

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GREAT OAKS SANITATION COMPANY, INC. AND)
JORETTA C. PALMER)
_____) CASE NO.
) 92-475
ALLEGED FAILURE TO COMPLY WITH COMMISSION)
REGULATIONS)

O R D E R

On March 24, 1992, an investigator for the Commission made a compliance inspection of Great Oaks Sanitation Company, Inc. ("Great Oaks") and found 11 deficiencies in plant maintenance and operation. The findings of that inspection were reduced to a report and sent to the utility on March 27, 1992.¹ Great Oaks responded to the report on April 28, 1992.² In its response Great Oaks maintained that the deficiencies had been corrected or were in the process of being corrected. Great Oaks was inspected again on April 21, 1992 and September 14, 1992, and reports made.³ The report of September 14, 1992 found that only one of the original 11 deficiencies had been corrected.

The Commission, on its own motion, instituted show cause proceedings by Order dated November 11, 1992 directing Joretta C. Palmer to appear on behalf of Great Oaks at a hearing scheduled for

¹ Commission Staff Exhibit 1.

² Commission Staff Exhibit 2.

³ Commission Staff Exhibits 3 and 4.

January 27, 1993. At the request of Ms. Palmer, the hearing was rescheduled for March 24, 1993. Ms. Palmer failed to appear at the scheduled hearing. Despite Ms. Palmer's absence, the Commission proceeded with the hearing. Larry N. Updike, a staff utility investigator, testified for Commission Staff.

Mr. Updike testified that he inspected Great Oaks on March 24, 1992 and subsequently on April 21, 1992, and September 14, 1992. During his first inspection, eleven deficiencies were identified relating to plant maintenance. Mr. Updike testified that on his second inspection of Great Oaks repeat violations were found. Although Great Oaks claimed in its response that all deficiencies had been corrected or were in the process of being corrected, the third inspection revealed that only one of the deficiencies had been corrected.

FINDINGS AND ORDERS

After examining the evidence of record and being advised, the Commission finds that:

1. Great Oaks, a Kentucky corporation engaged in the treatment of sewage to the public, for compensation, is a utility under the jurisdiction of the Commission. KRS 278.010(3)(f).

2. Ms. Palmer is the sole shareholder of Great Oaks and serves as its president.

3. Ms. Palmer and Great Oaks received proper notice of this proceeding.

4. Commission regulations require that sewage treatment facilities "be maintained and operated in accordance with accepted

good engineering practice to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property." 807 KAR 5:071, Section 7.

5. Deficiencies in the maintenance and operation of Great Oaks which were alleged in the reports of March 24, 1992; April 21, 1992; and September 14, 1992 existed from the time of the first inspection on March 24, 1992.

6. The evidence clearly shows that Great Oaks has not been maintained and operated in accordance with good engineering practices. Poor maintenance adversely affects the quality of service provided by Great Oaks and affects public health and safety. A list of current deficiencies is contained in Appendix A, attached hereto and incorporated herein.

7. Ms. Palmer's failure to correct the above deficiencies and to maintain and operate Great Oaks in accordance with accepted engineering practices is a violation of Commission Regulation 807 KAR 5:071. Great Oaks and Ms. Palmer, in her individual capacity, have wilfully violated Commission regulations and the above-mentioned provisions of Chapter 278.

IT IS THEREFORE ORDERED that:

1. Great Oaks and Ms. Palmer are ordered to correct the deficiencies listed in Appendix A within 20 days of the date of this Order.

2. Ms. Palmer shall certify by sworn statement to the Commission that the above-mentioned deficiencies have been

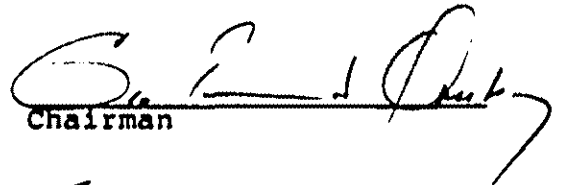
corrected. Said statement is due within 30 days of the date of this Order.

3. A fine of \$500 shall be assessed against Ms. Palmer for her continuing violations of Commission regulations and KRS Chapter 278. Said fine shall be due and payable within 10 days of the date of this Order by certified check or money order made payable to Treasurer Commonwealth of Kentucky. Said check or money order shall be mailed or delivered to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky 40602.

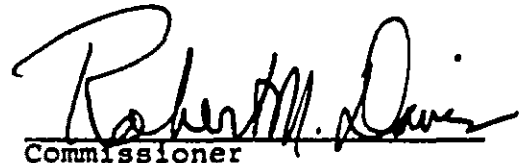
4. Further penalties may be imposed by the Commission through additional proceedings for failure to comply with the provisions of this Order.

Done at Frankfort, Kentucky, this 10th day of May, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-475 DATED May 10, 1993.

1. The diffusers need to be inspected and repaired or replaced as necessary.
2. The scum behind the baffle in the clarifier needs to be removed.
3. The skimmer on the left side of the clarifier needs to be repaired and placed in service.
4. The septic condition of the clarifier needs to be alleviated.
5. The septic condition of the aeration tank needs to be alleviated.
6. The existing blower/motor unit now in operation is not large enough to furnish the proper amount of air to operate the diffusers, the skimmers and the sludge returns.
7. The sludge return on the left side needs to be made operational.
8. The two pumps in the lift station at the plant need to be repaired and placed in operation.
9. The tertiary unit needs to be placed in operation.
10. An on-site alarm system is needed for the lift station at the plant.