

Memo

To: Administrative Case No. 2008-00437 File

From: Jack Kaninberg, PSC Financial Analyst *JK*

Date: December 8, 2008

Re: Annual Report Filings

Enclosed please find copies of completed PSC Annual Reports for the years 2003-2007 which I have completed for the Oldham Woods Sanitation, Inc. sewer system. These reports were prepared by me after Oldham Woods Sanitation requested PSC assistance in order to comply with this regulatory requirement.

The PSC Order dated November 12, 2008 in the above-referenced case requires Oldham Woods to show cause why it should not be assessed penalties for failure to file gross earnings and annual reports for 2007. In response, please consider the following facts relative to this situation:

- The current owner of Oldham Woods Sanitation, Ms. Georgann Martin, is an elderly widow who inherited this system upon the death of her husband George Martin in 2006.
- Ms. Martin had no working experience or day-to-day involvement in Oldham Woods' management and operation prior to the death of her husband.
- Ms. Martin was unaware that the PSC had received no annual or gross operating reports for the years 2003-2006, and was unaware that such reports needed to be filed in 2007 until being so notified recently.
- Ms. Martin has limited mobility due to health issues and lack of transportation, and therefore has great difficulty meeting the requirements expected of a sewer utility owner.
- Ms. Martin would like to sell the system if she can find someone willing to assume it.

I hope this explains why Oldham Woods was unable to comply with the PSC's annual reporting requirements for 2007 and prior years, but I will be happy to provide additional information relative to this situation if needed.