COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GARY K. FAIRCHILD, APPALACHIAN WASTE CONTROL, INC., LANCE BOWLING D/B/A EAST KENTUCKY WASTE CONTROL

ALLEGED FAILURE TO COMPLY WITH 807 KAR 5:071, SECTION 7(1), KRS 278.020(4) AND (5), AND KRS 278.150(2) CASE NO. 2002-00396

The first show cause Order issued by the Commission on January 13, 2003 against the parties herein is attached hereto and made a part hereof the same as if fully set out herein. It is adopted in its entirety.

The wastewater treatment facilities consist of five package treatment plants referred to as Preston Estates, Paradise Valley Estates, Neil Price East Estates, Richmond Hills, and Berkshire. Based upon the parties responses to data requests by Commission Staff, it appears that rates are being currently charged that are in excess of the existing filed tariffed rates. In the case of the Berkshire treatment facility, there is no rate established by filed tariff, but a rate or charge is being collected from the customers of this facility.

KRS 278.160 provides in pertinent part, (1) Under rules prescribed by the commission, each utility shall file with the commission schedules showing all rates and conditions for service established by it and collected or enforced . (2) No utility

shall charge, demand, collect, or receive from any person a greater or less compensation for any service rendered than that prescribed in its filed schedules . A violation of KRS 278.160 subjects the parties to the penalties set out in KRS 278.990, whether committed directly or by aiding and abetting.

The Commission, based upon the foregoing facts, finds sufficient evidence to believe that the parties have failed to comply with KRS 278.160.

The Commission, in addition to the claims and allegations against the parties herein in the first (original) show cause Order, HEREBY ORDERS that:

1. The parties shall submit to the Commission within 20 days from the date this Order is received by each of them a written response to all allegations, including the allegation herein.

2. Gary K. Fairchild, Appalachian Waste Control, Inc., and Lance Bowling d/b/a East Kentucky Waste Control shall appear on December 10, 2003 at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purpose of presenting evidence regarding the alleged violations contained in the first (original) show cause Order and the violations herein, and of showing cause, if any, why the parties should not be jointly and severally subject to the penalties prescribed by KRS 278.990(1) and(3) for the alleged violations.

3. The official record of the proceeding shall be by video only, unless otherwise requested by a party to the action.

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Done at Frankfort, Kentucky, this 28th day of October, 2003.

By the Commission

ATTEST:

Thom DD ~____ **Executive Director**

Case No. 2002-00396

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00396 DATED October 28, 2003

(See document named 200200396_10282003apx.pdf for Appendix)