

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF FRIENDLY PARK) CASE NO.
DEVELOPMENT, INC.'S NOTICE OF INTENT TO) 2015-00101
ABANDON SERVICE)

ORDER

On March 30, 2015, Friendly Park Development Inc. ("Friendly Park") tendered a letter to the Commission requesting approval to discontinue all sewer services to its customers.¹ In support of its request, Friendly Park states that it has been losing money and can no longer afford to continue to operate, that its facilities are deteriorating, and that its certified operator is having increasing difficulty in complying with testing and reporting requirements. Additionally, Friendly Park's owner wants to retire and does not want to pass the utility on to his children. Friendly Park states that it does not have any other employees to serve as an operator, and that due to its worsening financial condition, it is unable to pay for any additional personnel.

Friendly Park asserts that other companies in the Daviess County region could provide sewer service to the Friendly Park customers. It specifically notes that the preferable solution would be for the customers to connect to the Regional Water Resource Agency ("RWRA"), which is the regional wastewater service provider for Owensboro and Daviess County, Kentucky, through connecting to the Owensboro East Waste Water Treatment Plant ("Owensboro East").

¹ Letter from A.V. Conway, II, Conway & Keown to Jeff Derouen, Executive Director, Kentucky Public Service Commission (dated March 24, 2015). Attached as the Appendix to this Order.

Friendly Park requests authorization, pursuant to KRS 278.021(2)(b), to abandon all interests in its real and personal property necessary to provide sewer service and to cease operation no later than April 30, 2015. Friendly Park intends to notify its customers by March 31, 2015, of its intent to abandon.

Friendly Park is a for-profit sewer utility that provides sanitary sewer services to 69 customers in Daviess County, Kentucky.² It is a utility subject to the Commission's jurisdiction and regulation.³

KRS 278.020(5) provides that:

[n]o utility shall acquire or transfer ownership of, or control, or the right to control, any utility under the jurisdiction of the commission by sale of assets, transfer of stock, or otherwise, or abandon the same, without prior approval by the commission.

KRS 278.021 further provides, in part:

If the commission, after notice and hearing, enters an order in which it finds that a utility is abandoned, the commission may bring an action in the Franklin Circuit Court for an order attaching the assets of the utility and placing those assets under the sole control and responsibility of a receiver.

Based on the evidence of record, the Commission finds that an investigation should be conducted to examine Friendly Park's request to abandon its sewer facilities. We further find that the Attorney General's Office of Rate Intervention ("AG"), RWRA, Owensboro East, and the Daviess County Judge-Executive should be served with a copy of this Order.

² *Annual Report of Friendly Park Development, Inc. to the Public Service Commission of Kentucky for the Calendar Year Ended December 31, 2013* at 9 and 25.

³ KRS 278.010(3)(f); KRS 278.040.

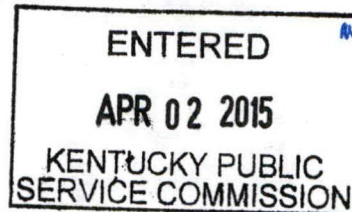
IT IS THEREFORE ORDERED that:

1. This case is initiated to investigate the request by Friendly Park to abandon its utility services and facilities.

2. Friendly Park shall continue to operate its utility facilities during the pendency of this investigation and shall continue operating until the Commission issues an Order adjudicating Friendly Park's request to abandon its facilities.

3. The Executive Director shall serve a copy of this Order upon the AG, RWRA, Owensboro East, and the Daviess County Judge-Executive.

