EXHIBITS

1. PUBLIC SERVICE COMMISSION DOCUMENTS
   - a. Order No. 15157
   - b. Order No. 15176
   - c. Order No. 15177
   - d. Order No. 16753
   - e. Order No. 92-29
   - f. Docket No. 1999-421-S/W: Application
   - g. Letter dated November 30, 1999, to Public Service Commission
   - h. Affidavit of Publication
   - i. Letter dated February 7, 2000
   - j. Affidavit of Publication
   - k. Notice Continuing Petition Until Further Notice

2. DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL DOCUMENTS
   - a. 94-002-W: Consent Order
   - b. Letter dated July 12, 1984
   - c. Letter dated February 9, 1984
   - d. Letter dated December 15, 1988
   - e. Letter dated May 23, 1989
   - f. Letter dated January 4, 1990
   - g. Letter dated March 19, 1992
   - h. Letter dated July 31, 1992
   - i. Notice dated September 17, 1993
   - j. Letter dated September 8, 1995
   - k. Notice dated May 23, 1996
   - l. Letter dated February 2, 1996
   - m. Letter dated June 17, 1996

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3. CIRCUIT COURT DOCUMENTS

   a. 1998-CP-32-309: Order

   b. 2005-CP-32-1390: Consent Order

   c. 2005-CP-40-3716: Consent Order

4. TAX RETURNS

   a. 1999

   b. 2000

   c. 2001

   d. 2002

   e. 2003

5. RECEIPTS/CHECKS/ETC.

   a. Receipts

6. CUSTOMERS LISTS

7. LETTERS

   a. Letter from the City of Cayce dated January 7, 1997, responding to letter of Bill Sellars dated December 10, 1996, offering to give system to Cayce

   b. Letter to the City of Cayce dated April 16, 2004, offering to give system to Cayce

   c. Letter from City of Cayce dated July 9, 2004

   d. Letter to City of Cayce dated July 28, 2005

8. THE STATE NEWSPAPER ARTICLE

1. PUBLIC SERVICE COMMISSION DOCUMENTS

April 7, 1970

STATE OF SOUTH CAROLINA)
) BEFORE THE PUBLIC SERVICE COMMISSION
COUNTY OF RICHLAND)

IN RE: Petition of General Utilities, Inc., for approval of a schedule of rates for water service to Allbene Park Subdivision, near Columbia, Richland County, S. C.) DOCKET NO. 15,034) ORDER NO. 15,157

TO: GENERAL UTILITIES, INC.

The South Carolina Public Service Commission received a petition from General Utilities, Inc., for approval of a schedule of rates for water service to Allbene Park Subdivision, near Columbia, Richland County, S. C., a plat of which is on file in the Commission's office. General Utilities, Inc., has a Bond in the amount of Ten Thousand ($10,000.00) Dollars on file with the Commission. The proposed rates are as follows:

RATE SCHEDULE

Minimum charge per month, $4.00 for 300 cu. feet water
For all over minimum, $1.00 per 100 cu. feet water
Tapping Fee - $300.00
Fee for disconnecting and reconnecting service - $20.00

A public hearing for consideration of this petition was held in the Commission's office in Columbia, South Carolina, on Wednesday, April 1, 1970, at which time all interested parties were given an opportunity to be heard. There were no appearances in opposition to the petition.

After consideration of all the facts presented, the Commission is of the opinion and so finds that the Rate Schedule as shown below is fair and reasonable and should be approved effective on or after the date of this Order.

RATE SCHEDULE

First 400 cu. feet --	$4.00 (Minimum Charge)
401 to 666 cu. feet --	.70 per 133 cu. feet
667 to 1333 cu. feet --	.65 per 133 cu. feet
1334 to 3328 cu. feet --	.60 per 133 cu. feet
3329 to 6660 cu. feet --	.55 per 133 cu. feet
All over 6660 cu. feet --	.50 per 133 cu. feet

Tapping Fee --$250.00
Fee for disconnecting and reconnecting service - $7.50

AND IT IS SO ORDERED:

BY ORDER OF THE COMMISSION:

Guy Butler
Chairman

ATTEST:

Director of Administration

EXHIBIT 1.a

April 21, 1970

STATE OF SOUTH CAROLINA)
) BEFORE THE PUBLIC SERVICE COMMISSION
COUNTY OF RICHLAND)

IN RE: Petition of Commonwealth Utility Company, Inc., for approval of a schedule of rates for water service to Cabin Creek Subdivision, Richland County, South Carolina.) DOCKET NO. 15,066) ORDER NO. 15,176

TO: COMMONWEALTH UTILITY COMPANY, INC.

The South Carolina Public Service Commission received a petition from Commonwealth Utility Company, Inc., for approval of a schedule of rates for water service to Cabin Creek Subdivision, Richland County, South Carolina, a plat of which is on file in the Commission's office. Commonwealth Utility Company, Inc., has a Bond in the amount of Ten Thousand ($10,000.00) Dollars on file with the Commission. The proposed rates are as follows:

RATE SCHEDULE

Minimum charge per month, $4.00 for 2000 gallons of water
For all over minimum, $0.80 per 1000 gallons of water
Tapping Fee - $200.00
Fee for disconnecting and reconnecting service - $20.00

A public hearing for consideration of this petition was held in the Commission's office in Columbia, South Carolina, on Thursday, April 16, 1970, at which time all interested parties were given an opportunity to be heard. There were no appearances in opposition to the petition.

After consideration of all the facts presented, the Commission is of the opinion and so finds that the Rate Schedule as shown below is fair and reasonable and should be approved effective on or after the date of this Order.

RATE SCHEDULE

First 3,000 gallons	$4.00 (Minimum Charge)
Next 2,000 gallons	.70 per 1,000 gallons
Next 5,000 gallons	.60 per 1,000 gallons
All over 10,000 gallons	.50 per 1,000 gallons

Tapping Fee - $200.00
Fee for disconnecting and reconnecting service - $7.50

AND IT IS SO ORDERED:

BY ORDER OF THE COMMISSION:

Guy Butler
Chairman

ATTEST:

Director of Administration

EXHIBIT 1.b

April 21, 1970

STATE OF SOUTH CAROLINA)
) BEFORE THE PUBLIC SERVICE COMMISSION
COUNTY OF RICHLAND)

IN RE: Petition of Commonwealth Utility Company, Inc., for approval of a schedule of rates for sewerage service to Cabin Creek Subdivision, Richland County, South Carolina.) DOCKET NO. 15,067) ORDER NO. 15,177

TO: COMMONWEALTH UTILITY COMPANY, INC.

The South Carolina Public Service Commission received a petition from Commonwealth Utility Company, Inc., for approval of a schedule of rates for sewerage service to Cabin Creek Subdivision, Richland County, South Carolina, a plat of which is on file in the Commission's office. Commonwealth Utility Company, Inc., has a Bond in the amount of Ten Thousand ($10,000.00) Dollars on file with the Commission. The proposed rates are as follows:

RATE SCHEDULE

Minimum Charge per month:	$3.00 or $30.00 per year in advance.
Tapping Fee:	$200.00

A public hearing for consideration of this petition was held in the Commission's office in Columbia, South Carolina, on Thursday, April 16, 1970, at which time all interested parties were given an opportunity to be heard. There were no appearances in opposition to the petition.

After consideration of all the facts presented, the Commission is of the opinion and so finds that the Rate Schedule as shown above is fair and reasonable and should be approved effective on or after the date of this Order.

IT IS THEREFORE ORDERED: That the Rate Schedule as shown above is hereby approved effective on or after the date of this Order.

IT IS FURTHER ORDERED: That this Order remain in full force and effect until further Orders of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Director of Administration

EXHIBIT 1.c

March 22, 1973

STATE OF SOUTH CAROLINA)
) BEFORE THE PUBLIC SERVICE COMMISSION
COUNTY OF RICHLAND)

IN RE: Petition of General Utilities, Inc. for approval of a Schedule of Rates for Sewerage Service in Lloydwood Subdivision, Lexington County, South Carolina.

DOCKET NO. 16,578

ORDER NO. 16,753

TO: GENERAL UTILITIES, INC.

The South Carolina Public Service Commission received a Petition from General Utilities, Inc. for approval of a Schedule of Rates for Sewerage Service in Lloydwood Subdivision, Lexington County, South Carolina, a plat of which is on file with the Commission.

According to accounting exhibits relating to the Petition, the Utility for this Subdivision will have a total plant investment of $244,843.92, all of which was contributed by developers and will serve Three-hundred and ninety-one (391) customers. The Utility has a Bond in the amount of Ten Thousand ($10,000) Dollars on file with the Commission in accordance with Section 58-149 of the 1962 Code of Laws for the State of South Carolina as amended. The Proposed Rate Schedule is as shown below:

PROPOSED RATE SCHEDULE

SEWERAGE

Monthly Charge - $ 5.50
Tapping Fee ---- $250.00

The Commission issued its Order No. 16,651, dated January 18, 1973, approving a Schedule of Rates on a temporary basis subject to a Public Hearing being held at which time testimony and evidence could be received to determine the justification of the proposed rates. The Order further found that the Utility should publish its Proposed Rate Schedule as shown above, at its own expense, in a newspaper of general coverage in the area affected once a week for three consecutive weeks stipulating that a Public Hearing would be held before the Commission on Tuesday, February 27, 1973, and requiring that proof of publication of this notice should be presented prior to or at the Hearing.

A Public Hearing was held on Tuesday, February 27, 1973, at which time the Commission received further testimony and evidence in support of the Petition. There were no appearances in opposition to the Petition.

EXHIBIT 1.d

The Commission is of the opinion that primarily where depreciation expense results from Contributed Plant there is serious question as to the propriety of using this expense for rate making purposes and feels that this item should not be considered in arriving at fair and reasonable rates in this proceeding.

After review of the Petition and after consideration of all the additional facts presented, the Commission is of the opinion and so finds that:

1. Based on all the information submitted and due to a lack of any actual operating experience, the Proposed Rate Schedule as shown above has not been justified at this time, and is hereby denied and further that,

the Rate Schedule as shown below is fair and reasonable and should be approved effective on all bills rendered for the next complete monthly billing period following the date of this Order.

APPROVED RATE SCHEDULE

SEWERAGE

Monthly Charge ----- $ 4.50
Tapping Fee -------- $250.00

2. All books and records for the Utility's sewerage operations shall be maintained in accordance with the NARUC Uniform System of Accounts for Class A and B Water Utilities as adopted by this Commission to the extent applicable as a guideline, until such time that a Uniform System of Accounts is adopted for Sewerage Utilities.

3. Should such rates not be placed into effect within three (3) months from the effective date of this Order, such rates as approved herein shall not be authorized without permission from the Commission.

4. This Order shall remain in full force and effect until further Orders of the Commission.

BY ORDER OF THE COMMISSION:

J. Henry Stuckey
Chairman

ATTEST:

James H. Stell
Director-Administrative Services

(SEAL)

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 90-807-W/S - ORDER NO. 92-29

JANUARY 24, 1992

IN RE: Application of Piney Grove Utilities, Inc. for Approval of a New Schedule of Rates and Charges for Water and Sewer Service Provided to its Customers in Lexington and Richland Counties, South Carolina.	) ORDER APPROVING) RATES AND CHARGES

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of an Application filed by Piney Grove Utilities, Inc. (the Company or Piney Grove) on July 25, 1991, for an increase in its rates and charges for water and sewer service provided to its customers in Lexington and Richland Counties, South Carolina. The Application was filed pursuant to S.C. Code Ann.§58-5-240 (Supp. 1991) and 26 S.C. Regs. 103-821 (1976).

