

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

Joint Petition of the Purchase Public Service Corporation and Marshall County Environmental Services, LLC to Approve the Transfer of Ownership and Control of the Golden Acres Subdivision and Great Oaks Subdivision Wastewater Treatment Facilities to Marshall County Environmental Services, LLC

Case No.2012-00436

RECEIVED

JAN 22 2013

PUBLIC SERVICE
COMMISSION

MARSHALL COUNTY ENVIRONMENTAL SERVICES, LLC'S
NOTICE OF COMPLIANCE WITH COMMISSION'S ORDER AND REQUEST FOR
MODIFICATION OF ORDER

Comes Marshall County Environmental Services, LLC and in compliance with the Commission's Order dated November 19, 2012, files an exact copy of the Letter of Credit required to be obtained by Marshall County Environmental Services, LLC. Said copy is attached hereto and incorporated herein by reference as Exhibit "A". MCES has been informed by Ashley Nelson, an employee of C-Plant Federal Credit Union, the issuer of the Letter of Credit, that they may only issue said letter of credit for a period of one year. As such, MCES hereby requests a modification of the Commission's Order to reflect the terms of the letter of credit issued by MCES' bank, C-Plant Federal Credit Union.

Respectfully submitted,

DENTON & KEULER
P. O. BOX 929
PADUCAH KY 42002-0929
Telephone: (270) 443-8253
Facsimile: (270) 442-6000

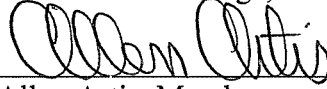
By:


Melissa D. Yates

ATTORNEYS FOR PETITIONERS

VERIFICATION

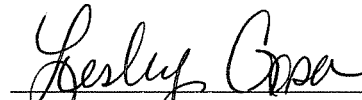
I, Allen Artis, being a member of Marshall County Environmental Services, LLC, states, and that he has personal knowledge of the matters set forth in the foregoing Notice of Compliance and Request for Modification of the Commission's Order; and that the statements contained therein are true and correct to the best of his knowledge, information, and belief



Allen Artis, Member
Marshall County Environmental Services

COMMONWEALTH OF KENTUCKY)
COUNTY OF MCCRACKEN)

SUBSCRIBED AND SWORN TO before me by Allen Artis, member of Marshall County Environmental Services, LLC, on behalf of said limited liability company on this 18th day of January, 2013.

 id 468238

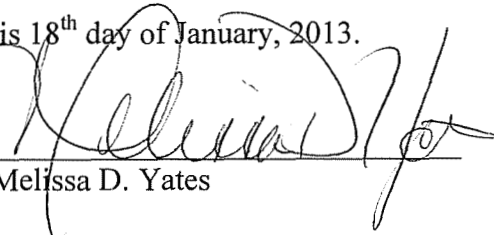
Notary Public, State at Large
My Commission Expires 6.11.16

I hereby certify that true and correct copy
of the foregoing has been served via
Facsimile at (270) 502-3460 and
Federal Express delivery to:

MR JEFF DEROUEN
EXECUTIVE DIRECTOR
KENTUCKY PUBLIC SERVICE COMMISSION
211 SOWER BLVD.
FRANKFORT KY 40602

on this 18th day of January, 2013.

By:


Melissa D. Yates

IRREVOCABLE LETTER OF CREDIT

To: Public Service Commission
211 Sower Blvd
Frankfort, KY 40602
(The Designated Beneficiary hereunder)

Letter of Credit No. 1/430982 L75
Amount \$10,000.00
Expiration Date: January 18, 2014

By the
Order Of: Marshall County Environmental Services, LLC
1303 Pugh School Road
Benton, Kentucky 42025
(The Account Party hereunder)

Date: January 18, 2013

At the request of the Account Party, C-Plant Federal Credit Union (hereinafter the "Credit Union") hereby issues in favor of the Designated Beneficiary an Irrevocable Letter of Credit No. 1/430982 L75 for the account of the Designated Beneficiary in an amount not to exceed the aggregate of Ten Thousand U.S. Dollars (\$10,000.00). To make a demand upon this letter of credit, the Designated Beneficiary must provide the Credit Union with the following documents on or before the stated Expiration Date:

- (a) A formal written demand, duly executed by the designated Beneficiary's duly authorized representative, stating the amount drawn;
- (b) A written certification, duly executed by the designated Beneficiary's duly authorized representative, which certifies that (i) the Account Party has abandoned the sewage treatment and collection facilities serving the Golden Acres and Great Oaks Subdivision, and (ii) a receivership action has been filed against the Account Party under KRS 278.021;" and
- (c) A certified copy of a legal pleading that evidences the receivership action.

All demands made under this Letter of Credit shall be presented to the Credit Union at its main office located at 2500 LONEOAK ROAD 42003, Paducah, Kentucky. In the event that separate conforming demands are received by the Credit Union on the same date, such demands shall be honored by the Credit Union in the order they are received as determined by the Credit Union to the extent of the credit made available hereunder.

The Credit Union covenants to the designated Beneficiary that all demands and accompanying documents presented in strict conformity with the terms and conditions of this Letter of Credit will be duly honored, provided that such demand and documents are received by the Credit Union on or before the Expiration Date of this Letter of Credit. Each demand made under this Letter of Credit shall be subject to the Designated Beneficiary's warranty of its legal entitlement to the amounts stated in the demand.

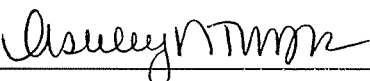
In the event any demand made by the Designated Beneficiary does not strictly conform to the terms and conditions of this Letter of Credit, the Credit Union shall give the Designated Beneficiary written notice that the demand for payment was not affected in accordance with the terms and conditions of this Letter of Credit. The Designated Beneficiary shall thereafter be accorded an opportunity to cure its deficient demand, provided the demand is received by the Credit Union prior to or on the Expiration Date.

This Letter of Credit states all of the terms of the Credit Union's undertaking hereunder, and such undertaking shall not in any way be modified, amended, or amplified by reference to any document referred to herein, or in which this Letter of Credit is referred to, or to which this Letter of Credit relates, and any such reference shall be deemed merged herein by reference.

This Letter of Credit shall be governed in accordance with the laws of the Commonwealth of Kentucky. Any legal action brought to enforce the provisions under this Letter of Credit shall be brought in a court of competent jurisdiction located in McCracken County, Kentucky. By accepting this Letter of Credit, the Designated Beneficiary hereby agrees to submit itself to the exclusive jurisdiction of such courts.

Sincerely,

C-PIANT FEDERAL CREDIT UNION

By: 

Title: BRANCH MANAGER