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NEWS RELEASE

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PSC Oks Transfer of Small Franklin County Sewer System Farmdale Sanitation District will take over Evergreen Sewage Disposal

FRANKFORT, Ky. (March 14, 2017) – The Kentucky Public Service Commission (PSC) has approved the sale for \$1 of the Evergreen sewage system in Franklin County to the Farmdale Sanitation District.

In an order issued today, the PSC found that Farmdale has the necessary financial and managerial ability to operate the system, and will be technically capable once it obtains the services of a certified operator.

Evergreen Sewage Disposal filed a petition with the PSC in September 2016 seeking permission to abandon the system, which serves 41 residential customers in the Evergreen subdivision south of Frankfort. In January 2017, the abandonment application was amended to transfer the system, which includes sewers and a treatment plant, to Farmdale.

Farmdale was created by the Franklin County Fiscal Court in 2004 for the purpose of eventually providing sewer service in southwest Franklin County. It currently does not have any facilities or serve any customers, but owns eight acres on which it eventually plans to build a wastewater treatment plant.

Evergreen will continue to operate its system until the sale is completed and Farmdale has hired an operator to run the system. Farmdale told the PSC that it intends to continue charging Evergreen's customers the current \$40 per month for sewer service.

Once the sale is complete, the rates and service of the Evergreen system will no longer be regulated by the PSC. County sanitation districts are not under PSC jurisdiction.

The PSC stated in today's order that the sale of the Evergreen system is consistent with longstanding state policy that favors consolidation and regionalization of wastewater systems.

Today's order and other records in the case are available on the PSC website, psc.ky.gov. The case number is 2016-00290.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 75 employees.

-30-

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