By letter dated August 12, 1991, the Commission's Executive Director instructed the Company to publish a prepared Notice of Filing, one time, in a newspaper of general circulation in the area affected by the Company's Application. The Notice of Filing indicated the nature of the Company's Application and advised all interested parties of the manner and time in which to file appropriate pleadings. Additionally, the Company was instructed to directly notify all of its customers affected by the proposed increase. The Company submitted affidavits indicating that it had complied with these instructions.

A Petition to Intervene was filed on behalf of Steven W. Hamm, the Consumer Advocate for the State of South Carolina (the Consumer Advocate). A

EXHIBIT 1.e

Notice of Protest was filed by Mrs. Bessie Lee Green.

The Commission Staff (Staff) made on-site investigations of the Company's facilities, audited the Company's books and records, and gathered other detailed information concerning the Company's operations. The Consumer Advocate also conducted discovery relating to the Company's Application.

On December 12, 1991, a public hearing concerning the matters asserted in the Company's Application was held in the Commission's hearing room. Pursuant to S.C. Code Ann.§58-3-95 (Supp. 1991), a panel of three Commissioners, Vice Chairman Yonce, presiding, Commissioner Arthur, and Commissioner Mitchell, was designated to hear and rule on this matter. Louis H. Lang, Esquire, represented the Company; Carl F. McIntosh, Esquire, represented the Consumer Advocate; and Gayle B. Nichols, Staff Counsel, represented the Commission Staff.

Upon full consideration of the Company's Application, the evidence presented at the hearing, and the applicable law, the Commission makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. Piney Grove provides water service to 123 customers in Graustark, Allbene Park, and Franklin Park Subdivisions and sewer service to 339 customers in Lloydwoods and Franklin Park Subdivisions in Lexington and Richland Counties, South Carolina.

2. Piney Grove was acquired from General Utilities, Inc. in 1985. Piney Grove's present rates and charges are those that were approved for

General Utilities, Inc. between 1970 and 1973.[1] Currently, Piney Grove charges a monthly minimum of $4.00 for use of 133 cubic feet for water service to its Allbene Park and Graustark Subdivisions and a minimum of $4.00 for use of 3,000 gallons of water to its customers in the Franklin Park Subdivision. Piney Grove charges a $7.50 fee for disconnection or reconnection of its water service.

3. Piney Grove charges $3.00 per month, or $30.00 per year in advance, for sewer service to its customers in the Franklin Park Subdivision. The Company charges its customers in the Lloydwood Subdivision $4.50 per month for sewer service.

4. Piney Grove proposes to charge its customers a monthly Basic Facility Charge of $9.00 and a monthly Commodity Charge of $3.50 per 1,000 gallons or 133 cubic feet for water service. This charge results in an increase of 402.43% on an average customer's monthly bill. In addition, Piney Grove proposes to increase its disconnect and reconnect charge for water service to $35.00.

5. Piney Grove proposes to charge its customers a monthly charge of $29.00 for sewer service. This charge results in an increase of 867.67% on an

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Specifically, the Company's water and sewer charges were approved by the following orders.

SUBDIVISION		ORDER NO.	DOCKET NO.	DATE
GRAUSTARK	(WATER)	15,156	15,033	4-7-70
ALLBENE PARK	(WATER)	15,157	15,034	4-7-70
FRANKLIN PARK	(WATER)	15,176	15,066	4-21-70
FRANKLIN PARK	(SEWER)	15,177	15,067	4-21-70
LLOYDWOOD	(SEWER)	16,753	16,578	3-22-73

average Franklin Park Subdivision customer's monthly bill. This proposed charge results in an increase of 544.44% on an average Lloydwood Subdivision customer's monthly bill.

6. Piney Grove asserts that its requested increase in rates and charges are necessary and justified because it is currently losing money on its water and sewer operations. Specifically, Piney Grove notes that in 1990, it had a net operating loss of $63,912 and in 1989 it had a net operating loss of $73,597. Piney Grove claims that it is unlikely that it can continue its provision of water and sewer service without a satisfactory rate increase.

7. Piney Grove asserts that C.W. Haynes & Company, the developer of three of the subdivisions, manages the Company but does not collect a management fee. Piney Grove states that C.W. Haynes and Company and its shareholders have loaned the Company money in order to maintain its water and sewer operations.

8. Piney Grove proposes that the appropriate test year upon which to consider its requested increase is the twelve month period ending December 31, 1990.

9. Under its presently approved rates, the Company states that its per book operating revenues for the test year were $27,562.[2] The Company seeks an increase in its rates and charges for water and sewer service in a manner which would increase its operating revenues by $136,231.

10. Staff proposes to adjust the Company's per book revenues by $389.

Unless otherwise stated, this Order will refer to the combined water and sewer revenues and expenses of the Company.

This adjustment reflects revenues which will be received based on the number of the Company's sewer customers at the end of the test year. Accordingly, after accounting and pro forma adjustments, Staff concluded that Piney Grove's operating revenues were $27,951.

11. The Company asserts that under its presently approved rates, its operating expenses for the test year, after accounting and pro forma adjustments, were $128,157. Staff concludes that the Company's operating expenses for the test year, after accounting and pro forma adjustments, were $71,886. Staff made this proposal after making the following adjustments to the Company's expense accounts:

(A) Management Fee

The Company proposed to pay 5% of its revenues as a management fee to C.W. Haynes & Company. The Company explained that the proposed management fee would reimburse C.W. Haynes & Company for the expenses it incurs such as postage, bookkeeping, and salaries in managing Piney Grove. The Company admitted that the selection of a charge of 5% of its revenues was not based on any type of study of C.W. Haynes & Company's costs to perform services for Piney Grove.

Staff did not propose a management fee for Piney Grove. Staff accounting witness Scott testified that the Company had no documentation supporting its proposed management fee and that because the Company did not pay any management fees during the test year, there was no known and measurable information upon which to accept the Company's proposed adjustment.

(B) Rate Case Expenses

The Company estimated that its rate case expenses would be $1,000 and, thereafter, proposed to recover the $1,000 expense over a three year period. Staff amortized the Company's actual rate case expenses of $1,771 over a three year period for an adjustment of $590.

(C) Capitalization of Plant

Staff proposed to capitalize water pump controls, two water pumps, a chemical tie-in pump, and a sewer lift pump which were purchased and installed after the test year. This adjustment increased the Company's plant in service by $9,597.

(D) Depreciation Expense/Accumulated Depreciation

The Staff proposed to adjust the Company's depreciation expense on the Company's plant to reflect straight-line depreciation rather than depreciation on an accelerated rate as recorded on the Company's books. The Staff's proposed depreciation rate was based on rates recommended by the Commission's Water and Wastewater Department. Staff's annualization reduced the Company's depreciation expense by $7,658 and, likewise, its accumulated depreciation by $7,658.

(E) Interest Expense

During the test year, the Company did not pay any interest expense. The Company proposes to recover $21,858 in interest for loans made to Piney Grove by its shareholders and C. W. Haynes and Company, Inc. This interest expense was calculated by assuming the Company would repay its debt at an average interest rate of 10% over the next five years.

Staff proposes to synchronize the Company's interest expense with the debt portion of its rate base. Staff witness Scott testified that this method of calculating interest ensures that the interest expense is associated with rate base and is not interest associated with debt incurred to cover cash flow problems or to support non-utility related business activities.

12. The Company stated that, after accounting and pro forma adjustments to its operating revenues and operating expenses, its net income for return was ($100,595). Staff found that, after accounting and pro forma adjustments to the Company's operating revenues and operating expenses, the Company's net income for return was ($43,935).

13. After making its accounting and pro forma adjustments, Staff concluded that the Company's present operating margin is (181.35%).[3] Staff concludes that the Company's proposed increase in rates and charges would increase the Company's operating margin to 39.32%.

14. Ms. Green, a resident of Franklin Park, testified she received water and sewer service from Piney Grove. She testified that while she had not experienced any problem with the quality of water, her water supply was not reliable. Ms. Green testified that within the past year she had been without water on at least six occasions. Ms. Green explained that Franklin Park was a low income area and that its water service was not sufficiently reliable to justify an increase in the amount proposed by the Company.

15. Ms. Cooper, another resident of Franklin Park, testified that her

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The Company did not provide an operating margin.

water service had also been interrupted during the past year. She explained that while Piney Grove's rates were currently low, an increase should only be granted if the water service improved. Ms. Cooper testified she had no complaints with her sewer service.

CONCLUSIONS OF LAW

1. The Company is a water and sewer utility providing water and sewer service in its service area within South Carolina. The Company's operations in South Carolina are subject to the jurisdiction of the Commission pursuant to S. C. Code Ann. §58-5-10, et seq. (1976).

2. A fundamental principle of the ratemaking process is the establishment of a historical test year as the basis for calculating a utility's revenues and expenses and, consequently, the validity of the utility's requested rate increase. While the Commission considers a utility's proposed rate increase based upon occurrences within the test year, the Commission will also consider adjustments for any known and measurable out-of-test-year changes in expenses, revenues, and investments and will also consider adjustments for any unusual situations which occurred in the test year. See, Parker v. South Carolina Public Service Commission, 280 S.C. 310, 313 S.E.2d 290 (1984), citing City of Pittsburgh v. Pennsylvania Public Utility Commission, 187 Pa.Super. 341, 144 A.2d 648 (1958); Southern Bell v. The Public Service Commission, 270 S.C. 590, 244 S.E.2d 278 (1978).

In light of the fact that the Company proposes that the twelve-month period ending December 31, 1990, is the appropriate test year and Staff has audited the Company's books for that test year, the Commission concludes that

the twelve-month period ending December 31, 1990, is the appropriate test year for the purposes of this rate request.

3. The Commission concludes that the Company's operating revenues for the test year were $27,951. In making this conclusion, the Commission has accepted Staff's proposal to adjust the Company's revenue to project its actual revenue based on its year-end customers. The Commission concludes this method of annualization is appropriate.

4. The Commission has considered each proposed adjustment to the Company's operating expenses as suggested by the Company, the Consumer Advocate, and Staff. The Commission approves or disapproves of each of the proposed adjustments as follows:

(A) Management Fee

The Commission concludes that, for the purposes of this ratemaking proceeding, the Company's proposed management fee should be denied. While it recognizes that the Company does not incur postage, rent, telephone, and other typical utility expenses because these expenses are absorbed by C.W. Haynes and Company, the Commission nonetheless concludes that there is no evidence in the record which supports the selection of a management fee of 5% of the Company's revenues. Accordingly, on the basis of the present record, the Commission concludes it would be inappropriate to allow the Company to recover a management fee from its ratepayers.

