COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JUN 01 2011

PUBLIC SERVICE COMMISSION

APPLICATION OF)
WOODLAND ACRES)
UTILITIES, LLC) Case No. 2010-00191
FOR APPROVAL OF THE TRANSFER OF)
WASTEWATER TREATMENT PLANT TO)
WOODLAND ACRES UTILITIES, LLC)

MOTION OF WOODLAND ACRES UTILITIES, LLC TO APPROVE LETTER OF CREDIT

Comes Woodland Acres Utilities, LLC (hereinafter Woodland Acres), by counsel, and for its Motion to Approve Letter of Credit, states as follows:

- 1. By its Order on September 1, 2010, the Public Service Commission (hereinafter "Commission") required Woodland Acres to obtain "an irrevocable letter of credit in the amount of \$10,000 with a minimum term of 10 years."
- 2. Subsequent to the entry of the Commission's September 1, 2010 Order, Woodland Acres worked to obtain the required irrevocable letter of credit, and on May 11, 2011 filed an irrevocable letter of credit issued to the Kentucky Public Service Commission by The Peoples Bank of Bullitt County in the amount of \$5,000.00.
- 3. Woodland Acres hereby requests the Commission to approve the submission of the irrevocable letter of credit in the amount of \$5,000.00 for the following reasons. The subject wastewater treatment plant (hereinafter "WWTP") was previously owned by Woodland Acres Sanitation, Inc., and John Ford was the sole shareholder of this corporation. After Mr. Ford's death on October 9, 2008, the executor of Mr. Ford's estate sold the subject WWTP to Joe Murphy, who is the sole member of Woodland Acres,

subject to the Commission's approval. No other individuals or entities were interested in taking over the operation and maintenance of the WWTP. While Woodland Acres and Mr. Murphy were able to obtain the above described \$5,000.00 irrevocable letter of credit, neither Woodland Acres or its sole member, Mr. Murphy, have the financial wherewithal to obtain a letter of credit in the amount of \$10,000.00. Woodland Acres has operated the subject WWTP since Mr. Ford's death, and no other entities interested in, or willing to, operate the WWTP have been identified. The revenue earned by Woodland Acres is used to operate and maintain the WWTP, and there is insufficient additional revenue to pay for an irrevocable letter of credit in the amount of \$10,000.00. The \$5,000.00 irrevocable letter of credit should be sufficient to ensure the transfer of the WWTP in the event Woodland Acres were to be unable to properly operate same.

Respectfully submitted,

Court C. Moon

Robert C. Moore Hazelrigg & Cox, LLP 415 West Main Street P.O. Box 676 Frankfort, Kentucky 502-227-2271 Counsel for Woodland Acres Utilities, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by first class mail on this the 1st day of June, 2011, on Gerald R. Wuetcher, <u>Public Service Commission</u>, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and David Edward Spenard, Assistant Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.

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