September 27. 2007

Executive Director Public Service Commission 211 Sower Boulevard P. O. Box 615 Frankfort, KY 40602 OCT 1 2007 PUBLIC SERVICE COMMISSION

Dear Sir:

Enclosed is my Motion to intervene the increase made by Farmdale Development Corporation Sewage Treatment Plant. Said Motion is in response to the Notice I indirectly received from Farmdale Development Corporation.

Also, stated in the Notice was copies of the application may be obtained at no charge from Farmdale Development Corporation Sewage Treatment Plant at 1706 Bardstown Road, Louisville, KY 40205. I would indeed like a copy of this application and I did indeed request a copy of said application from the Farmdale office but was informed said application had not been filed but a copy would be mailed to me at such time. Therefore, I would like to go on record that as of the above-stated date of September 27, 2007, I have not yet received a copy of the application from Farmdale.

If the Commission needs more information from me concerning this matter, please contact me at the address and numbers listed below.

Thank you,

Junda W. Etheraton

Linda W. Ethington (5698 Louisville Road Frankfort, KY 40601

(502) 875-7291 or (502) 320-3370

Enclosure

<u>Motion</u>

I, Linda W. Ethington, request leave to file with the Public Service Commission my Motion to intervene the proposed rate changes requested by Farmdale Development Corporation Sewage Treatment Plant in their undated Notice which was post marked September 12, 2007, but was not addressed to my home address but instead addressed to me at a tenant address and not received by me until September 19, 2007. My reasons for filing said Motion are as follows:

(1) The Commission Staff, Farmdale and Kenny and Marilyn Glass accepted and executed a Stipulation and Agreement in which Farmdale received a monthly increase of \$28.00 and a monthly five-year surcharge of \$9.92. Said assessment and collection of the surcharge did begin upon Commission approval at a hearing scheduled for March 15, 2007. Due to this recent Commission approved rate increase and surcharge, I highly and strongly object to the new request of 52.64% increase which would raise the existing \$28.00 flat monthly residential rate to \$42.75 and tacked to that is the \$9.92 surcharge totaling \$52.67 monthly residential rate.

Clients shouldn't have to bear the burden of monthly "rate hikes" for operating expenses that should have been maintained monthly or even yearly with minimal rate increases by the management of Farmdale Development Corporation Sewage Treatment Plant. I suggest an immediate **<u>audit</u>** be made as to the management of the funds being collected for upgrades, normal upgrading expenses, etc., and be made public.

(2) The Notice indicates the proposed increase in rates is necessary "to pay the interest costs to be incurred on financing......". Since a small newspaper article was overlooked by many and clients didn't get to be involved in the hearing of March 15, 2007, I realize from the Commission approved Order & Agreement that Farmdale has an allotted time frame to obtain financing for repairs and improvements set forth. I highly and strongly object to the new request as a way to finance cost and repairs as any and all rate increases should not have been approved by the Commission until all details by Farmdale had been finalized and noticed to clients for leave to intervene by motion within thirty (30) days. Since a rate increase was just recently approved, the Commission should take into consideration Farmdale already has a new rate increase and a request for another rate increase just six months later is a definite outrage and a tremendous burden to the already small customer group of Farmdale.

(3) As a property owner of seven (7) units on the Farmdale Development Corporation Sewage Treatment Plant, I am suffering this tremendous increase through the burden of tenants paying their bill along with other utilities and rent. I highly and strongly object to the new request interfering with my means of livelihood due to two rate increases when one approved rate increase should be sufficient. Motion Page - 2

(4) I understand from the Order & Agreement, Farmdale only serves a small number of customers which brings me back to the management of this sewer treatment plant. As far as I know, Farmdale has not made an increase in customers but now a request is being made for another increase in rates which is only six months after an outrageous increase was approved by the Commission. Therefore, I highly and strongly object to being penalized by Farmdale for their lack of initiative in expanding their sewer treatment plant to new areas which would be a means of rates covered by more customers instead of burdening the few customers trapped to Farmdale sewer plant. Also, the outrageous \$3,500.00 hook up fee for new customers would generate funds too.

(5) In the approved Order & Agreement, Appendix A sets out system repairs and improvements and Appendix B sets out the timetable for completion of system repairs and improvements which involves a considerable amount of work and time which again proves that Farmdale has been laxed in their planning of upgrades. Therefore, I highly and strongly object to being penalized by Farmdale for their lack of management in upgrading periodically in previous years and now snow balling their customers to the tune of a 52.64% increase raising the flat monthly residential rate to \$42.75 with the \$9.92 surcharge tacked on totaling \$52.67.

In closing, I strongly urge the Public Service Commission to take into consideration my issues listed above and refuse this outrageous request by Farmdale for more funds to cover up Farmdale's laxed management of the sewer treatment plant.

Thank you,

Junda W. Ethington

Linda W. Ethington 5698 Louisville Road Frankfort, KY 40601

(502) 875-7291 or (502) 320-3370