(B) Rate Case Expenses

The Commission accepts Staff's proposal to amortize the Company's known rate case expenses over a three year period. Accordingly, the Commission

adopts Staff's recommendation to allow Piney Grove to recover $590 over three years.

(C) Capitalization of Plant

The Commission accepts Staff's proposal to include in plant items that were purchased and installed by the Company outside of the test year. The Company finds that these plant items are being used to benefit the ratepayers and, therefore, are properly recoverable. Hamm v. Southern Bell, __S.C.__, 394 S.E.2d 311 (1990), supra.

(D) Depreciation Expense

The Commission accepts Staff's proposal to depreciate the Company's plant on a straight-line basis at rates previously recommended by the Water and Wastewater Department for similar items. The Commission finds that without documentation supporting its proposed rates, the Company's accelerated depreciation rates are inappropriate.

(E) Interest Expense

The Commission adopts Staff's proposal to synchronize the Company's interest expense and its associated income tax savings to the debt portion of its rate base. The Commission finds that Staff's proposal equitably allocates interest expense and tax savings between the utility's shareholders and ratepayers as it insures that ratepayers will not pay for interest expense incurred for non-utility purposes.

(F) Miscellaneous and Other Adjustments

The Commission adopts all other pro forma and accounting adjustments proposed by Staff and not objected to by any party. All other adjustments

proposed by various parties not specifically addressed herein have been considered by the Commission and have been denied. The Commission has also adjusted all general, state, and federal taxes to reflect all other approved adjustments.

5. Based on the above determinations concerning the accounting and pro forma adjustments to the Company's revenues and expenses, the Commission concludes that Piney Grove's net income (loss) for return is as follows:

TABLE A
NET INCOME FOR RETURN

BEFORE RATE INCREASE

Operating Revenues		$27,951
Operating Expenses		71,886
Net Operating Income (Loss)	($43,935)	
Customer Growth		-0-
Net Income (Loss) for Return	($43,935)	

6. Under the guidelines established in the decisions of Bluefield Water Works and Improvement Co. v. Public Service Commission of West Virginia, 262 U.S. 679 (1923), and Federal Power Commission v. Hope Natural Gas Co., 320 U.S. 591 (1944), this Commission does not ensure through regulation that a utility will produce net revenues. As the United States Supreme Court noted in Hope, a utility "has no constitutional rights to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures." However, employing fair and enlighted judgment and giving consideration to all relevant facts, the Commission should establish rates which will produce revenues "sufficient to assure confidence in the financial soundness of the utility and . . . that are adequate under efficient and

economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties." Bluefield, supra, at 692-693.

7. There is no statutory authority prescribing the method which this Commission must utilize to determine the lawfulness of the rates of a public utility. For a water and sewer utility whose rate base has been substantially reduced by customer donations, tap fees, contributions in aid of construction, and book value in excess of investment, the Commission may decide to use the "operating ratio" and/or "operating margin" method for determining just and reasonable rates. The operating ratio is the percentage obtained by dividing total operating expenses by operating revenues; the operating margin is determined by dividing the net operating income for return by the total operating revenues of the utility. This method was recognized as an acceptable guide for ratemaking purposes in Patton, supra.

The Commission concludes that use of the operating margin is appropriate in this case. Based on the Company's gross revenues for the test year, after accounting and pro forma adjustments under the presently approved schedules, the Company's operating expenses for the test year, after accounting and pro forma adjustments, and customer growth, the Company's present operating margin (loss) is as follows:

TABLE B
OPERATING MARGIN

BEFORE RATE INCREASE

Operating Revenues	$27,951
Operating Expenses	71,886
Net Operating Income (Loss)	($43,935)
Customer Growth	-0-
Total Income for Return	($43,935)
Operating Margin (Loss) (After Interest)	(181.35%)

8. The Commission is mindful of the standards delineated in the Bluefield decision and of the need to balance the respective interests of the Company and of the consumer. It is incumbent upon this Commission to consider not only the revenue requirements of the Company but also the proposed price for the water and sewer service, the quality of the water and sewer service, and the effect of the proposed rates upon the consumer. See, Seabrook Island Property Owners Ass. v. S. C. Public Service Commission, __S.C.__, 401 S.E.2d 672 (1991); S.C. Code Ann.§58-5-290 (1976).

9. The fundamental criteria of a sound rate structure have been characterized as follows:

> ...(a) the revenue-requirement or financial-need objective, which takes the form of a fair return standard with respect to private utility companies; (b) the fair-cost apportionment objective which invokes the principle that the burden of meeting total revenue requirements must be distributed fairly among the beneficiaries of the service; and (c) the optimum-use or consumer rationing under which the rates are designed to discourage the wasteful use of public utility services while promoting all use that is economically justified in view of the relationships between costs incurred and benefits received.

Bonbright, Principles of Public Utility Rates (1961), p. 292.

10. Based on the considerations enunciated in Bluefield and Seabrook Island and on the fundamental criteria of a sound rate structure as stated in Principles of Public Utility Rates, the Commission determines that the Company should have the opportunity to earn a 6.04% operating margin for the next year and an operating margin of 8.50% thereafter. In order to have a reasonable opportunity to earn a 6.04% operating margin in the next year and a 8.50% operating margin thereafter, the Company will need to produce $85,534 in total annual operating revenues for the next year and $88,474 in total annual operating revenues thereafter.

TABLE C
OPERATING MARGIN

AFTER RATE INCREASE	YEAR 1	SUCCEEDING YEARS
Operating Revenues	85,534	88,474
Operating Expenses	73,611	74,197
Net Operating Income	11,923	14,277
Customer Growth	-0-	-0-
Total Income for Return	11,923	14,277
Operating Margin (After Interest)	6.04%	8.50%

11. The Commission has carefully considered the financial needs of the Company and the concerns of its customers. While the Commission recognizes that the Company is currently operating with a negative operating margin, the Commission also recognizes that there is customer dissatisfaction with the reliability of the Company's water service.

Further, the Commission recognizes that the Company's proposed $9.00 monthly Basic Facility Charge and $3.50 per 1,000 gallon usage charge would

increase an average residential customer's monthly water bill by 402.43%. Similarly, Piney Grove's proposal to increase its sewer rates from a flat rate of $3.00 per month for customers in Franklin Park and $4.50 per month for customers in Lloydwood to $29.00 per month would increase a Franklin Park customer's sewer bill by 867.67% per month and a Lloydwood customer's sewer bill by $544.44% per month.

12. On the other hand, the Commission recognizes that the Company's rates have not been increased since the inception of the water and sewer systems in the early 1970s. The Commission is cognizant of the fact that basic expenses have increased with time. Moreover, the Commission notes that since 1985 the Company has made $189,111 worth of capital improvements to its water and sewer facilities which directly benefit its current ratepayers.

13. The Commission concludes that an increase in the Company's water and sewer rates is necessary. However, the Commission finds that Company's proposed increase is inappropriate. Accordingly, for water service the Commission will allow the Company to charge a Basic Facility Charge of $6.00 per month and a usage charge of $2.00 per 1,000 gallons. The Commission approves the Company's proposed $35.00 disconnection and reconnection fee as reasonable. 26 S. C. Regs. Ann. 103-732.5 (Supp. 1991).

14. For one year from the date of this Order the Commission approves a flat rate of $10.00 per month for sewer service for customers in the Franklin Park Subdivision. Thereafter, the Commission approves a flat rate of $15.00 per month for customers in the Franklin Park Subdivision. The Commission approves a flat rate of $15.00 per month for sewer service for customers in the

Lloydwood Subdivision. Finally, the Commission approves late payment fees and a sewer reconnection fee in keeping with 26 S.C. Regs. 103-532.2 and 103-532.4 (Supp. 1991).

15. Based on the above considerations and reasoning, the Commission hereby approves the proposed rates and charges as stated in this Order as a just and reasonable manner in which to produce and distribute the increased revenues which are necessary to provide Piney Grove with the opportunity to earn its approved operating margins.

16. Accordingly, it is ordered that the rates and charges attached on Appendix A are approved for service rendered on or after the date of this Order. The schedule is hereby deemed to be filed with the Commission pursuant to S.C. Code Ann. §58-5-240 (1976).

17. It is ordered that if the approved schedule is not placed in effect until three (3) months after the effective date of this Order, the approved schedule shall not be charged without written permission of the Commission.

18. It is further ordered that the Company maintain its books and records for water and sewer operations in accordance with the NARUC Uniform System of Accounts for Class C Water and Sewer Utilities, as adopted by this Commission.

19. Finally, the Commission recognizes that Piney Grove has been attempting to sell its water and sewer systems. The Commission encourages Piney Grove to continue in this effort.

20. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)

POSTED
MR 10-7-9

ACCEPTED
Legal 10-8-99

S.C. PUBLIC SERVICE COMMISSION
OCT 07 1999
RECEIVED
EXCUTIVE DIRECTORS OFFICE

STATE OF SOUTH CAROLINA

BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION

Docket No.: 1999-421-S/W

In Re: Application of Piney Grove Utilities, Inc., for the Commission to Petition the Court of Common Pleas for Lexington County for the Appointment of a Receiver

Piney Grove Utilities, Inc. (the "Applicant") by and through its undersigned counsel, would respectfully show:

1. This application is brought pursuant to S.C. Code Ann. § 58-5-730 (Law Co-op. 1976), wherein the Applicant respectfully requests that this Commission petition the Court of Common Pleas for Lexington County for the appointment of a receiver in regard to the sewer and water systems owned and maintained by the Applicant.

2. The Applicant provides sewer and water service to the Franklin Park Subdivision which is located off Highway 66 in lower Richland County. The Applicant provides water service to the Albene Park Subdivision also located in lower Richland County. Finally, the Applicant provides sewer service by way of a separate lagoon type facility for the Lloydwood Subdivision located off Highway 321 in Lexington County. The Lloydwood Subdivision has 318 billing units for its sewer service, Franklin Park has 50 billing units for its sewer and water service and Albene Park have 45 billing units for its water service.

3. The Applicant is a corporation duly organized and existing pursuant to the laws of the State of South Carolina, and doing business in Richland and Lexington Counties.

EXHIBIT 1.f

4. On or about December 30, 1993, the Applicant and the Department of Health and Environmental Control (DHEC), entered into an administrative consent order bearing number 94-002-W in regard to its Lloydwood Subdivision facility, in which the Applicant was required, in pertinent part, to:

a) provide for the proper operation and maintenance of its waste disposal system so as to achieve optimum waste water treatment efficiency conforming with all pertinent requirements; and

b) upgrade its waste disposal system so as to achieve compliance with permitted affluent limits in accordance with a specified schedule.

5. In accordance with the Consent Order, as modified by certain extensions not relevant here, Civil Engineering of Columbia, on behalf of the Applicant, submitted an engineering plan for the proposed upgrade on January 6, 1994.

6. On January 21, 1994, Civil Engineering of Columbia, again on behalf of the Applicant, received a letter from DHEC regarding the plans submitted on January 6, 1994. As a consequence of the January 21, 1994, DHEC letter, the cost of the proposed upgrade increased 400%. Thereafter, DHEC disapproved the plans and specifications submitted on the Applicant's behalf as a result of the adoption of new ammonium-nitrogen limits.

