

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WILLOWCREST DEVELOPMENT,)	
INCORPORATED FOR APPROVAL OF THE TRANSFER)	
OF THE UTILITY OPERATIONS OF WILLOWCREST)	CASE NO.
DEVELOPMENT, INCORPORATED TO THE CITY OF)	99-363
FRANKFORT, KENTUCKY AND FOR APPROVAL OF)	
THE CESSATION OF UTILITY OPERATIONS BY)	
WILLOWCREST DEVELOPMENT, INCORPORATED)	

O R D E R

On September 3, 1999, Willowcrest Development, Incorporated (Willowcrest) filed its Application for Commission approval of the transfer of its sewer treatment facilities and system to the City of Frankfort, Kentucky, pursuant to KRS 278.020(4) and (5) and 807 KAR 5:001, Section 8.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that Willowcrest is a sewer treatment facility as defined in KRS 278.101(3)(f). Willowcrest currently owns and operates a sewer treatment facility and system serving approximately 138 customers located south of U.S. Highway 60 and west of the limits of the City of Frankfort, Kentucky. The City of Frankfort is a municipal corporation of the second class situated in Franklin County, Kentucky and presently owns and operates a sewer treatment facility serving the City of Frankfort. The City of Frankfort has the financial, technical, and managerial abilities to provide reasonable utility service to the customers currently being served by Willowcrest.

In or about December 1997, the Natural Resources and Environmental Protection Cabinet, Department of Environmental Protection ("DEP") notified

Willowcrest in writing of its intention to refuse to renew Willowcrest's Kentucky Pollutant Discharge Elimination System (KPDES) permit which expired on February 28, 1998. This action by the DEP would mean that Willowcrest would have to terminate its treatment of sewage as of the date of the expiration of its permit. Through a series of events that are all documented as a part of this Application involving Willowcrest, DEP, the City of Frankfort, and the County of Franklin, proper arrangements were made for the City of Frankfort to connect to the Willowcrest facilities and assume the responsibilities of providing sewage treatment for all of Willowcrest's customers by and through the municipal sewage system owned and operated by the City of Frankfort. In addition, this process included completion of all terms of the KPDES permit relating to the proper dismantling, razing and disposing of the Willowcrest package treatment facility. This also included receiving a transfer of authority from this Commission. DEP set a completion date of January 1, 2000.

Willowcrest must file with the Commission any and all normal and usual utility reports that reflect its activities up to the date of actual transfer of its facilities and functions to the City of Frankfort.

Having considered the evidence of record and the Application with documentation attached and being otherwise sufficiently advised, the Commission HEREBY ORDERS that:

1. The proposed transfer is approved.
2. Until the actual date of transfer of the Willowcrest facilities and responsibilities for wastewater sewage treatment to the City of Frankfort, the Commission shall retain jurisdiction over Willowcrest.

3. Willowcrest shall file all normal and usual utility reports with the Commission reflecting its activity up to the date of transfer as set out above and shall complete all requirements of its former KPDES permits and termination requirements as set out by the DEP regarding the proper disposal and destruction of its package treatment facility.

4. After full compliance with this Order, Willowcrest is authorized to cease operations as a utility.

Done at Frankfort, Kentucky, this 1st day of November, 1999.

By the Commission

ATTEST:

Executive Director