

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

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**PUBLIC SERVICE
COMMISSION**

In the Matter of:

RIDGELEA INVESTMENTS, INC.'S NOTICE OF)
SURRENDER AND ABANDONMENT OF) Case No. 2016-00106
UTILITY PROPERTY NAMELY THREE (3) FRANKLIN)
COUNTY WASTEWATER TREATMENT PLANTS)

**DEFENDANT'S RESPONSE TO COMMISSIONS STAFF'S
FIRST REQUEST FOR INFORMATION**

The Defendant, Charles ("Chuck") Hungler, Jr., answers on behalf of Ridgelea Investments, Inc., under oath as follows:

1. State whether the three Franklin County treatment plants Ridgelea proposes to abandon are currently in compliance with all Commission and Kentucky Division of Water regulations.

Answer: The undersigned believes all three WWTPs are in compliance, but subject to the following issues: as to the three Franklin County WWTPs, all equipment is working properly; Edgewood needs repairs to various pipes; Farmgate has rust holes in its steel tank above the waterline; Meadowbrook and Edgewood have rust on their steel tanks; all three treatment plants have I&I issues.

2. State whether Ridgelea's Grant County treatment plant is currently in compliance with all Commission and Kentucky Division of Water regulations.

Answer: Grant County WWTP is in compliance, but an issue exists with sludge in its lagoon.

3. State and describe in detail any upgrades that the four treatment plants currently need to continue operating and remain in compliance with all regulations, and provide the approximate costs of such upgrades.

Answer: Compliance issues remain the subject of the pending Franklin Circuit Court litigation, I&I repairs are needed in all three plants.

4. State the current number of customers served by each of the four treatment plants.

Answer: The respective number of customers is the following: Farmgate 37; Meadowbrook 31; and Edgewood 126.

5. State the current number of customers with delinquent accounts at each of the four treatment plants.

Answer: None, currently.

6. State the number of customers who have had water service cut off for delinquent sewer bills.

Answer: The number of customers cut off for delinquent bills is the following: Farmgate 2, Meadowbrook 1, Edgewood 3; both water and sewer service were cut off for each;

7. Provide in detail:

- a. An itemized list of the average monthly operating expense of the three Franklin County treatment plants; and

Answer: See Exhibit "A" attached hereto.

- b. An itemized list of the average monthly operating expense of the Grant County treatment plant.

Answer: See Exhibit "B" attached hereto.

8. Does Ridgelea intend to relinquish control and ownership of its interest in all Franklin County property necessary for providing utility service.

Answer: Yes.

9. Confirm that Ridgelea has coordinated with Farmdale Sanitation District for the district to act as receiver over the three Franklin County treatment plants

Answer: Representatives of Franklin County government and the Chairman of the Farmdale Sanitation District have verbally confirmed Farmdale will act as receiver. This representation was made at the informal conference at the PSC on March 29, 2016.

10. Explain why the request to abandon does not encompass the Grant County treatment plant.

EXHIBIT "A"

Answer to 7(a)

Meadowview WWTP

Administration \$300.00 *

Electric \$70.00

Water \$20.00

Testing \$65.00

Maintenance \$1800.00 *

Sludge Hauling \$400.00

Repairs Sewer \$1000.00

Chemical \$400.00 *

Edgewood WWTP

Electric \$350.00

Water \$25.00

Testing \$1000.00

Sludge Hauling \$400.00

Garbage \$70

Farmgate WWTP

Electric \$150.00

Water \$21.00

Testing \$200.00

Sludge Hauling \$400.00

*Notes average for all three WWTPS

EXHIBIT “B”

Answer to 7(b)

Grant County WWTP

| | |
|----------------------|-----------|
| Administration | \$300.00 |
| Electric | \$600.00 |
| Water | \$0 |
| Testing | \$250.00 |
| Maintenance | \$1100.00 |
| Sludge Hauling | \$450.00 |
| Repairs Sewer clog | \$0 |
| Garbage | \$0 |
| Lift Station Repairs | \$400.00 |
| Chemical | \$200.00 |