7. On or about February 6, 1998, DHEC filed an action in the Lexington County Court of Common Pleas, bearing civil action number 98-CP-32-309, seeking specific enforcement of the Consent Order.

8. Thereafter, the Circuit Court entered an Order, a copy of which is attached hereto, which requires the Applicant to do the following:

a. Within 60 days of the execution of the Order, obtain an agreement with the City of Cayce for elimination of the discharge of the Applicant to the Highway 321 Regional Sewer/Cayce forcemain, the same to be constructed along Highway 321, by July 15, 1999;

b. Within 120 days of the execution of the Order, submit to DHEC approvable plans and specifications and an application for a permit to construct that which is necessary to eliminate the Applicant's discharge to the Highway 321 Regional Sewer/Cayce forcemain;

c. Within 90 days of the issuance of a permit to construct by DHEC, the Applicant is required to complete construction and elimination of the Applicant's discharge; and

d. Within 180 days of the elimination of the Applicant's discharge, the Applicant is required to complete close-out of the onsite waste treatment lagoon in accordance with any requirements of DHEC.

The date of the Circuit Court's Order is July 19, 1999. On July 29, 1999, the Applicant moved to alter or amend the Circuit Court's judgement. That motion remains pending.

9. In years past, the Applicant has attempted to **give** its Lloydwood waste disposal system to the City of Cayce and the

Applicant remains willing to do so. However, the City of Cayce has refused to accept the Applicant's Lloydwood facilities without payment by the Applicant to the City of Cayce of significant sums which the Applicant simply does not have and cannot generate over time.

When the Applicant learned of the proposed construction of the Highway 321 Regional Sewer/Cayce forcemain and before the Circuit Court issued its Order referred to above, the Applicant immediately contacted the City of Cayce to determine what cost, if any, would be required in order for the Applicant to do exactly that which the Circuit Court has ordered the Applicant to do.

10. In response to the Applicant's inquiries, the Applicant was informed by the City of Cayce that the Applicant would have to construct a lift station, and pay the sum of $1,570.00 per Lloydwood customer ($499,260.00, total) in order to connect to the Highway 321 Regional Sewer/Cayce forcemain.

11. The last and only application by the Applicant to increase its rates charged to its customers was heard by this Commission in 1992. Since that time, the Applicant has inquired regarding the possibility of a rate increase and was informed that it would have to submit a proforma in regard to the cost of the system upgrade. At present, however, the Circuit Court has ordered the Applicant not to upgrade, but rather to eliminate its Lloydwood sewer system by connecting that system with the Highway 321 Regional Sewer/Cayce forcemain.

12. The Applicant is unable financially to meet the costs required by the City of Cayce in order to connect its Lloydwood waste disposal system with the Highway 321 Regional Sewer/Cayce forcemain. The Applicant is unaware of any source of funds available to it which could be utilized to meet these costs.

13. The Applicant is informed and believes, based upon the foregoing, that it is unable to provide adequate and sufficient service as required by DHEC and the Circuit Court and that, therefore, the Applicant is informed and believes that this Commission should petition the Court of Common Pleas for Lexington Count requesting that it appoint a receiver to assume possession of the facilities and systems of the Applicant and to operate such facilities and systems upon such terms and conditions as the Court shall prescribe.

WHEREFORE, having fully set forth its Application, the Applicant, Piney Grove Utilities, Inc., respectfully requests that this Commission inquire into the matters set forth above and issue its Petition requesting that the Court of Common Pleas for the County of Lexington appoint a receiver to assume possession of the facilities and systems of the Applicant, and to operate such facilities and systems upon such terms and conditions as the Court shall prescribe.

CALLISON TIGHE & ROBINSON, LLP

Louis H. Lang, Esq.
1812 Lincoln Street, Suite 200
Post Office Box 1390
Columbia, SC 29202-1390
Telephone: (803) 256-2371
Facsimile: (803) 256-6431

Attorneys for Applicant

Columbia, South Carolina
October 6, 1999
1529.001\APPLICAT

S. C. PUBLIC SERVICE COMMISSION
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DEC 3 1999

CALLISON TIGHE & ROBINSON, LLP
ATTORNEYS AT LAW
PALMETTO ARMORY OFFICE BUILDING
1812 LINCOLN STREET
SECOND FLOOR
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MICHAEL W. TIGHE
RALPH C. ROBINSON, JR.
D. REECE WILLIAMS, III
LOUIS H. LANG
RICHARD C. DETWILER
G. HAROLD HANLIN
DEMETRI K. KOUTRAKOS
STEPHANIE L. BLANTON
ANDREW C. ENGLISH, III

PRESTON H. CALLISON
RETIRED

WALLACE E. TIGHE
(1914-1998)

November 30, 1999

VIA HAND DELIVERY

Gary E. Walsh
Executive Director
PUBLIC SERVICE COMMISSION
111 Doctor's Circle
Post Office Drawer 11649
Columbia, SC 29211

12-13

RE: ~~Piney Grove Utilities, Inc.,~~ Petitions Commission to Appoint Receiver of Water and Wastewater Utilities
Docket No. 1999-421-W/S
Our File No. 1529.001

Dear Mr. Walsh:

Per your letter to me of November 2, 1999, enclosed please find the following:

12/3/99 MR

1. Notarized Certification regarding Publication of the Notice on November 16, 1999; and

2. Certification of the Mailing of the Notice to all customers of Piney Grove Utilities.

In addition, I believe that I will present no more than three witnesses, and their testimony should take no more than two hours.

If you have any questions regarding the foregoing, or the enclosures, please do not hesitate to contact me.

Sincerely yours,

CALLISON TIGHE & ROBINSON, LLP

Louis H. Lang

LHL/ccs
Enclosures
cc: Mr. William E. Sellars (w/ encl.)
President, Piney Grove Utilities, Inc.
1529.001\WALSH.002

EXHIBIT 1.8

the previously stated address on or before December 17, 1999. Please refer to Docket No. 1999-421-W/S.

Any person who wishes to present his views, but is unable or does not wish to appear and testify at a hearing may do so in writing on or before December 17, 1999. Please refer to Docket No. 1999-421-W/S.

Any person who wishes to participate in a hearing as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before December 17, 1999. Please refer to Docket No. 1999-421-W/S.

Persons seeking information about the Commission's Procedures should contact the Commission at (803) 896-5155.

GARY E. WALSH
Executive Director
Public Service Commission
of S.C.
P.O. Drawer 11649
Columbia, S.C. 29211

2-Nov-99

20226

PINEY GROVE UTILITIES PETITIONS COMMISSION TO APPOINT RECEIVER OF WATER AND WASTEWATER UTILITIES

Piney Grove Utilities, which owns and operates water and sewer systems in Richland and Lexington Counties, has filed an Application requesting the Commission to petition the Court to appoint a Receiver to assume possession of the facilities and systems owned by the Company.

The systems owned by the Company and affected by this petition are the water and wastewater systems in FRANKLIN PARK SUBDIVISION and the water system in ALBENE PARK SUBDIVISION, both located in Richland County; and the wastewater system in LLOYDWOOD SUBDIVISION in Lexington County.

A copy of the Application is on file in the offices of the Public Service Commission of South Carolina, Koger Executive Center, 101 Executive Center Drive, Columbia, South Carolina 29210; and is also available through Louis H. Lang, Esquire, Callison, Tighe & Robinson, LLP, P.O. Box 1390, Columbia, South Carolina 29202.

A public hearing will be held in Columbia, South Carolina in the offices of the Commission for the purpose of receiving testimony and other evidence from all interested parties regarding this petition. The time and date of this hearing will be furnished to all interested parties at a later date.

Any person who wishes to testify and present evidence at the hearing should notify in writing Gary E. Walsh, Executive Director, at the address below and Louis H. Lang, Esquire, at

THE STATE-RECORD CO., INC.
Columbia, South Carolina
publisher of
The State

S.C. PUBLIC SERVICE COMMISSION
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DEC 3 1999

AROLINA
ND

before me, Marilyn Shull, Classified Inside Sales Manager
makes oath that the advertisement,

Grove Utilities Petitions Commission to Appoint Receiver of Water and
ewater Utilities – Docket No. 1999-421-W/S

nserted in THE STATE, a daily newspaper of general circulation published in
ity of Columbia, State and County aforesaid, in the issues of

mber 16, 1999

Marilyn Shull

cribed and sworn to before me

s day November 19, 1999

Evelyn F. Hallman Notary Public

My commission expires May 5, 2003

"Errors- the liability of the publisher on account of errors in or omissions from any advertisement will in no way exceed the amount of the charge for the space occupied by the item in error, and then only for the first incorrect insertion."

EXHIBIT 1.h

CALLISON TIGHE & ROBINSON, LLP
ATTORNEYS AT LAW
PALMETTO ARMORY OFFICE BUILDING
1812 LINCOLN STREET
SECOND FLOOR
COLUMBIA, SOUTH CAROLINA 29201

MICHAEL W. TIGHE
RALPH C. ROBINSON, JR.
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ctrattys@bellsouth.net

POST OFFICE BOX 1390
ZIP CODE 29202-1390

ACCEPTED
Legal

S.C. PUBLIC SERVICE COMMISSION
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UTILITIES DEPARTMENT

S.C. PUBLIC SERVICE COMMISSION
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FEB 07 2000
RECEIVED
EXCUTIVE DIRECTORS OFFICE

February 7, 2000

VIA HAND DELIVERY

Gary E. Walsh
Executive Director
PUBLIC SERVICE COMMISSION
101 Executive Center Drive
Saluda Bldg., Ste 100
Columbia, SC 29210

RE: Piney Grove Utilities, Inc., Petitions Commission to Appoint Receiver of Water and Wastewater Utilities
Docket No. 1999-421-W/S
Our File No. 1529.001

Dear Mr. Walsh:

Per your letter to me of January 10, 2000, enclosed please find the following:

1. Notarized Certification regarding Publication of the Notice on January 20, 2000; and

2. Certification of the Mailing of the Notice to all customers of Piney Grove Utilities.

In addition, I believe that I will present no more than three witnesses, and their testimony should take no more than two hours.

If you have any questions regarding the foregoing, or the enclosures, please do not hesitate to contact me.

Sincerely yours,

CALLISON TIGHE & ROBINSON, LLP

Louis H. Lang

LHL/ccs
Enclosures
cc: Mr. William E. Sellars (w/ encl.)
President, Piney Grove Utilities, Inc.
1529.001\WALSH.005

EXHIBIT 1.i

REVISED NOTICE OF FILING

Piney Grove Utilities, which owns and operates water and sewer systems in Richland and Lexington Counties, has filed an Application requesting the Commission to petition the Court to appoint a Receiver to assume possession of the facilities and systems owned by the Company.

The systems owned by the Company and affected by this petition are the water and wastewater systems in FRANKLIN PARK SUBDIVISION and the water system in ALBENE PARK SUBDIVISION, both located in Richland County; and the wastewater system in LLOYDWOOD SUBDIVISION in Lexington County. IF YOU ARE A CUSTOMER OF PINEY GROVE UTILITIES, YOU MAY HAVE COMMUNICATED WITH THE COMPANY BY CALLING, WRITING OR VISITING THE OFFICES OF C.W. HAYNES AND COMPANY, INC.

