

Commonwealth of Kentucky
Before the Public Service Commission

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PUBLIC SERVICE
COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE CONDITION AND)
MANAGEMENT OF BIG VALLEY SANITATION,) Case No. 2009-00378
INC. AND WOODLAND ACRES SANITATION,)
INC. SEWAGE TREATMENT FACILITIES)

ATTORNEY GENERAL'S
ENTRY OF APPEARANCE

with

ATTORNEY GENERAL'S
RESPONSE TO COMMISSION ORDER
OF 6 NOVEMBER 2009

The Attorney General enters his appearance in this action and provides his response to the Commission's Order of 6 November 2009.¹

The Attorney General submits that there are two aspects to the matter. One aspect concerns steps for assuring the orderly, proper provision of service. The second aspect concerns the ownership of the facilities, and, if they have been abandoned, the appropriate method to transfer the management and ownership of the facilities. If they have not been abandoned, then consideration needs to be given to the appropriate remedial actions.

¹ The Attorney General was made a party to this action by Order dated 6 November 2009. Because the Attorney General had not moved to intervene in this action, the 6 November 2009 Order was not filed with the cases in which the OAG had intervened as a party (and was not considered as part of the active docket). The fact that the OAG is a party was discovered during a recent review of cases pending before the Commission, and the OAG tenders its response. The Office of the Attorney General apologizes for the delay.

Basically, the Attorney General agrees with the Kentucky Division of Water's: A hearing, even if it is limited to deciding the issue of abandonment, should be held as soon as reasonable. The Attorney General notes that notice and the opportunity to be heard would be provided to parties including the Estate of John Ford. The Attorney General respectfully requests that notice should also be provided to the Registered Agent for each corporation (per the records at the Kentucky Secretary of State's Office). The Attorney General submits that the primary focus of such a hearing would be upon whether there have abandonments within the meaning of KRS 278.021.

In addition to issues relating to abandonment, the Attorney General agrees that the issues identified in Numbered Paragraph 8 of the Cabinet's Statement of Issues are relevant to the Commission's consideration in investigating these two facilities.

Big Valley Sanitation, Inc., and Woodland Acres Sanitation, Inc., are Kentucky for-profit corporations. From a review of the Kentucky Secretary of State's web site, both Big Valley Sanitation, Inc., and Woodland Acres Sanitation, Inc., have been administratively dissolved (as per KRS 271B14-210). Administrative dissolution does not end the corporate existence of the entities; instead, it reduces the scope of lawful activity to business necessary to wind up and liquidate the business and affairs of the corporation. KRS 271B14-210(3).

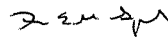
Hence, to this extent, the Attorney General disagrees with Numbered Paragraph 5 of the Cabinet's Statement of Issues. The Attorney General is

without knowledge or information to form a belief as to whether either entity has been properly liquidated and finally dissolved.

With regard to a procedural schedule, the Attorney General will defer to Commission Staff except that the Attorney General does believe that a hearing to determine the question of abandonment be held as soon as reasonable, and, if appropriate, the appointment of a receiver be pursued as soon as reasonable.

Respectfully submitted,

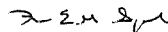
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Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of this Entry of Appearance with Response were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; furthermore, it was served by mailing a true and correct of the same, first class postage prepaid, Josh W. Nacey, Office of General Counsel, 200 Fair Oaks, 1st Floor, Frankfort, Kentucky 40601 (Counsel for the Energy and Environment Cabinet); Robert J. Bohnert, 1500 Kentucky Home Life Building, Louisville, Kentucky 40202 (Counsel for the Estate of John Ford); Charles Gibbons, Receiver, Big Valley Sanitation, Inc., 7726 Heights Drive, Louisville, Kentucky 40291; Charles Gibbons, Receiver, Woodland Acres Sanitation, Inc., 7726 Heights Drive, Louisville, Kentucky 40291; and Sandy Gruzsky, Director, Division of Water, 200 Fair Oaks Lane, Fourth Floor, Frankfort, Kentucky 40601, all on this 6th day of January 2010.



Assistant Attorney General