

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF RIDGELEA INVESTMENTS, INC. FOR APPROVAL OF TRANSFER OF FRANKLIN COUNTY WASTEWATER TREATMENT FACILITIES TO FARMDALE SANITATION DISTRICT)	CASE NO.
)	2017-00153
)	
)	

ORDER

Ridgelea Investments, Inc. (“Ridgelea”) submitted an application for Commission approval to transfer certain facilities for the collection and treatment of sewage to Farmdale Sanitation District (“Farmdale”). After filing deficiencies were cured, Ridgelea’s application was accepted for filing as of April 5, 2017. Pursuant to KRS 278.020(7), the Commission must rule on Ridgelea’s application within 60 days of filing¹ unless it finds it necessary, for good cause, to extend the review period for up to an additional 60 days.

Ridgelea styled its application as a “Petition for Certificate of Convenience and Necessity.” Ridgelea, however, does not request approval to construct facilities, but rather seeks approval pursuant to KRS 278.020(6) and (7) to transfer wastewater treatment facilities to Farmdale. The Commission finds on its own motion that the case style used by Ridgelea in its filing is not descriptive of the subject matter of the case as required by 807 KAR 5:001, Section 4(2), and should be changed to “APPLICATION OF RIDGELEA INVESTMENTS, INC. FOR APPROVAL OF TRANSFER OF FRANKLIN

¹ Sixty days from the date of filing is June 4, 2017.

COUNTY WASTEWATER TREATMENT FACILITIES TO FARMDALE SANITATION DISTRICT.”

The Commission further finds that it requires additional information regarding the proposed transfer. The Commission therefore finds good cause to extend the 60-day period for a decision set forth in KRS 278.020(7) for an additional 60 days² so that it can review and fully consider the responses. Notwithstanding this extension of the review period, the Commission will endeavor to expedite the completion of our review.

IT IS THEREFORE ORDERED that:

1. The time in which the Commission shall render its decision on the Joint Applicants' application is extended an additional 60 days pursuant to KRS 278.020(7) to August 3, 2017.

2. Ridgelea and any party to this proceeding shall use the following case style on each subsequent filing in this case: “APPLICATION OF RIDGELEA INVESTMENTS, INC. FOR APPROVAL OF TRANSFER OF FRANKLIN COUNTY WASTEWATER TREATMENT FACILITIES TO FARMDALE SANITATION DISTRICT.”

3. a. Ridgelea shall file with the Commission, within 14 days of the date of this Order, its responses to all requests for information listed in the Appendix to this Order. Pursuant to 807 KAR 5:001, Ridgelea is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record.

b. Responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness responsible for responding

² The additional 60-day period runs through August 3, 2017.

to the questions related to the information provided, with copies to all parties of record, and the original and eight copies to the Commission.

c. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

d. Ridgelea shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Ridgelea fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to respond completely and precisely.

e. Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

f. When filing a paper containing personal information, Ridgelea shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

g. The Executive Director shall serve a copy of this Order upon the Franklin County Judge-Executive.

By the Commission

ENTERED
JUN 01 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2017-00153

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2017-00153 DATED **JUN 01 2017**

1. Provide a copy of the written transfer agreement between Ridgelea and Farmdale.
2. Describe the authority of the individual who executed the transfer agreement on behalf of Ridgelea to enter into the agreement on behalf of Ridgelea, and provide records that document the executing individual's authority.
3. Describe the authority of the individual who executed the transfer agreement on behalf of Farmdale to enter into the agreement on behalf of Farmdale, and provide records that document the executing individual's authority.
4. State whether Farmdale's Board of Directors approved Farmdale's acquisition of ownership and control of Ridgelea's Franklin County wastewater facilities. If so, provide a copy of the board resolution approving the acquisition or minutes of the meeting at which the Board voted to approve the acquisition.
5. For Farmdale, provide the following:
 - a. Describe Farmdale's technical ability and resources to manage and operate the Ridgelea facilities, including, but not limited to, its employment of or contractual arrangement for a qualified and certified operator for the system.
 - b. Describe Farmdale's financial ability and resources to manage and operate the Ridgelea facilities proposed to be transferred, including, but not limited to, available funds, lines of credit, loans, grants, or other financial support.

c. Describe Farmdale's managerial ability and resources to manage and operate the Ridgelea facilities proposed to be transferred.

d. If Farmdale has entered into a contract with any third party regarding the performance of technical, financial, or managerial services by the third party on behalf of Farmdale, provide a copy of each contract.

6. If Ridgelea holds any deposits of customers served by the facilities proposed to be transferred to Farmdale, state whether Ridgelea will refund the deposits that it holds, transfer the deposited funds to Farmdale, or apply or transfer the funds to another use. If applied for another use, identify the other use.

7. State the rates that Farmdale intends to charge current customers of the facilities proposed to be transferred to it by Ridgelea.

8. State whether Farmdale intends to continue to operate any of the wastewater treatment plants proposed to be transferred to it by Ridgelea. If not, state the manner in which Farmdale intends to treat the effluent currently treated by the wastewater treatment plants.

9. Provide the Total Utility Plant and the associated Accumulated Depreciation values that are to be transferred from Ridgelea's wastewater system.

10. The *Annual Report of Ridgelea Investments, Inc. to the Public Service Commission for the Year ended December 31, 2015* at page 25 indicates that Ridgelea has 349 customers. State how many of these customers will be served by Farmdale upon completion of the transfer.

11. If the Commission grants Ridgelea's application for approval of the transfer of its Franklin County wastewater treatment facilities to Farmdale, state whether Ridgelea

or Farmdale intends to give notice of the transfer to the customers served by the facilities and to provide customers with Farmdale's contact information for service and billing issues.

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