A copy of the Application is on file in the offices of the Public Service Commission of South Carolina, Koger Executive Center, 101 Executive Center Drive, Columbia, South Carolina 29210; and is also available through Louis H. Lang, Esquire, Callison, Tighe & Robinson, LLP, P.O. Box 1390, Columbia, South Carolina 29202.

A public hearing will be held in Columbia, South Carolina in the offices of the Commission for the purpose of receiving testimony and other evidence from all interested parties regarding this petition. The time and date of this hearing will be furnished to all interested parties at a later date.

Any person who wishes to testify and present evidence at the hearing should notify in writing Gary E. Walsh, Executive Director, at the address below and Louis H. Lang, Esquire, at the previously stated address on or before March 1, 2000. Please refer to Docket No. 1999-421-W/S.

Any person who wishes to present his views, but is unable or does not wish to appear and testify at a hearing may do so in writing on or before March 1, 2000. Please refer to Docket No. 1999-421-W/S.

Any person who wishes to participate in a hearing as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before March 1, 2000. Please refer to Docket No. 1999-421-W/S.

Persons seeking information about the Commission's Procedures should contact the Commission at (803) 896-5155.

GARY E. WALSH
Executive Director
Public Service Commission of S.C.
P. O. Drawer 11649
Columbia, S. C. 29211

D02-800

THE COLUMBIA STAR
COLUMBIA, SOUTH CAROLINA

S. C. PUBLIC SERVICE COMMISSION
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FEB 08 2000
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State of South Carolina
County of Richland

Personally appeared before me, **WARNER M. MONTGOMERY, PUBLISHER OF THE COLUMBIA STAR,** and makes oath that the advertisement,

REVISED NOTICE OF FILING:
PINEY GROVES UTILITIES, INC.

a clipping of which is attached hereto, was printed in **THE COLUMBIA STAR**, a weekly newspaper of general circulation published in the City of Columbia, State and County aforesaid, in the issues of

Jan. 20, 2000

Publisher

Sworn to before me on this
20th day of January, 2000.

Notary Public
My commission expires April 20, 2008

EXHIBIT 1.j

Dw 2-8-00

S. C. PUBLIC SERVICE COMMISSION
RECEIVED
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STATE OF SOUTH CAROLINA
ADMINISTRATIVE LAW JUDGE DIVISION

South Carolina Department of Health and Environmental Control, Petitioner,	
vs.	CERTIFICATE OF MAILING
Piney Grove Utilities, Inc., and Piney Grove Utilities, Inc. d/b/a Franklin Park Subdivision (WS#4050016) and Albene Park Subdivision (WS#4050007), Richland County, Respondents.	

I, Crystal C. Smith, of Callison Tighe & Robinson, LLP, do hereby certify that I have on January 21, 2000, and January 24, 2000, served a copy of the document entitled **REVISED NOTICE OF FILING** in the within matter by placing a copy of same in the United States Regular Mail with appropriate postage affixed, addressed to all current customers of Piney Grove Utilities, Inc.

Crystal C. Smith
Crystal C. Smith
Legal Assistant

1529.001\NOTICE2.COM

REVISED NOTICE OF FILING

Piney Grove Utilities, which owns and operates water and sewer systems in Richland and Lexington Counties, has filed an Application requesting the Commission to petition the Court to appoint a Receiver to assume possession of the facilities and systems owned by the Company.

The systems owned by the Company and affected by this petition are the water and wastewater systems in FRANKLIN PARK SUBDIVISION and the water system in ALBENE PARK SUBDIVISION, both located in Richland County; and the wastewater system in LLOYDWOOD SUBDIVISION in Lexington County. IF YOU ARE A CUSTOMER OF PINEY GROVE UTILITIES, YOU MAY HAVE COMMUNICATED WITH THE COMPANY BY CALLING, WRITING OR VISITING THE OFFICES OF **C.W. HAYNES AND COMPANY, INC.**

A copy of the Application is on file in the offices of the Public Service Commission of South Carolina, Koger Executive Center, 101 Executive Center Drive, Columbia, South Carolina 29210; and is also available through Louis H. Lang, Esquire, Callison, Tighe & Robinson, LLP, P.O. Box 1390, Columbia, South Carolina 29202.

A public hearing will be held in Columbia, South Carolina in the offices of the Commission for the purpose of receiving testimony and other evidence from all interested parties regarding this petition. The time and date of this hearing will be furnished to all interested parties at a later date.

Any person who wishes to testify and present evidence at the hearing should notify in writing Gary E. Walsh, Executive Director, at the address below and Louis H. Lang, Esquire, at the previously stated address on or before **March 1, 2000.** *Please refer to Docket No. 1999-421-W/S.*

Any person who wishes to present his views, but is unable or does not wish to appear and testify at a hearing may do so in writing on or before **March 1, 2000.** *Please refer to Docket No. 1999-421-W/S.*

Any person who wishes to participate in a hearing as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **March 1, 2000.** *Please refer to Docket No. 1999-421-W/S.*

Persons seeking information about the Commission's Procedures should contact the Commission at (803) 896-5155.

GARY E. WALSH
Executive Director
Public Service Commission of S.C.
P. O. Drawer 11649
Columbia, S. C. 29211

1/10/2000

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

UTILITIES DEPARTMENT

CONTINUED UNTIL FURTHER NOTICE

DOCKET NO. 1999-421-W/S

Piney Grove Utilities has filed an Application requesting the Commission to petition the Court to appoint a Receiver to assume possession of the facilities and systems owned by the Company.

PLEASE TAKE NOTICE that the hearing scheduled for **June 1, 2000** at **10:30 A.M.** in the offices of the Public Service Commission, Koger Executive Center, 101 Executive Center Drive, Columbia, SC 29210 **has been CONTINUED UNTIL FURTHER NOTICE.**

Gary E. Walsh
Executive Director
Public Service Commission of S.C.
P.O. Drawer 11649
Columbia, South Carolina

5/30/00

MAY 31 2000

EXHIBIT 1.k

2. DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL DOCUMENTS

8-CP-32-30 "Ex 1"

THE STATE OF SOUTH CAROLINA
BEFORE THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

IN RE: Lloydwood Subdivision/
Piney Grove Utilities, Inc.
Lexington County

CONSENT ORDER
94-002-W

Piney Grove Utilities, Inc. ("Respondent") owns and is responsible for the proper operation and maintenance of a waste disposal system ("WDS") which serves the Lloydwood Subdivision in Lexington County, South Carolina.

A review of the records and files has revealed that this WDS has failed to meet specific permitted effluent limitations and the Respondent has failed to submit certain reports as required by the National Pollutant Discharge Elimination System ("NPDES") Permit, as set forth below.

In accordance with approved procedures and based upon discussions with the Respondent, the parties have agreed to the issuance of this Order to include the following Findings of Fact and Conclusions of Law.

Findings of Fact

1. The South Carolina Department of Health and Environmental Control ("DHEC" or "Department") issued NPDES Permit #SC0031402 to the Respondent which allows for the discharge of treated wastewater into an unnamed tributary to Dry Creek in strict compliance with the terms, conditions, and requirements of the permit.

EXHIBIT 2.a

2. A Notice of Violation ("NOV") was issued to the Respondent on October 26, 1992. This NOV was based on a review of Discharge Monitoring Reports ("DMR's") submitted by the Respondent for the period January 1992 through September 1992. The DMR's revealed that the WDS had failed to meet the permitted effluent limitations for the following parameters:

Flow	six (6) times,
Biochemical Oxygen Demand (BOD)	five (5) times,
Fecal Coliform (FC)	One (1) time.

The operator attributed the violations to infiltration into the WDS and problems with aerators.

3. Compliance Sampling Inspections ("CSI's") of the WDS conducted by DHEC in 1992 revealed:

03/03/92 noncompliant for flow & FC, the operator responded disputing any violations for flow or FC on March 3, 1992;

09/09/92 noncompliant for FC, no response requested.

4. Three (3) Operation And Maintenance Inspections ("O&M's") of the WDS conducted by DHEC in 1992 rated the WDS as:

01/21/92 satisfactory,

06/19/92 unsatisfactory due to the FC limit being exceeded, and

07/31/92 satisfactory.

5. This WDS has been identified in the regional 201/208 planning process for elimination to a publicly owned treatment works

("POTW") when available.

6. NPDES Permit #SC0031402 expired on July 31, 1992. This permit will not be reissued until 1994, along with other WDS's in the Saluda-Edisto Watershed.

7. A conference was held on February 24, 1993, to discuss BOD violations during the period January 1992 through September 1992. The Respondent reviewed inflow and infiltration ("I/I") inspections and corrective actions taken. The operator said that permit parameters could be met if excessive inflow was eliminated.

8. A review of DMR's submitted by the Respondent for the period January 1993 through July 1993 revealed the following effluent violations:

BOD	six (6) times,
FC	two (2) times.

The operator attributed the violations to rain and problems with aerators.

9. Three CSI's during 1993 revealed the following:

02/09/93 noncompliant for flow, BOD, and FC, attributed to infiltration and lagoon upset due to inversion;

04/27/93 noncompliant for BOD, no response requested;

10/26/93 compliant.

10. Three O&M's during 1993 revealed the following:

03/03/93 unsatisfactory for aerator not functioning optimally, odor of raw sewage at discharge, FC limit exceeded;

04/22/93 unsatisfactory for aerator not functioning optimally, bacteria growing in receiving stream, Dissolved Oxygen (DO) below minimum;

06/09/93 satisfactory.

11. On May 13, 1993, the Respondent and DHEC staff met to discuss odor problems associated with the WDS. During this site visit, the following recommendations were discussed:

(1) Replace the existing aerator in the initial pond to increase the DO level.

(2) Treat and remove the Duckweed in the final pond.

(3) Additional aeration may be necessary in the final pond.

12. A Notice of Violation was issued to the Respondent on August 30, 1993 for failure to submit DMR's. The June and July 1993 DMR's were received by DHEC on September 3, 1993.

13. A conference was held on October 6, 1993, to discuss these matters of regulatory concern.

14. Discussions during the conference revealed that:

(a) The operator requested the use of an experimental curtain and aerator in the final pond.

(b) On September 2, 1993, the operator reported to have requested that the Respondent obtain a consultant engineer to prepare a Preliminary Engineering Report ("PER") for upgrade of the WDS to meet permitted effluent limits.

(c) On September 7, 1993, the operator sent a letter to DHEC confirming initiation of item (b) above.

(d) The Respondent reported to have negotiated elimination of

the discharge from the WDS to the approved POTW and this elimination construction is scheduled for April 1995. This delay is to allow the Respondent to accumulate funds to provide upgrade of a water system at another facility.

15. On November 30, 1993, the Respondent and its attorney met with DHEC to negotiate terms and conditions for a Consent Order.

