

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|  |   |                    |
|--|---|--------------------|
| INVESTIGATION OF CARDINAL UTILITIES, INC.; | ) |                    |
| LARRAINE P. KIMBRELL; AND STEVE POPE       | ) |                    |
| _____                                      | ) |                    |
| ALLEGED VIOLATIONS OF KRS CHAPTER 278      | ) | CASE NO.<br>90-189 |

IN RE:

CARDINAL UTILITIES, INC.  
PETITION OF NATURAL RESOURCES AND  
ENVIRONMENTAL PROTECTION CABINET

O R D E R

On November 12, 1990, the Commission issued an Order finding Cardinal Utilities, Inc. ("Cardinal") in violation of Commission regulation 807 KAR 5:071, Section 7, for failing to maintain and operate its facilities in accordance with good accepted engineering practice. The Commission's Order also found Cardinal in violation of Natural Resources and Environmental Protection Cabinet ("Cabinet") statutes and regulations. The Commission ordered Cardinal to correct within 30 days all violations of 807 KAR 5:071, Section 7, listed in Staff's Utility Inspection Report of May 25, 1990.

The Commission further found in its November 12, 1990 Order a material and continuing default by Cardinal: (a) to provide at all times adequate, safe and sanitary sewage collection, treatment and disposal service for all facilities in accordance with the statutes and regulations of the Commission and the Cabinet; (b) to

maintain adequate records of tests relating to the sewage facilities; and (c) to remedy defaults in the sewage facilities and make such adjustments, repairs, installations, or improvements to the sewage facilities reasonably necessary for the operation of the sewage facilities to conform to the lawful and reasonable requirements of the Commission and the Cabinet. The Commission therefore found Cardinal in default of the terms of Irrevocable Letter of Credit No. 162, issued by Peoples First National Bank and Trust Company, Paducah, Kentucky on January 20, 1986, in favor of the Commission. By letter delivered to Craig Steven Pope and Lorraine P. Kimbrell on November 19, 1990, the Commission notified those individuals that, unless all violations of Commission and Cabinet statutes and regulations found in the Commission's Order of November 12, 1990 were remedied within 30 days, the Commission would invoke said letter up to its aggregate amount of \$10,000.

On December 20, 1990, Commission Staff conducted a reinspection of the six Cardinal sewage treatment plants to determine if the violations of Commission and Cabinet statutes and regulations found in the Order of November 12, 1990 had been corrected. The findings of that inspection are contained in the Utility Reinspection Report which is verified by the Affidavit of Larry N. Updike, attached hereto and incorporated herein as Exhibit A.

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

1. Cardinal has failed to remedy the violations of Commission and Cabinet statutes and regulations found in the

Commission's Order of November 12, 1990 and in Staff's Utility Inspection Report of May 25, 1990.

2. Cardinal has failed to remedy its default of the terms of Irrevocable Letter of Credit No. 162 after 30 days notice of said default to Lorraine P. Kimbrell and Craig Steven Pope.

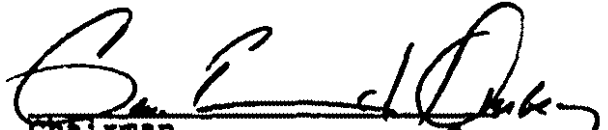
IT IS THEREFORE ORDERED that Irrevocable Letter of Credit No. 162 issued by Peoples First National Bank and Trust Company, Paducah, Kentucky, be and it hereby is invoked in favor of the Commission in its aggregate amount of \$10,000.

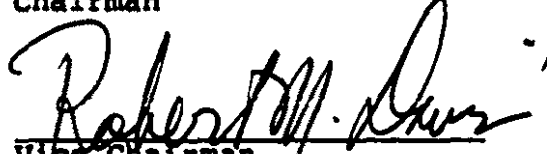
The Commission further finds from all evidence of record in this proceeding that a prima facie showing has been made that Craig Steven Pope and Lorraine P. Kimbrell, individually, have willfully violated 807 KAR 5:071, Section 7, by failing to maintain and operate the six Cardinal sewage treatment plants in accordance with accepted good engineering practice, and have willfully violated KRS 278.160 by charging rates not prescribed in Cardinal's filed tariff to Southern Pride Truck Stop.


IT IS FURTHER ORDERED that Lorraine P. Kimbrell and Craig Steven Pope shall appear at a hearing scheduled on February 7, 1991 at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky and be prepared to show cause why they should not be penalized pursuant to KRS 278.990 for willful violation of Commission regulation 807 KAR 5:071, Section 7 and KRS 278.160, and why they should not be required to refund all unauthorized rates collected from Southern Pride Truck Stop.

