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Commonwealth of Kentucky Before the Public Service Commission

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FEB 1 3 2006 PUBLIC SERVICE

In the Matter of: Application to Request Commission Approval for an Increase in Farmdale Development Corporation Sewage Treatment Plant's Rate Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Case No. 2006-00028

ATTORNEY GENERAL'S MOTION REGARDING COMMISSION STAFF FIELD REVIEW

Farmdale Development Corporation has made application for a rate adjustment through the Commission's Alternative Rate Filing procedure. Consistent with Commission practice, it is likely that Commission Staff will perform a field review or a field audit as part of the Commission's consideration of Farmdale's application. The Attorney General respectfully requests that the Commission allow his Office to be present or otherwise participate in any filed review by Commission Staff for this Application.

There is a sound due process foundation for the Attorney General's request. The review is for the purpose of examining evidence and establishing the evidentiary record that will serve as the basis upon which the Commission will make its determination in this proceeding. It is proper to allow the Attorney General the opportunity for full and meaningful participation in this direct interaction with the Applicant by Commission Staff.

There is also precedent for the Attorney General's participation in such a review. In Commission Case No. 2001-00252, *In Re: The Application of River Bluffs Disposal, Inc. for a Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities,* a representative of the Office of the Attorney General accompanied Commission Staff during a limited financial review of River Bluff's test period operations.

With regard to applications by water and sewer utilities under the Alternative Rate Filing procedure, the Attorney General makes determinations regarding his review on a case-by-case basis. In this instance, the Attorney General believes that this application warrants his participation in the Commission Staff's field review; accordingly, he submits this motion.

WHEREFORE, the Attorney General moves this Commission to allow his Office to be present or otherwise participate in any field review or field audit that the Commission Staff conducts in this proceeding.

Respectfully submitted,

GREGORY D. STUMBO ATTORNEY GENERAL

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Certificate of Service and Filing

Counsel certifies filing of the original and ten photocopies of this Motion Regarding Commission Staff Field Review by hand delivery to Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; furthermore, service of the filing was by mailing a true and correct of the same, first class postage prepaid, to Carroll F. Cogan, Farmdale Development Corporation, 1706 Bardstown Road, Louisville, Kentucky 40205, and Beverly J. Hunt, 304 Peachtree Road, Frankfort, Kentucky 40601-8141, all on this 13th day of February 2006.

Assistant Attorney General