC reviewed the transfer of the sewage treatment and collection facilities from Shadowwood Waste Environmental, LLC to MSD, and found that “In view of its financial assets and its status as a political subdivision of the Commonwealth, MSD has sufficient financial integrity to ensure the continuity of utility service”, and “MSD has the financial, technical, and managerial abilities to provide reasonable service to Shadowwood’s present customers”. (See February 26, 2012 Order, Paragraphs 14 & 15) In light of this finding, the PSC should also find that MSD has the financial, technical and managerial abilities to provide sanitary sewer services to Hillridge’s customers.

3) The Kentucky Division of Water (“DOW”) has stated that the Hillridge WWTP is a package wastewater treatment plant, and that package wastewater treatment plants treating domestic wastewaters are temporary solutions that shall be eliminated by connection to a regional wastewater treatment facility when sewers of sufficient capacity become available. The DOW has also determined that the Hillridge Facility and its wastewater treatment plant are located within the regional facility planning area of Louisville and Jefferson County Metropolitan Sewer District (“MSD”), and that MSD’s existing sewers are within one mile of the facility and have sufficient integrity and capacity to carry the additional flow and strength of flow. Therefore, the proposed transaction has satisfied the requirement that the transaction be in accordance with law, is for a proper purpose, and is consistent with the public interest.

4) MSD is currently constructing the line to carry the flow from the Hillridge collection

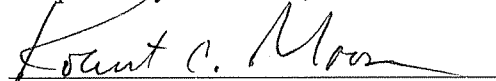
system to MSD's sanitary sewer system, and subject to inclement weather and any other unanticipated delays, the work on this line is to be completed in approximately twenty (20) to thirty (30) days from Monday, August 20, 2012. The Assets Purchase Agreement entered into by Hillridge and MSD provides for Hillridge to operate its WWTP and collection system through September 30, 2012, and thereafter, MSD will treat the flow by diverting it into the MSD sanitary sewer system. In the event that the line between the two systems has not been completed by October 1, 2012, MSD will begin operating the Hillridge WWTP and collection system on that date, and will operate same until construction of the line is completed.

5) Hillridge currently only has authority to discharge the treated wastewater from its WWTP through September 30, 2012. Discharge from the Hillridge WWTP after September 30, 2012, if necessary, would have to be pursuant to the KPDES permit issued to MSD.

6) The customers of Hillridge will be charged the PSC authorized rate through September 30, 2012. It is anticipated that these customers will be charged the MSD rate beginning October 1, 2012.

For the above stated reasons, Hillridge respectfully requests that the PSC expedite the review and approval of the Joint Application to transfer the Hillridge WWTP and collection system to MSD on or before September 30, 2012.

Respectfully submitted,



Robert C. Moore

Hazelrigg & Cox, LLP

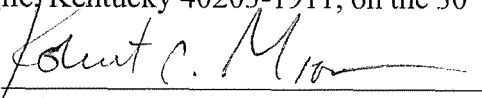
415 West main Street

P.O. Box 676

Frankfort, Kentucky 40602-0676

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by first class mail, postage prepaid, on Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40602 and Scott Porter, Louisville-Jefferson County Metropolitan Sewer District, 700 W. Liberty Street, Louisville, Kentucky 40203-1911, on the 30th day of August, 2012


Robert C. Moore