Done at Frankfort, Kentucky, this 8th day of January, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

A F F I D A V I T

STATE OF KENTUCKY        )  
                                  ) SS  
COUNTY OF FRANKLIN     )

The Affiant, Larry N. Updike, being first duly sworn, states as follows:

1. I am employed by the Kentucky Public Service Commission as a Utility Regulatory and Safety Inspector. My duties include the inspection of wastewater treatment plants to ensure compliance with Commission rules and regulations.

2. On December 20, 1990, I conducted a reinspection of the six sewage treatment plants owned and operated by Cardinal Utilities, Inc. I reported the results of that reinspection in the attached Utility Reinspection Report, the contents of which I hereby affirm are true and correct to the best of my knowledge and belief.

FURTHER THE AFFIANT SAITH NOT.

Larry N. Updike  
LARRY N. UPDIKE

Subscribed and sworn to before me by Larry N. Updike this 2<sup>nd</sup> day of January, 1991.

Mary Frances Bethard  
NOTARY PUBLIC  
State-at-Large

My Commission expires: Nov. 30, 1992

Commonwealth of Kentucky  
Public Service Commission

**UTILITY REINSPECTION REPORT**

Cardinal Utilities, Inc.  
McCracken County, Kentucky

On December 20, 1990, a reinspection of Cardinal Utilities, Inc. was conducted. The purpose of the reinspection was to see what progress, if any, had been made to date on the improvements or corrections needed to bring this facility into compliance with Public Service Commission regulation 807 KAR 5:071, Section 7, 1 and KRS 278. During the inspection it was found that the improvements or corrections necessary to bring this facility into compliance as stated in the May 25, 1990 inspection report and their current status are as follows:

Blandville, West Sewage Treatment Plant

1. The diffusers need to be inspected and repaired or replaced as necessary.

Current Status: One diffuser needs to be replaced.

2. A backup blower/motor unit or immediate access to one is needed in case of an emergency.

Current Status: Has access to backup blower/motor unit.

3. The lagoon impoundment bank needs to be inspected for muskrat damage and repaired if necessary.

Current Status: No evidence of muskrat activity.

4. The grass and weeds around the surface edge of the lagoon need to be cut.

Current Status: Grass and weeds have been cut.

5. The sludge needs to be removed from the tank being used to pump the effluent from the clarifier to the lagoon.

Current Status: Sludge has been removed.

6. A comminutor or bar screen needs to be placed on the plant.

Current Status: Is still needed.

7. The old chlorine contact tank not in use needs to be pumped out.

Current Status: Still needs to be done.

8. The effluent is not being chlorinated.

Current Status: Has been corrected.

Green Acres Subdivision Sewage Treatment Plant

1. The diffusers need to be inspected and repaired or replaced as necessary.

Current Status: Diffusers are operational.

2. A backup blower/motor unit or immediate access to one is needed in case of an emergency.

Current Status: Has access to backup blower/motor unit.

3. Two diffuser drops with diffusers need to be replaced.

Current Status: Two diffuser drops still are needed.

4. The old chlorine contact basin not in use needs to be cleaned out.  
  
Current Status: Still needs to be cleaned out.
5. The plant needs to be serviced by either a bar screen or a comminutor.  
  
Current Status: The plant still needs either a bar screen or a comminutor.
6. The plant needs water service for wash down.  
  
Current Status: Still needs water service.
7. The fence needs to be secured to the block building housing the blower/motor unit.  
  
Current Status: The fence still needs to be secured to block building.
8. The effluent needs to be chlorinated.  
  
Current Status: Effluent is being chlorinated.
9. The tertiary treatment unit needs to be made operational.  
  
Current Status: The tertiary unit is operational.
10. The tertiary treatment unit needs all sludge removed.  
  
Current Status: Sludge still needs to be removed.
11. The sand filter backwash blower needs to be replaced.  
  
Current Status: Backwash blower is operational.
12. The mud tanks need to be repiped so that when the filter is backwashed and the sludge from the filter overflows into the mud tank that it is piped back to the aeration tank and not straight to the stream.  
  
Current Status: Has been corrected.



13. One pump at the lift station needs to be inspected and repaired if necessary.

Current Status: Pump is operational.

14. The alarm needs to be repaired.

Current Status: Has not been repaired.

15. The reset buttons on the pump control need to be repaired.

Current Status: The reset buttons are now operating.

Fieldmont Subdivision Sewage Treatment Plant

1. The diffusers need to be inspected and repaired or replaced as necessary.

Current Status: The diffusers are operational.

2. The scum behind the baffle in the clarifier needs to be removed.

Current Status: The scum has been removed.

3. The fence around the plant needs to be repaired.

Current Status: Still needs to be repaired.

4. The mud tank needs to be cleaned out.

Current Status: Mud tank still needs to be cleaned out.

5. The sand filter needs to be cleaned out and new media placed in.

Current Status: Is still needed.

6. The clearwell next to the sand filter needs to be cleaned out.

Current Status: Is still needed.

7. All exposed electrical connections need to be protected.

Current Status: Has been corrected.