Conclusions of Law

1. The Pollution Control Act, South Carolina Code Ann. Section 48-1-20 (1987) authorizes DHEC to abate, control, and prevent pollution.
2. Code Sections 48-1-50(3) and (11) enumerates the powers of DHEC and specifically establishes DHEC's authority to make Orders and to administer penalties for violations of the Code.
3. DHEC alleged that the Respondent is in violation of Code Section 48-1-90(a) in that it has discharged waste into the environment other than in compliance with a permit issued by DHEC.
4. DHEC alleged that the Respondent is in violation of Code Section 48-1-110(d) in that it has failed to operate the WDS in compliance with the conditions of the NPDES Permit.
5. Code Section 48-1-330 provides for a civil penalty of up to ten thousand dollars ($10,000.00) per day of violation.

NOW, THEREFORE, IT IS ORDERED, CONSENTED TO, AND AGREED that the Respondent shall:

1. Provide for the proper operation and maintenance of the WDS so as to achieve optimum wastewater treatment efficiency in

conformity with all Permit requirements.

2. Upgrade the WDS so as to achieve compliance with permitted effluent limits in accordance with the following schedule:

(a) within sixty (60) days from issuance of this Order, submit to DHEC approvable Plans and Specifications ("P&S"), including Application for Permit to Construct;

#19,071-AW 3-21-9 6-7-94

(b) within seventy-five (75) days from issuance of a Construction Permit, complete construction;

(c) within thirty (30) days from issuance of a Permit to Operate, meet permitted effluent limits.

3. Pay to DHEC a civil penalty in the amount of five thousand five hundred dollars ($5,500.00). A payment of one thousand five hundred dollars ($1,500.00) is due within thirty (30) days following receipt of this completed Order. Additional payments of one thousand dollars ($1,000.00) are due in each thirty (30) day period, thereafter, for four months.

IT IS FURTHER ORDERED, CONSENTED TO, AND AGREED that failure to comply with any provision of this Order shall be grounds for appropriate sanctions and further enforcement action.

THE SOUTH CAROLINA DEPARTMENT OF
HEALTH AND ENVIRONMENTAL CONTROL

BY: _____
Douglas E. Bryant
Commissioner

BY: _____
Russell W. Sherer, Chief
Bureau of Water Pollution
Control

DATE: 1/5, 1993

WE CONSENT:

_____ DATE: December 30, 1993
Piney Grove Utilities, Inc.

_____ DATE: 4 Jan 93
Attorney for the Department

_____ DATE: January 3, 1994
Division of Water Quality
Assessment and Enforcement

South Carolina Department of Health and Environmental Control

1110

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Robert S. Jackson, M.D.

Board
Moses H. Clarkson, Jr., Chairman
Leonard W. Douglas, M.D., Vice-Chairman
Barbara P. Nuessle, Secretary
Gerald A. Kaynard
Oren L. Brady, Jr.
James A. Spruill, Jr.
William H. Hester, M.D.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

July 12, 1984

Mr. W.E. Sellars, President
C.W. Haynes & Co.
1500 Lady Street
Columbia, SC 29201

RE: Notice of Violation
Lloydwood S/D
NPDES Permit #SC0031402
Lexington County

Dear Mr. Sellars:

A review of the recently submitted Discharge Monitoring Reports for the above referenced facility for the period of May, 1984 revealed the following NPDES Permit violations:

1) Exceeded effluent limitations for ammonia during month.

Failure to comply with the conditions of the NPDES Permit violates Sections 48-1-90 and 48-1-110 of the South Carolina Code of Laws, 1976, and makes you amenable to the penalties as set forth in Section 48-1-330 of the Code, i.e., a civil penalty not to exceed ten thousand dollars ($10,000) per day of such violation.

You are requested to respond in writing within fifteen (15) days from receipt of this notice. Your answer should include the following: a) the reasons for noncompliance, b) what corrective measures will be taken, and c) when the facility will be back in compliance.

Pending receipt of a satisfactory response, no further enforcement action will be taken. However, a copy of this letter will be placed in your file and will be used in determining appropriate action to be taken in case of future permit violations. Failure to respond in a timely and satisfactory manner will result in further enforcement action.

Sincerely,

Andre G. Stanley
Environmental Quality Manager
Enforcement Section
Water Quality Assessment and
Enforcement Division

cc: Steve Thomas
District Office

EXHIBIT 2.b

South Carolina Department of Health and Environmental Control

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Robert S. Jackson, M.D.

Board
Moses H. Clarkson, Jr., Chairman
Leonard W. Douglas, M.D., Vice-Chairman
Barbara P. Nuessle, Secretary
Gerald A. Kaynard
Oren L. Brady, Jr.
James A. Spruill, Jr.
William H. Hester, M.D.

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

February 9, 1984

Mr. W. E. Sellars, Pres.
Lloydwood SD
1500 Lady St.
Columbia, SC 29201

RE: Notice of Violation
Lloydwood SD
NPDES Permit #SC0031402
Lexington County

Dear Mr. Sellars:

A review of the recently submitted Discharge Monitoring Reports for the above referenced facility for the period of November 1983 revealed the following NPDES Permit violations:

1) The Effluent Limit for HN_3 was exceeded.

Failure to comply with the conditions of the NPDES Permit violates Sections 48-1-90 and 48-1-110 of the South Carolina Code of Laws, 1976, and makes you amenable to the penalties as set forth in Section 48-1-330 of the Code, i.e., a civil penalty not to exceed ten thousand dollars ($10,000) per day of such violation.

You are requested to respond in writing within fifteen (15) days from receipt of this notice. Your answer should include the following: a) the reason(s) for noncompliance, b) what corrective measures will be taken, and c) when the facility will be back in compliance.

Pending receipt of a satisfactory response, no further enforcement action will be taken. However, a copy of this letter will be placed in your file and will be used in determining appropriate action to be taken in case of future permit violations. Failure to respond in a timely and satisfactory manner will result in further enforcement action.

Sincerely,

AGStanley

Andre G. Stanley
Environmental Quality Manager
Enforcement Section
Water Quality Assessment and
Enforcement Division

AGS/tr
cc: Steve Thomas
District Office
Enf. Sec.

EXHIBIT 2.c

South Carolina Department of Health and Environmental Control

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Michael D. Jarrett

Board
Harry M. Hallman, Jr., Chairman
Toney Graham, Jr. M.D., Vice-Chairman
John B. Pate, M.D., Secretary
Oren L. Brady, Jr.
Moses H. Clarkson, Jr.
Euta M. Colvin, M.D.
Henry S. Jordan, M.D.

15480 GPD

CERTIFIED MAIL-RETURN RECEIPT REQUESTED
December 15, 1988

Mr. W. E. Sellers
C. W. Haynes Company
1500 Lady Street
Columbia, SC 29201

RE: Lloydwood S/D
NPDES Permit #SC0031402
Lexington County

Dear Mr. Sellers:

Attached are the results of the Compliance Sampling Inspection of your wastewater treatment facility conducted by DHEC on November 1-3, 1988. Sampling was performed in accordance with the NPDES permit and sample chain of custody was maintained by DHEC personnel. All sampling and analyses were conducted according to Standard Operating Procedures Manual and Quality Assurance Procedures Plan (SCDHEC).

A review of this data indicates that the wastewater was not meeting applicable NPDES permit limits during the sampling period for flow.

Failure to comply with NPDES permit conditions places you in violation of Sections 48-1-90 and 48-1-110 of the Code of Laws of South Carolina. Therefore, it is requested that you respond in writing to this office within fifteen (15) days concerning corrective action. Failure to respond or inadequate response will provide a basis for enforcement action.

If you have any questions regarding this inspection, please contact me.

Sincerely,

Jerry E. Watson

Jerry E. Watson
Environmental Quality Manager
Facilities Compliance Section
Environmental Quality Control

JEW/al
attachment
cc: Alton Boozer
Steve Thomas

EXHIBIT 2.d

PERMITTEE NAME/ADDRESS

NAME Mr. W. E. Sellers

ADDRESS C.W. Haynes Company
1500 Lady Street
Columbia, S.C. 29201

FACILITY

LOCATION Lloydwood - Lexington County

Water Pollution Control
COMPLIANCE MONITORING REPORT

SC 0031402
PERMIT NUMBER

001
DISCHARGE NUMBER

NOTE TO MUNICIPALS: Weekly average is listed in maximum column and monthly average is listed in average column.

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				SAMPLE TYPE
		AVERAGE	MAXIMUM	UNITS	MINIMUM	AVERAGE	MAXIMUM	UNITS	
Flow 881101 881103	SAMPLE MEASUREMENT						.242	MGD	
	PERMIT REQUIREMENT						.1548		CT
Dissolved Oxygen 881101 881103	SAMPLE MEASUREMENT				11.5			mg/l	
	PERMIT REQUIREMENT				1.0				GR
BOD 881101 881103	SAMPLE MEASUREMENT					18		mg/l	
	PERMIT REQUIREMENT					30			24
TSS 881101 881103	SAMPLE MEASUREMENT					34.5		mg/l	
	PERMIT REQUIREMENT					90			24
Fecal Coliform 881101 881103	SAMPLE MEASUREMENT						800		
	PERMIT REQUIREMENT					1000	2000		GR
Total Residual Chlorine 881101 881103	SAMPLE MEASUREMENT					0.1 K			
	PERMIT REQUIREMENT					0.1			GR
	SAMPLE MEASUREMENT								
	PERMIT REQUIREMENT								
	SAMPLE MEASUREMENT								
	PERMIT REQUIREMENT								
	SAMPLE MEASUREMENT								
	PERMIT REQUIREMENT								

DHEC Form No. 2103 (10/87)

Note: K = "less than"

145000

Flow in Conduit MGD	.241	881101	881101	GR	X
Flow in Conduit MGD	.297	881102	881102	GR	X
BOD - 5 Day MG/L	15	881101	881101	GR	X
BOD - 5 Day MG/L	18	881102	881103	GR	X
Total Suspended Solids (TSS) MG/L	77	881101	881102	GR	X
Total Suspended Solids (TSS) MG/L	32	881102	881103	GR	X
Ammonia-Nitrogen Total MG/L as N	7.3	881102	881103	GR	X
Ammonia-Nitrogen Total MG/L as N	7.5	881103	881103	GR	X
Flow in Conduit MGD	.300	881101	881101	GR	X
Flow in Conduit MGD	.196	881101	881102	GR	X
Flow in Conduit MGD	.174	881102	881103	GR	X
Water Temp Centigrade	14.5	881101	881101	GR	X
Water Temp Centigrade	14.0	881101	881102	GR	X
Water Temp Centigrade	13.0	881102	881103	GR	X
Temperature Deg F	58.1	881101	881101	GR	X
Temperature Deg F	57.2	881101	881102	GR	X
Temperature Deg F	57.[illegible]	881102	881103	GR	X
Air Temp Celsius	13.0	881101	881101	GR	X
Air Temp Celsius	16.0	881101	881102	GR	X
Air Temp Celsius	16.0	881102	881103	GR	X
Weather	Cloudy	881101	881101	GR	X
Weather	Clear	881101	881101	GR	X
Weather	Rain	881102	881102	GR	X
Dissolved Oxygen MG/L	12.[illegible]	881101	881101	GR	X
Dissolved Oxygen MG/L	11.5	881101	881102	GR	X
Dissolved Oxygen MG/L	12.1	881102	881103	GR	X
pH	7.10	881101	881101	GR	X
pH	7.06	881101	881102	GR	X
pH	7.10	881102	881101	GR	X
pH - Lab	7.3	881101	881102	GR	X
pH - Lab	7.4	881102	881103	GR	X
Total Alkalinity MG/L as CaCO3	48	881101	881102	GR	X
Total Alkalinity, MG/L as CaCO3	99	881102	881103	GR	X
Chlorine, Total Residual MG/L	<0.1	881101	881101	GR	X
Chlorine, Total Residual MG/L	<0.1	881101	881102	GR	X
Chlorine, Total Residual MG/L	<0.1	881102	881103	GR	X
Fecal Coliform, General (permit)	40	881101	881101	GR	X
Fecal Coliform, General (permit)	20	881101	881102	GR	X
Fecal Coliform, General (permit)	800	881102	881103	GR	X

South Carolina Department of Health and Environmental Control

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Michael D. Jarrett

Board
Toney Graham, Jr., M.D., Chairman
Henry S. Jordan, M.D., Vice-Chairman
John B. Pate, M.D., Secretary
William E. Applegate
Oren L. Brady, Jr.
John Hay Burriss
Euta M. Colvin, M.D.

