

Commonwealth of Kentucky
Before the Public Service Commission

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PUBLIC SERVICE
COMMISSION

In the Matter of:

Application of Farmdale Development }
Corporation for an Adjustment of Rates } Case No. 2006-00028
Pursuant to the Alternate Rate Filing }
Procurers for Small Utilities }

Comments on Staff Report of Farmdale Development Corporation from Kenny and
Marilynn Glass

It is our understanding that the Commission approved the replacement of the lift station, however there was not an approval given for any surcharge nor rate increase to fund the replacement. We still want to know where the supposedly new pump that was supposedly purchased last year is and according to Farmdale it still has not been installed.

It is very clear that neither Farmdale Development, Covered Bridges Utilities, nor anyone representing them, understand what "provide competitive bids from three nonaffiliated sources" entails.

Staff suggests/requests that Farmdale provide more detailed description of the nature and scope of the proposed repairs. If Mr. Cougan and Mr. Smither can not provide the proper information in over a year then it is apparent they can not justify the surcharge at all. So far all we have seen is a bunch of paperwork that doesn't fulfill requirements.

Farmdale provided no documentation other than Mr. Smither, who stands to benefit greatly, as to whether any of these projects are even necessary. The plant is inspected regularly by the Franklin County Health Department and the Division of Water Where is documentation from their inspections that any these repairs are necessary, Mr. Cougan has testified that he has not visited the facility for some time. Are the basic inspections as outlined in 807KAR5:071,Section7, number (4) even being done? If so how would you

miss the manholes for over 20 years? All projects are the result of poor maintenance and/or lack of planning. Lack of planning cannot be considered grounds for an emergency.

Under no circumstances should Farmdale be allowed a surcharge, Mr. Cougan apparently turned this Facility over to Mr. Smither who makes all of the decisions . Farmdale or Covered Bridge borrow or invest monies and set up the depreciation like any other business would do, They also need to start trying to conserve whenever possible instead of getting their own companies to do all work possible. They just charge whatever and go on. We, the customer, will pay for it and its more profit for them. There is NO check and balance here. The idea of doing the project as you save enough money is stupid. This isn't cost efficient. If you can wait that long then why are you doing it. We feel this is a ploy to get all of the monies out of the residents of Farmdale they can before it is taken over by the Frankfort Public Sewer. We would also like to add that Mr. Moore represents the city of Frankfort and would know before the public when that will be.

We feel that the Staff has done a good job, but there needs to be a written report on the condition of the Facility. Someone qualified, needs to determine the correct repairs that need to be done on the sewer lines. It is our understanding that ground water is NOT to be allowed into the sewer and misaligned pipes and roots in the system allow this.

We do not intend to call any witness however we want to be listed as witness in case we want to testify and we request the right to ask questions of any witness.

We certify that we have submitted the original and 10 copies to the commission and copies to David Edward Spenard, Robert C. Moore, Mary Pennington and Beverly J Hunt.

Kenny Glass

Kenny Glass
3/8/07

Marilynn Glass

Marilynn Glass
3/9/07