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June 14, 2006

JUN 14 2006 PUBLIC SERVICE COMMISSION

Executive Director Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, Kentucky 40602-0615

> Re: Farmdale Development Corporation: Case No. 2006-00028

Dear Ms. O'Donnell:

Ms. Beth O'Donnell

WILLIAM P. CURLIN, JR.

DANDRIDGE F. WALTON

JOHN B. BAUGHMAN ROBERT C. MOORE

CLAYTON B. PATRICK

SQUIRE N. WILLIAMS III

Enclosed please find the original and eleven copies of a Motion of Farmdale Development to Consolidate in the above referenced case. Please stamp file one copy and return to me in the enclosed, self-addressed stamped envelope. Thank you for your assistance in this matter.

Please contact me if you have any questions.

Enclosures RCM/neb

Carroll Cogan cc:

RECEIVED

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

JUN 14 2006

PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

THE APPLICATION OF FARMDALE DEVELOPMENT CORPORATION FOR ADJUSTMENT IN RATES

Case No. 2006-00028

MOTION OF FARMDALE DEVELOPMENT CORPORATION TO CONSOLIDATE

Comes the Applicant, Farmdale Development Corporation (Hereinafter "Farmdale"), by counsel, and for the reasons set forth below, hereby moves the Public Service Commission (Hereinafter "Commission"), to consolidate Case No. 2006-00028 and Case No. 2006-00209.

- 1) On or about January 19, 2006, Farmdale filed an Application for an Adjustment in Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities (Hereinafter "Application for Rate Adjustment"), which has been assigned case No. 2006-00028 by the Commission. The Application for Rate Adjustment specifically requests an increase in the rate to be paid by the customers of Farmdale's Wastewater Treatment Plant and collection system located in Franklin County, Kentucky, and the approval of a monthly construction surcharge for significant repairs to be performed on the Farmdale WWTP and collection system (Hereinafter "Farmdale WWTP").
- 2) The repairs to be performed on the Farmdale WWTP and collection system set forth in the Application for Rate Adjustment include:

a) System repairs \$112,560;

b) Lagoon pump and clean \$58,750;

c) Replace remote lift station \$30,425;

d) Replace chorine tank	\$17,225;
e) Standby blower motor assembly	\$9,320;
f) Replace diffuser drop pipes	\$4,120;
g) Small plant maintenance	\$3,050;
h) Lift station grating	\$1,405; and,
i) Supervision	\$10,445
Total	\$247,300

- 3) On March 15, 2006, Farmdale filed a Motion requesting the Commission to hold an Informal Conference in the above-styled action in order to advise the Commission of failing status of the remote lift station to the Farmdale WWTP and to request the Commission to approve that part of the surcharge (\$30,425) applicable to the remote lift station on an expedited basis.
- 4) Pursuant to Farmdale's request, the Commission scheduled and held an Informal Conference in the above-styled action on April 20, 2006. During the Informal Conference, the Applicant advised the Commission Staff that emergency repairs had been made to the remote lift station to the Farmdale WWTP, that the emergency repairs were necessary in order to keep the remote lift station in operation; that the remote lift station and its equipment were worn out beyond further repair, and that the equipment, associated with the remote lift station, as well as the remote lift station itself, needed to be replaced. Furthermore, the Applicant requested that the part of the surcharge associated with the cost to replace the remote lift station (\$30, 425) be reviewed and approved by the Commission on an expedited basis. The Commission Staff recommended to the Applicant that an Application for a Certificate of Convenience and Necessity be filed.

- 5) Pursuant to the recommendation of the Commission Staff, on May 22, 2006, the Applicant filed an Application for Certificate of Convenience and Necessity (Hereinafter "Application for Certificate") requesting the Commission's approval of the replacement of the remote lift station to the Farmdale WWTP at a cost of \$30,425 and the recovery of this cost, plus interest in the amount of \$4,918.00, through a surcharge in the amount of \$3.99 per month to be paid by Farmdale's rate payers over a three (3) year period.
- 6) On June 10, 2006, in the above-styled action Farmdale filed an Amendment to its Application for Rate Adjustment that was necessary due to the filing of the Application for Certificate. The cost to replace the remote lift station, which is the subject of the Application for Certificate, had previously been included in the surcharge requested in the above-styled Application for Rate Adjustment. Accordingly, the Application for Rate Adjustment was revised to exclude the cost of the replacement of the remote lift station. The Application for Rate Adjustment was also revised to include legal fees and accountants fees.
- 7) Notice of the filing of the Application for Rate Adjustment was provided to the rate payers as required by the applicable statutes and regulations. The filing of the Application for Certificate and the amendment to the Application for Rate Adjustment does not require additional notice to the rate payers of the Farmdale WWTP.
- 8) Because the above-styled Application for Rate Adjustment, as amended, and the Application for Certificate both concern the Farmdale WWTP and much of the same information will be considered by the Commission in ruling on these cases, the Applicant requests the Commission to consolidate the cases. It is believed that the consolidation of these cases will result in the more effective and efficient use of the time and resources of the Commission and the Commission Staff.

Respectfully Submitteds

Robert C. Moore

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by first class mail, postage prepaid, on David Edward Spenard, Assistant Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Ky., 40601-8204, Beverly J. Hunt, 304 Peachtree Road, Frankfort, Kentucky 40601-8141, Kenny and Marilyn Glass, 223 Briarwood Drive, Frankfort, Kentucky 40601 and Mary Pennington, 210 Cherry Lane, Frankfort, Kentucky 40601, on this the 14th day of June, 2006.

Robert C. Moore