CERTIFIED MAIL-RETURN RECEIPT REQUESTED
May 23, 1989

Mr. W. E. Sellers, President
C. W. Haynes Company
1500 Lady Street
Columbia, SC 29201

RE: Lloydwood S/D
NPDES Permit #SC0031402
Lexington County

Dear Mr. Sellers:

Attached are the results of the Compliance Sampling Inspection of your wastewater treatment facility conducted by DHEC on April 18-20, 1989. Sampling was performed in accordance with the NPDES permit and sample chain of custody was maintained by DHEC personnel. All sampling and analyses were conducted according to Standard Operating Procedures Manual and Quality Assurance Procedures Plan (SCDHEC).

A review of this data indicates that the wastewater was not meeting applicable NPDES permit limits during the sampling period for flow. Please note that chlorine limits will not be in effect until July 1, 1989.

Failure to comply with NPDES permit conditions places you in violation of Sections 48-1-90 and 48-1-110 of the Code of Laws of South Carolina. Therefore, it is requested that you respond in writing to this office within fifteen (15) days concerning corrective action. Failure to respond or inadequate response will provide a basis for enforcement action.

If you have any questions regarding this inspection, please contact me.

Sincerely,

Jerry E. Watson

Jerry E. Watson
Environmental Quality Manager
Facilities Compliance Section
Environmental Quality Control

JEW/al
attachment
cc: Alton Boozer
Steve Thomas

EXHIBIT 2.e

South Carolina Department of Health and Environmental Control

Water Pollution Control
COMPLIANCE MONITORING REPORT

PERMITTEE NAME/ADDRESS

NAME PRESIDENT W SELLARS
ADDRESS C W HAYNES-1500 LADY ST

COLUMBIA SC 29201
FACILITY LLOYDWOOD SD/C W HAYNES
LOCATION LEXINGTON

SC0031402 (PERMIT NUMBER) | 001 (DISCHARGE NUMBER) | 3 | 63 CM 07/31/92

NOTE TO MUNICIPALS: Weekly average is listed in maximum column and monthly average is listed in average column.

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				SAMPLE TYPE
		AVERAGE	MAXIMUM	UNITS	MINIMUM	AVERAGE	MAXIMUM	UNITS	
00300 Dissolved Oxygen	SAMPLE MEASUREMENT				11.20				
890418 890420	PERMIT REQUIREMENT				1.0	DELMON		MG/L	GR
00310 BOD - 5 Day	SAMPLE MEASUREMENT					16.50			
890418 890420	PERMIT REQUIREMENT					30		MG/L	24
00400 pH	SAMPLE MEASUREMENT				8.00		8.70		
890418 890420	PERMIT REQUIREMENT				6.0		9.0	SU	GR
00530 Total Suspended Solids (TSS)	SAMPLE MEASUREMENT					29.00			
890419 890420	PERMIT REQUIREMENT					90		MG/L	24
00610 NNYYYYYYYYNN Ammonia-Nitrogen Total as N	SAMPLE MEASUREMENT					2.25	2.40		
890419 890420	PERMIT REQUIREMENT					2	4	MG/L	24
50050 Flow in Conduit MGD	SAMPLE MEASUREMENT	0.1852	0.1943						
890418 890420	PERMIT REQUIREMENT		.1548	MGD					CN
50060 Chlorine, Total Residual	SAMPLE MEASUREMENT					1.00			
890418 890420	PERMIT REQUIREMENT					0.1		MG/L	GR
Fecal Coliform, General (permit)	SAMPLE MEASUREMENT						220	#/	
	PERMIT REQUIREMENT					1000	2000	100ML	~~24~~ GR
	SAMPLE MEASUREMENT								
	PERMIT REQUIREMENT								

DHEC Form No. 2103 (10/87)

K = Less Than, L = Greater Than, Sample Split = None

** NPDES # SC0031402

* Pipe # 001

Nitrogen-Kjeldahl MG/L as N	8.4	890419	890419	CP	X
Nitrogen Kjeldahl MG/L as N	9.2	890420	890420	CP	X
NO2 and NO3 MG/L as N	1.46	890419	890419	CP	X
NO2 and NO3 MG/L as N	1.57	890420	890420	CP	X
Phosphorous, Total MG/L as P	2.0	890419	890419	CP	X
Phosphorous, Total MG/L as P	1.9	890420	890420	CP	X
Cadmium, Total UG/L as Cd	<10	890419	890419	CP	X
Cadmium, Total UG/L as Cd	<10	890420	890420	CP	X
Chromium, Total UG/L as Cr	<10	890419	890419	CP	X
Chromium, Total UG/L as Cr	<10	890420	890420	CP	X
Copper, Total UG/L as Cu	10	890419	890419	CP	X
Copper, Total UG/L as Cu	10	890420	890420	CP	X
Iron, Total UG/L as Fe	330	890419	890419	CP	X
Iron, Total UG/L as Fe	340	890420	890420	CP	X
Lead, Total UG/L as Pb	<50	890419	890419	CP	X
Lead, Total UG/L as Pb	<50	890420	890420	CP	X
Manganese, Total UG/L as Mn	20	890419	890419	CP	X
Manganese, Total UG/L as Mn	20	890420	890420	CP	X
Nickel, Total UG/L as Ni	<20	890419	890419	CP	X
Nickel, Total UG/L as Ni	<20	890420	890420	CP	X
Zinc, Total UG/l as Zn	50	890419	890419	CP	X
Zinc, Total UG/l as Zn	50	890420	890420	CP	X
Aluminum, Total UG/L as Al	330	890419	890419	CP	X
Aluminum, Total UG/L as Al	310	890420	890420	CP	X
Mercury, Total UG/l as Hg	<0.2	890419	890419	CP	X
Mercury, Total UG/l as Hg	<0.2	890420	890420	CP	X
Flow in Conduit MGD	.2075	890418	890419	GR	F
Flow in Conduit MGD	.189	890419	890420	GR	F
% from Right Bank	50	890418	890419	GR	X
% from Right Bank	50	890419	890420	GR	X
Water Temp Centigrade	18.5	890418	890419	GR	X
Water Temp Centigrade	18.0	890419	890420	GR	X
Temperature Deg F	65.3	890418	890419	GR	X
Temperature Deg F	64.4	890419	890420	GR	X
Air Temp Celsius	29.0	890418	890419	GR	X
Air Temp Celsius	20.0	890419	890420	GR	X
Weather	Clear	890418	890419	GR	X
Weather	Cloudy	890419	890420	GR	X
pH -- Lab	8.9	890418	890419	GR	X
pH -- Lab	9.0	890419	890420	GR	X
Total Alkalinity MG/L as CaCO3	30	890418	890419	GR	X
Total Alkalinity MG/L as CaCO3	31	890419	890420	GR	X
Fecal Coliform, General (permit)	<20	890417	890417	GR	F
Fecal Coliform, General (permit)	22	890418	890419	GR	F

Fecal Coliform, General (permit)	220	890419	890420	GR	F
Depth in Meters	0.3	890418	890419	GR	X
Depth in Meters	0.3	890419	890420	GR	X

South Carolina Department of Health and Environmental Control

RECEIVED
JAN - 9 1990

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Michael D. Jarrett

Board
Henry S. Jordan, M.D., Chairman
John B. Pate, M.D., Vice-Chairman
William E. Applegate, III, Secretary
Toney Graham, Jr., M.D.
John H. Burriss
Richard E. Jabbour, D.D.S.
Currie B. Spivey, Jr.

CERTIFIED MAIL-RETURN RECEIPT REQUESTED
January 4, 1990

W. E. Sellers, President
C. W. Haynes & Company
1500 Lady Street
Columbia, SC 29201

RE: Lloydwood S/D
NPDES Permit #SC0031402
Lexington County

Dear Mr. Sellers:

Attached are the results of the Compliance Sampling Inspection of your wastewater treatment facility conducted by DHEC on November 13-15, 1989. Sampling was performed in accordance with the NPDES permit and sample chain of custody was maintained by DHEC personnel. All sampling and analyses were conducted according to Standard Operating Procedures Manual and Quality Assurance Procedures Plan (SCDHEC).

A review of this data indicates that the wastewater was not meeting applicable NPDES permit limits during the sampling period for fecal coliform.

Failure to comply with NPDES permit conditions places you in violation of Sections 48-1-90 and 48-1-110 of the Code of Laws of South Carolina. Therefore, it is requested that you respond in writing to this office within fifteen (15) days concerning corrective action. Failure to respond or inadequate response will provide a basis for enforcement action.

If you have any questions regarding this inspection, please contact me.

Sincerely,

Jerry E. Watson

Jerry E. Watson
Environmental Quality Manager
Facilities Compliance Section
Environmental Quality Control

JEW/al
attachment
cc: Alton Boozer
Steve Thomas

EXHIBIT 2.f

South Carolina Department of Health and Environmental Control

Water Pollution Control

COMPLIANCE MONITORING REPORT

PERMITTEE NAME/ADDRESS

NAME PRESIDENT W SELLARS
ADDRESS C W HAYNES-1500 LADY ST

COLUMBIA SC 29201
FACILITY LLOYDWOOD SD/C W HAYNES
LOCATION LEXINGTON

SC0031402 — PERMIT NUMBER

001 — DISCHARGE NUMBER

2 63 CM 07/31/92

NOTE TO MUNICIPALS: Weekly average is listed in maximum column and monthly average is listed in average column.

