

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION FOR TRANSFER OF	)	
PARADISE VALLEY SEWAGE TREATMENT	)	CASE NO.
PLANT, INC. TO APPALACHIAN WASTE	)	89-064
CONTROL, INC.	)	

O R D E R

On August 30, 1989, Appalachian Waste Control, Inc. ("Appalachian Waste Control") requested reconsideration of the Commission's Order of August 18, 1989 wherein the Commission denied Appalachian Waste Control's application for approval of its proposed purchase of the Paradise Valley Sewage Treatment Plant. As grounds for its motion, it states that Keith Fairchild, the person who Appalachian proposes to be responsible for the daily operations of the Paradise Valley Sewage Treatment Plant once the purchase occurs, has been recertified as a wastewater treatment operator by the Kentucky Board of Certification of Wastewater System Operators. The Commission denied Appalachian Waste Control's application because at that time Mr. Fairchild's certificate had lapsed and was no longer valid.

Having reviewed the motion for reconsideration and all evidence of record and being sufficiently advised, the Commission is of the opinion and finds that:

1. Paradise Valley Sewage Treatment Plant, Inc. has entered into an executory contract with Appalachian Waste Control for the sale of the Paradise Valley Sewage Treatment Plant. Under the

terms of this contract, the sale shall occur within 10 days of its approval by the Commission. Purchase price of the plant is \$3,000.

2. Appalachian Waste Control is a recently formed corporation. Keith Fairchild and David Bowling are its principal shareholders and officers.

3. Appalachian Waste Control proposes to have Mr. Fairchild be primarily responsible for the daily operations of the sewage treatment plant after assuming ownership of it.

4. As of August 26, 1989, Mr. Fairchild held a valid certificate from the Kentucky Board of Certification of Wastewater System Operators to operate a Class III wastewater treatment system. The Paradise Valley Sewage Treatment Plant is a Class I wastewater treatment system.

5. Appalachian Waste Control has the financial, managerial, and technical abilities to provide reasonable utility service.

6. Appalachian Waste Control has failed to present a valid third-party beneficiary agreement from a reputable financial institution guaranteeing the continued operation of the sewage treatment plant.

IT IS THEREFORE ORDERED that:

1. Appalachian Waste Control's motion for reconsideration is granted.

2. The transfer of ownership of the Paradise Valley Sewage Treatment Plant from Paradise Valley Sewage Treatment Plant, Inc. to Appalachian Waste Control is approved.

3. Paradise Valley Sewage Treatment Plant, Inc. shall be responsible for filing with the Commission an annual report for

the portion of 1989 in which it operated the sewage treatment plant.

4. Appalachian Waste Control shall be responsible for filing with the Commission an annual report for that portion of 1989 in which it operates the sewage treatment plant.

5. Appalachian Waste Control shall maintain records for the sewage treatment plant in accordance with the Uniform System of Accounts.

6. Within 20 days of the date of this Order, Appalachian Waste Control shall file an adoption notice adopting all rates, rules, and regulations of Paradise Valley Sewage Treatment Plant, Inc, which are effective and on file with the Commission at the time of the transfer.

7. Appalachian Waste Control shall file its tariff within 10 days of the filing of its adoption notice.

8. Appalachian Waste Control shall make a good faith effort to secure a third-party beneficiary agreement from a reputable financial institution and shall submit a written report on its efforts to secure such an agreement within 90 days of the date of this Order.

Done at Frankfort, Kentucky, this 19th day of September, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Executive Director