8. The plant is currently being operated without a comminutor. As long as the plant can be operated satisfactorily and produce an acceptable effluent the Commission may not require the use of a comminutor. However, the utility must monitor plant operations and immediately install a functioning comminutor should conditions warrant.

Current Status: Plant is being operated without a comminutor.

Golden Acres Subdivision Sewage Treatment Plant

1. The diffusers need to be inspected and repaired or replaced as necessary.

Current Status: The diffusers are not in operation.

2. A backup blower/motor unit or immediate access to one is needed in case of an emergency.

Current Status: Has access to blower/motor unit.

3. The fence around the plant needs to be repaired.

Current Status: Fence has not been repaired.

4. The block wall around the plant needs to be repaired.

Current Status: The wall has not been repaired.

5. Water service is needed at the plant for wash down.

Current Status: Water service is still needed.

6. A chlorination unit is needed at the plant site.

Current Status: A chlorination unit is still needed.

7. The plant is currently being operated without a comminutor. As long as the plant can be operated satisfactorily and produce an acceptable effluent the Commission may not require the use of a comminutor. However, the utility must monitor plant operations and immediately install a functioning comminutor should conditions warrant.

Current Status: Plant being operated without a comminutor.

Gateway Subdivision Sewage Treatment Plant

1. The diffusers need to be inspected and repaired or replaced as necessary.

Current Status: The diffusers are operational.

2. A backup blower/motor unit or immediate access to one is needed in case of an emergency.

Current Status: Has access to blower/motor unit.

3. The chlorine contact tank needs to be cleaned of sludge.

Current Status: The sludge deposits in the tank have been removed.

4. A gravel access road to the plant is needed.

Current Status: Gravel for the access road is still needed.

5. The lift station on Route 7, Box 6V 41 needs a backup pump and an alarm for emergencies.

Current Status: A backup pump and alarm is still needed.

6. The lift station behind the Pro Equipment Company in Draffenville on US 68 needs the control box repaired and a backup pump for emergencies.

Current Status: The control box has been repaired, however the backup pump is still needed.

7. The lift station in Gateway Development Subdivision needs a backup pump and an alarm for emergencies.

Current Status: Backup pump is still needed.

8. The lid at the lift station in the Gateway Development Subdivision needs to be locked down.

Current Status: Is still needed.

9. The bar screen needs to be kept clean.

Current Status: Bar screen was cleaned.

10. The plant is currently being operated without a comminutor. As long as the plant can be operated satisfactorily and produce an acceptable effluent the Commission may not require the use of a comminutor. However, the utility must monitor plant operations and immediately install a functioning comminutor should conditions warrant.

Current Status: Plant is being operated without a comminutor.

Holifield Heights Subdivision Sewage Treatment Plant

1. The diffusers need to be inspected and repaired or replaced as necessary.

Current Status: The diffusers have been repaired or replaced as necessary.

2. A backup up blower/motor unit or immediate access to one is needed in case of an emergency.

Current Status: The plant has access to backup blower/motor unit.

3. Water service is needed at the plant.

Current Status: Water service is still needed.

4. The effluent needs to be chlorinated.

Current Status: Effluent still needs to be chlorinated.

5. The thick scum on the surface of the clarifier needs to be removed.

Current Status: The scum on the surface of the clarifier has been removed.

6. The sand filter beds need to be cleaned of all grass and weeds.

Current Status: The filter beds have not been cleaned.

7. The plant is currently being operated without a comminutor. As long as the plant can be operated satisfactorily and produce an acceptable effluent the Commission may not require the use of a comminutor. However, the utility must monitor plant operations and immediately install a functioning comminutor should conditions warrant.

Current Status: Plant is being operated without a comminutor.

In addition to the improvements and corrections stated in the May 25, 1990 inspection report the following deficiencies were found on a subsequent reinspection conducted on December 20, 1990. The additional deficiencies are as follows:

Green Acres Subdivision Sewage Treatment Plant

1. A backup pump is needed for the lift station. (807 KAR 5:071, Section 7, 1)

Fieldmont Subdivision Sewage Treatment Plant

1. The mud pumps in the tertiary unit need to be repaired. (807 KAR 5:071, Section 7, 1)

Golden Acres Subdivision Sewage Treatment Plant


1. A backup pump is needed for the lift station in the front of the subdivision. (807 KAR 5:071, Section 7, 1)

Gateway Subdivision Sewage Treatment Plant

1. The lift station behind the Pro Equipment Company in Draffenville is overflowing on the ground. (807 KAR 5:071, Section 7, 1)
2. The air line feeding the diffusers has a leak. (807 KAR 5:071, Section 7, 1)

The existing conditions at the six treatment plants still violate the Public Service Commission regulations 807 KAR 5:071, Section 7, 1.

Submitted,  
January 2, 1991

  
Larry N. Updike *LNU*  
Utility Investigator

CGR:LNU:aem