

RECEIVED

OCT 18 2004

PUBLIC SERVICE  
COMMISSION

October 15, 2004,

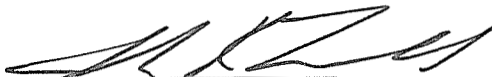
Public Service Commission  
Beth O'Donnell  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

RE: Case number 2004-00364, Adoption Notice

Dear Ms. O'Donnell,

Please accept the enclosed Supplemental Information for Filing pursuant to 807 KAR  
5:011, Section 11.

Sincerely,



Julie K. Tinnell  
Shadow Wood Waste Environmental, LLC

JKT: Enclosures

CC: David Edward Spenard, Esq. Asst. Attorney General  
Jim Lobb, Esq. Atty. at Law  
Clay Long, Shadow Wood Subdivision Sewer Service

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE JOINT APPLICATION OF SHADDOW WOOD )  
SUBDIVISION SEWER SERVICE AND SHADOW )  
WOOD WASTE ENVIRONMENTAL FOR ) CASE NO. 2004-00364  
APPROVAL OF THE TRANSFER OF WASTE WATER )  
TREATMENT FACILITIES PURSUANT TO PURCHASE )  
AGREEMENT BETWEEN THE PARTIES )

---

SUPPLEMENTAL INFORMATION TO THE JOINT APPLICATION FOR APPROVAL OF  
THE TRANSFER OF WASTE WATER TREATMENT FACILITIES PURSUANT TO  
PURCHASE AGREEMENT BETWEEN THE PARTIES

---

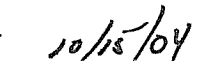
Comes the co-applicant, Shadow Wood Waste Environmental, LLC, offering the following supplemental information to the Joint Application for Approval of Transfer of Waste Water Treatment Facilities Pursuant to Purchase Agreement Between the Parties:

1. An Adoption Notice, as mandated by KAR 5:011 Section 11, requested by the Public Service Commission (PSC) in a letter dated September 16<sup>th</sup>, 2004 attached hereto and incorporated herein by reference as **Exhibit A**.
2. As evidence of a Third Party Beneficiary Agreement, Shadow Wood Waste Environmental agrees to purchase a Certificate of Deposit in the amount of \$35,000.00. The conditions of this Certificate of Deposit are listed in a proposed letter to be drafted by the Bank issuing the Certificate of Deposit, attached hereto and incorporated herein as **Exhibit B**.
3. If the applicant is successful in finding a suitable replacement instrument for the Certificate of Deposit that meets Public Service Commission approval, in the form of a Letter of Credit or a Bond, either during the processing of the Application for Transfer, or thereafter, the Applicant requests that the Letter of Credit or Bond that meets approval be allowed to retire the above mentioned Certificate of Deposit, and the Commission would at that time issue a letter to the Bank issuing the Certificate of Deposit releasing the funds.

Respectfully submitted,

Shadow Wood Waste Environmental, LLC

  
Julie K. Tinnell, President

  
Date



# EXHIBIT A

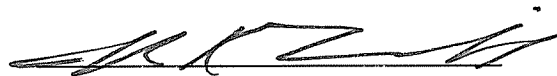
ADOPTION NOTICE

The undersigned, Julie K. Tinnell and Craig Perdue of Shadow Wood Waste Environmental, LLC hereby adopts, ratifies, and makes its own, in every respect as if the same had been originally filed and posted by it, all tariffs and supplements containing rates, rules and regulations for furnishing sewer service in the eastern portion of Jefferson County and Prospect area in the Commonwealth of Kentucky, filed with the Public Service Commission of Kentucky by Shadow Wood Subdivision Sewer Service, a joint venture of Fourth Avenue Corporation and Long Corporation and in effect on the November 1st of 2004, the date on which the public service business will be taken over by it.

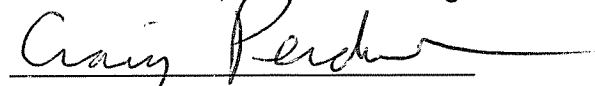
This notice is issued on the first day of October, 2004, in conformity with 807 KAR 5:011, Section 11, of the Regulations for the filing of Tariffs of Public Utilities with the Public Service Commission of Kentucky.

Shadow Wood Waste Environmental, LLC

By



Julie K. Tinnell, Member Manager



Craig Perdue, Member, Manager

Authorized by Ky.P.S.C. Order No. \_\_\_\_\_

# EXHIBIT B

Public Service Commission  
211 Sower Blvd.

P.O. Box 615  
Frankfort, KY 40601

RE: Certificate of Deposit \_\_\_\_\_, PSC Case No. 2004-00364

Dear Sirs and/or Madams,

We hereby establish Certificate of Deposit number \_\_\_\_\_ in your favor at the request of and for the account of Shadow Wood Waste Environmental, whose address is 13404 Creekview Road, Prospect, Kentucky, 40059 up to the aggregate amount of Thirty-Five Thousand and No/100--U.S. Dollars (\$35,000.00) available to you by draft at sight drawn on us and accompanied by an order of the Public Service Commission ("Commission") finding the following:

- (1) A material and continuing default by Shadow Wood Waste Environmental, Inc. to:
  - (a) provide at all times adequate, safe and sanitary wastewater collection, treatment and disposal service for all facilities in accordance with all applicable rules and regulations of the Commission and the Natural Resources and Environmental Protection Cabinet ("Cabinet");
  - (b) maintain adequate records of any tests relating to the wastewater facilities and to keep such records open to inspection by the Commission, the Cabinet and the ratepayers: or
  - (c) remedy at its own cost and expense defaults in the wastewater facilities and make such adjustments, repairs, installations or improvements to the wastewater facilities as may be reasonably necessary for the operation of the wastewater facilities to conform its operations to the lawful and reasonable requirements of the Commission or any other governmental agency having jurisdiction over its operation (hereafter referred to individually or collectively as the "Default");and
- (2) The failure of Shadow Wood Waste Environmental, Inc. to remedy the Default Within 30 days after notice of the Default has been received by Shadow Wood Waste Environmental, Inc. from any ratepayer or the Commission (or two days in the event of a complete shutdown of the Wastewater facilities or the

suspension of sewer services to the ratepayers of Shadow Wood Waste Environmental, Inc.), except in cases of disaster, war, riots, insurrection, labor troubles, strikes or other causes beyond the control of Shadow Wood Waste Environmental, Inc., (hereafter "Failure to Remedy the Default").

The commission will notify us when the Commission has found a Default by Shadow Wood Waste Environmental, Inc., and Failure to Remedy the Default.

The draft drawn under this Certificate of Deposit must be marked: "Drawn under (Insert your bank's name here) Certificate of Deposit No. \_\_\_\_\_ dated \_\_\_\_\_." We hereby agree with you that the draft under and in compliance with the terms of this Certificate of Deposit shall be duly honored upon presentation to the drawee.

This Certificate of Deposit shall expire on December 31st, 2015, or upon approved transfer of ownership of the Wastewater facilities to another entity, or approval by the Public Service Commission in writing.

Sincerely Yours,

\_\_\_\_\_  
(Bank Official's Signature)





1330 U.S. POSTAGE PERMIT NO. 5138  
92332-03-130 OCT 15 2004  
2440 MAILED FROM ZIP CODE 40207

001 1 0 001



9625 Ormsby Station Road  
Louisville, KY 40223

TO:

Public Service Commission  
Beth O'Donnell  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615