By the Commission



ATTEST:

Stephanie Bell for TD

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00101 DATED **APR 02 2015**

CONWAY & KEOWN

ATTORNEYS AT LAW

RECEIVED

MAR 30 2015

PUBLIC SERVICE
COMMISSION

A. V. CONWAY, II
LICENSED IN KY & TN

JUSTIN S. KEOWN
LICENSED IN KY

March 24, 2015

Via Certified Mail, Return Receipt Requested

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
P. O. Box 615
211 Sower Blvd.
Frankfort, KY 40602-0615

Re: Friendly Park Development, Inc. – Intent to
Abandon Pursuant to KRS 278.021(2)(b)

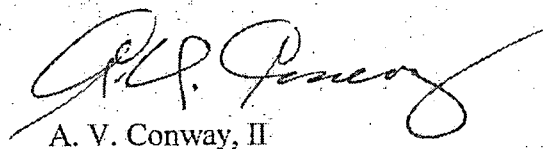
Dear Mr. Derouen:

Enclosed is the notification of my client, Friendly Park Development, Inc.'s, intent to abandon operation of its facilities pursuant to KRS 278.021(2)(b). Please list me as attorney of record for and on behalf of Friendly Park Development, Inc., and copy me with all orders and directives issued by the Public Service Commission.

We look forward to hearing from you.

Sincerely,

CONWAY & KEOWN



A. V. Conway, II

AVC:sbc
enclosure

**Friendly Park Development, Inc.
101 North Main Street
Beaver Dam, Kentucky 42320**

March 17, 2015

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
P. O. Box 615
211 Sower Blvd.
Frankfort, Kentucky 40602-0615

Re: Notification of Friendly Park Development, Inc.
of intent to abandon the operation of its
facilities pursuant to KRS 278.021(2)(b)

Dear Sir:

On behalf of Friendly Park Development, Inc. ("Friendly Park"), you are notified of Friendly Park's request to be permitted to abandon the operation of its facilities used to provide solid waste and waste water disposal and discontinue all services to its customers in Daviess County, Kentucky. For purposes of this notice, you are advised that Friendly Park corporate address is 101 North Main Street, Beaver Dam, Kentucky 42320, and its registered agent is the undersigned, A. Scott Lewis, whose address is also 101 North Main Street, Beaver Dam, Kentucky 42320. This request is being made for the following reasons:

- (1) For several years, Friendly Park has been losing money and can no longer afford to continue in operation.
- (2) Our facilities are in a deteriorating condition and will only get worse over time, with the corporation having inadequate income to make needed improvements.
- (3) Friendly Park certified operator is Eugene Richeson (certified operator number 28227). Because of age, declining health issues, and technology changes associated both with the operation and maintenance of the facility, and the testing and reporting requirements now mandated by both statute and regulations, Mr. Richeson has had ever increasing difficulties in performing the necessary work of an operator. The owner is also wanting to retire and does not want the burden passed on to his children.

March 17, 2015

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Re: Friendly Park

Friendly Park has no other employee that qualifies as an operator, and considering the ever worsening financial issues is not in position to update the equipment necessary to continue in operation, or to retain and pay the services of an additional operator and/or other employees necessary for continued operation. For all of these reasons, we are forced to request the abandonment of this facility pursuant to KRS 278.021(2)(b).

We believe that there are other companies in Daviess County who have the capability of providing the solid waste and waste water services which are now being provided by Friendly Park to its customers. In addition, and as referenced in Exhibit 1, the optimum solution would be for the customers to be able to connect onto RWRA and Owensboro East Waste Water Treatment Plant as soon as possible.

We are requesting authorization to abandon the operation of our facilities and to cease any further services by not later than April 30, 2015. It is our intent to notify each customer of Friendly Park by letter by on or before March 31, 2015, that we are requesting authorization from this Commission to discontinue all services by April 30, 2015. This should give each of our customers more than adequate time to secure services as needed.

All records, taxes, and filings required by statute or regulation are current at this time.

We will attempt to continue to provide services and look forward to your direction and decision with regard to our request to be permitted to abandon this facility as authorized by KRS 278.021(2)(b).

Respectfully,

A. Scott Lewis

A. Scott Lewis

*A.V. Conway, II
Conway & Keown Attorneys At Law
124 West Union Street
P.O. Box 25
Hartford, KENTUCKY 42347

*Friendly Park Development, Inc.
101 North Main Street
Beaver Dam, KY 42320