

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF GEORGE LUCAS, SR., D/B/A)
ADDISON WATER AND SEWAGE)
FACILITIES, FOR AUTHORIZATION TO)
CEASE OPERATION AS A PUBLIC UTILITY) CASE NO. 97-177
AND FOR DETERMINATION THAT ITS)
FACILITIES ARE NO LONGER USED TO)
PROVIDE SERVICE TO THE PUBLIC)

O R D E R

On April 10, 1997, George Lucas, Sr., d/b/a Addison Water and Sewage Facilities ("Addison") filed a petition with the Commission seeking to be allowed to cease operations as a public utility and for a determination that the facilities currently owned and operated by him are no longer used to provide sewer service to the public for compensation.

IT IS ORDERED that Addison shall file the original and 6 copies of the following information with the Commission with a copy to all parties of record no later than 20 days from the date of this Order. Addison shall furnish with each response the name of the witness who will be available to respond to questions concerning each item of information requested should a public hearing be scheduled.

1. Paragraph 9 of the petition states that an attempt has been made by Addison to determine whether less expensive alternatives for a treatment facility than the one presented to the Commission in Case No. 95-439¹ exist.

a. Describe in detail what efforts have been made by Addison to identify a less expensive alternative.

b. Identify what alternatives, if any, were considered by Addison, and explain in detail why each of these alternatives was determined not to be viable, including by whom that determination was made.

2. Paragraph 10 of the petition refers to an alternative type septic system.

a. Describe this system.

b. Identify the source of the "unsubstantiated" cost estimate for this system.

3. During Addison's search for a less expensive alternative for a treatment facility, were any engineering firms or individual engineers consulted or retained? If so, provide these firms or individuals names, addresses, and telephone numbers.

4. Paragraph 13 of the petition states that Addison's customers are currently not paying the rate of \$6.50 per month for sewer service.

a. How many of Addison's customers are not paying their monthly bill on a regular basis?

¹ Case No. 95-439, The Petition Of George Lucas, Sr., Addison Water And Sewer Facilities, For Approval Of Construction, Financing, Rates And Transfer Of Water And Sewer Facilities. Final Order dated November 25, 1996.

b. Have those customers given reasons for their refusal to pay their monthly bill? If so, what are these reasons?

5. While Addison's customers may have stated that they would not pay the rate proposed by Addison in Case No. 95-439, what support does Addison have for its position, as indicated in Paragraphs 13, 15, 16, 19, and 21 of the petition, that its customers would refuse to pay any increased rate, assuming they were in turn provided with adequate sewer service?

6. The petition filed by Addison, which is a water and sewer utility, seeks authorization to cease operations as a public utility, but offers support for this proposal only for its sewer operations.

a. Does Addison also seek the Commission's authority to cease providing water service?

b. If so, what support can Addison provide the Commission for this proposal?

Done at Frankfort, Kentucky, this 6th day of June, 1997.

PUBLIC SERVICE COMMISSION


A handwritten signature in black ink, appearing to be 'E. H. ...', is written over a horizontal line.

For the Commission

ATTEST:


A handwritten signature in black ink, appearing to be 'D. Mills', is written over a horizontal line.
Executive Director