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				SAMPLE TYPE
		AVERAGE	MAXIMUM	UNITS	MINIMUM	AVERAGE	MAXIMUM	UNITS	
00300 Dissolved Oxygen 891113 891115	SAMPLE MEASUREMENT				5.90				
	PERMIT REQUIREMENT				1.0	DELMON		MG/L	GR
00310 BOD - 5 Day 891113 891115	SAMPLE MEASUREMENT					23.50			
	PERMIT REQUIREMENT					30.0		MG/L	24
00400 pH SU 891113 891115	SAMPLE MEASUREMENT				6.10		6.70		
	PERMIT REQUIREMENT				6.0		9.0	SU	GR
00530 Total Suspended Solids (TSS) 891113 891115	SAMPLE MEASUREMENT					35.50			
	PERMIT REQUIREMENT					90.0		MG/L	24
00610 YYNNNNNNNNYY Ammonia-Nitrogen Total as N 891114 891115	SAMPLE MEASUREMENT					1.70	1.90		
	PERMIT REQUIREMENT					10	20	MG/L	24
50050 Flow in Conduit MGD 891113 891115	SAMPLE MEASUREMENT		0.1058						
	PERMIT REQUIREMENT		.1548	MGD					CN
50060 Total Residual Chlorine 891113 891115	SAMPLE MEASUREMENT					0.0			
	PERMIT REQUIREMENT					0.1		MG/L	GR
Fecal Coliform General	SAMPLE MEASUREMENT						80000	#/	
	PERMIT REQUIREMENT					1000	2000	100ML	GR
	SAMPLE MEASUREMENT								
	PERMIT REQUIREMENT								

DHEC Form No. 2103 (10/87)

** NPDES # SC0031402

* Pipe # 001

Nitrogen-Kjeldahl MG/L	as N	5.2	891114	891114	CP	X
Nitrogen-Kjeldahl MG/L	as N	3.4	891115	891115	CP	X
NO2 and NO3 as N	MG/L	3.9	891114	891114	CP	X
NO2 and NO3 as N	MG/L	4.0	891115	891115	CP	X
Phosphorous, Total	MG/L	2.5	891114	891114	CP	X
Phosphorous, Total	MG/L	2.6	891115	891115	CP	X
Cadmium, Total	UG/L	<10	891114	891114	CP	X
Cadmium, Total	UG/L	<10	891115	891115	CP	X
Chromium, Total	UG/L	<10	891114	891114	CP	X
Chromium, Total	UG/L	<10	891115	891115	CP	X
Copper, Total as Cu	UG/L	10	891114	891114	CP	X
Copper, Total as Cu	UG/L	<10	891115	891115	CP	X
Iron, Total as Fe	UG/L	200	891114	891114	CP	X
Iron, Total as Fe	UG/L	210	891115	891115	CP	X
Lead, Total	UG/L	<50	891114	891114	CP	X
Lead, Total	UG/L	<50	891115	891115	CP	X
Manganese, Total	UG/L	20	891114	891114	CP	X
Manganese, Total	UG/L	20	891115	891115	CP	X
Nickel, Total	UG/L	<20	891114	891114	CP	X
Nickel, Total	UG/L	<20	891115	891115	CP	X
Zinc, Total	UG/L	50	891114	891114	CP	X
Zinc, Total	UG/L	60	891115	891115	CP	X
Aluminum, Total	UG/L	310	891114	891114	CP	X
Aluminum, Total	UG/L	290	891115	891115	CP	X
Mercury, Total	UG/L	<0.2	891114	891114	CP	X
Mercury, Total	UG/L	<0.2	891115	891115	CP	X
Flow in Conduit MGD		.1171	891113	891113	GR	F
Flow in Conduit MGD		.1011	891113	891114	GR	F
Flow in Conduit MGD		.1011	891114	891115	GR	F
Percent from Right	Bank	50	891113	891113	GR	X
Percent from Right	Bank	50	891113	891114	GR	X
Percent from Right	Bank	50	891114	891115	GR	X
Water Temperature Centigrade		16.0	891113	891113	GR	X
Water Temperature Centigrade		16.0	891113	891114	GR	X
Water Temperature Centigrade		16.5	891114	891115	GR	X
Water Temperature Farenheit		60.8	891113	891113	GR	X
Water Temperature Farenheit		60.8	891113	891114	GR	X
Water Temperature Farenheit		61.7	891114	891115	GR	X
Air Temperature Celsius		22.0	891113	891113	GR	X
Air Temperature Celsius		23.0	891113	891114	GR	X
Air Temperature Celsius		20.0	891114	891115	GR	X
Weather		Clear	891113	891113	GR	X
Weather		Cloudy	891113	891114	GR	X
Weather		Rain	891114	891115	GR	X

pH - Lab	SU	6.4	891113	891114	GR	X
pH - Lab	SU	6.1	891114	891115	GR	X
Alkalinity as CaCO3	MG/L	13	891113	891114	GR	X
Alkalinity as CaCO3	MG/L	12	891114	891115	GR	X
Fecal Coliform General		1700	891113	891113	GR	F
Fecal Coliform General		7000	891113	891114	GR	F
Fecal Coliform General		80000	891114	891115	GR	F
Depth in Meters	METERS	0.3	891113	891113	GR	X
Depth in Meters	METERS	0.3	891113	891114	GR	X
Depth in Meters	METERS	0.3	891114	891115	GR	X

South Carolina
DHEC
Department of Health and Environmental Control
2600 Bull Street, Columbia, SC 29201

Commissioner: Michael D. Jarrett

Board: John B. Pate, MD, Chairman
William E. Applegate, III, Vice Chairman
John H. Burriss, Secretary
Toney Graham, Jr., MD
Richard E. Jabbour, DDS
Henry S. Jordan, MD
Currie B. Spivey, Jr.

Promoting Health, Protecting the Environment

March 19, 1992

CERTIFIED MAIL

Mr. W. E. Sellers
1500 Lady Street
Columbia, S.C. 29202

RE: Albene Park S/D
Water System #4050007
Richland County

Franklin Park S/D
Water System #4050016
Richland County

Dear Mr. Sellers:

I performed a sanitary survey on March 6, 1992, on the referenced water systems. The following deficiencies were noted and need to be corrected to bring these systems into compliance with the Public Drinking Water Standards:

Albene Park

1. The well house needs to be weather proof.
2. A back flow preventor must be placed on the water faucet used to fill the chemical tanks.
3. An operator log must be kept in the chemical treatment room with daily records of chemical readings.
4. The lock must secure the door to the chemical room.

Franklin Park

Our files indicate various correspondence concerning the upgrading of this water system. Mr. Boland's letter dated September 10, 1992, states that 49 taps is the maximum which can be serviced until the water system is upgraded. During my survey, it appeared there are 52 houses being served on this system which is a violation of the Public Drinking Water Standards.

To upgrade this system, you must render the services of a professional engineer, licensed in this state, to submit the necessary plans and specifications.

Environmental Quality Control Offi
PO Box 156, State Park, SC 2

Post-It™ Fax Note 7671	Date 2-7-96	# of pages ▶ 2
To BILL SELLERS	From GERALD LEE	
Co./Dept. CW HAYNES	Co. CIVIL	
Phone # 799-9700	Phone # 798-2820	
Fax # 733-5285	Fax #	

EXHIBIT 2.g

LEMAN WELL COMPANY
776-2136

8:00am

Mr. W. E. Sellers
March 19, 1992
Page 2

1. A second well must be put into service.
2. A 24 hour pump test performed on the present well.
3. A 24 hour pump test performed on the second well. This must be performed by a certified well driller or system operator.
4. The engineer must perform a bench test to determine if chemicals are necessary, if so which ones.
5. The engineer must also calculate the amount of storage needed to support this system.
6. If chemicals are necessary, a certified operator must make daily visits to the system.

Please provide this office in writing within twenty (20) days of receipt of this letter with the engineers name whom you have employed.

Plans for the upgrade of the water system must be submitted to the Water Supply Plan Review within sixty (60) days of receipt of this letter.

Failure to comply with this request will result in our requesting no additional taps be allowed on this system from the county and referral to our Enforcement Section for further action.

If you have any questions please contact me at 935-7015.

Sincerely,

Kenneth J. Hyslop
Central Midlands District

/lbc

cc: Mr. Joe Rucker, Water Supply Permitting
Mr. Marvin Murray, Water Supply Compliance & Enforcement
Richland County Health Department
Mr. Roger Scott, Palmetto Health District
Mr. Larry Boland, Central Midlands District
Mr. Bill Jackson, Water Supply Compliace & Enforcement

South Carolina
DHEC
Department of Health and Environmental Control

Please take care of this.

WES

STED

W. E. Sellers, Preside
C. W. Haynes, Realty
1500 Lady Street
Columbia, SC 29201

S/D
nit #SC0031402
County

Dear Mr. Sellers:

Attached are the results of the Compliance Sampling Inspection of your wastewater treatment facility conducted by DHEC on March 5-7, 1990. Sampling was performed in accordance with the NPDES permit and sample chain of custody was maintained by DHEC personnel. All sampling and analyses were conducted according to Standard Operating Procedures Manual and Quality Assurance Procedures Plan (SCDHEC).

A review of this data indicates that the wastewater was not meeting applicable NPDES permit limits during the sampling period for flow (slight), ammonia and total residual chlorine. Please be advised that the TRC violation occurred on the first day of sampling.

Failure to comply with NPDES permit conditions places you in violation of Sections 48-1-90 and 48-1-110 of the Code of Laws of South Carolina. Therefore, it is requested that you respond in writing to this office within fifteen (15) days concerning corrective action. Since the flow violation was not significant and chlorine limits were being met on the last two days of sampling, your response needs only to address the ammonia violation. Failure to respond or inadequate response will provide a basis for enforcement action.

If you have any questions regarding this inspection, please contact me.

Sincerely,

Jerry E. Watson

Jerry E. Watson
Environmental Quality Manager
Facilities Compliance Section
Environmental Quality Control

JEW/al
attachment
cc: Alton Boozer
Steve Thomas

Commissioner: Michael D. Jarrett Board: Henry S. Jordan MD, Chairman John B. Pate, MD, Vice Chairman William E. Applegate, III, Secretary
Toney Graham, Jr., MD John H. Burriss Richard E. Jabbour, DDS Currie B. Spivey, Jr.

2600 Bull Street Columbia, South Carolina 29201

EXHIBIT 2.h

PERMITTEE NAME/ADDRESS

NAME PRESIDENT W E SELLARS
ADDRESS C W HAYNES-1500 LADY ST

COLUMBIA SC 29201
FACILITY LLOYDWOOD SD/C W HAYNES
LOCATION LEXINGTON

Water Pollution Control
COMPLIANCE MONITORING REPORT

SC0031402	001	2	63	CM	07/31/92
PERMIT NUMBER	DISCHARGE NUMBER				

NOTE TO MUNICIPALS: Weekly average is listed in maximum column and monthly average is listed in average column.

PARAMETER		QUANTITY OR LOADING			QUALITY OR CONCENTRATION				SAMPLE TYPE
		AVERAGE	MAXIMUM	UNITS	MINIMUM	AVERAGE	MAXIMUM	UNITS	
00300 Dissolved Oxygen 900305 900307	SAMPLE MEASUREMENT				12.00				
	PERMIT REQUIREMENT				1.0	DELMON		MG/L	GR
00310 BOD - 5 Day 900305 900307	SAMPLE MEASUREMENT					20.50			
	PERMIT REQUIREMENT					30.0		MG/L	24
00400 pH SU 900305 900307	SAMPLE MEASUREMENT				7.50		8.00		
	PERMIT REQUIREMENT				6.0		9.0	SU	GR
00530 Total Suspended Solids (TSS) 900305 900307	SAMPLE MEASUREMENT					29.00			
	PERMIT REQUIREMENT					90.0		MG/L	24
00610 NNYYYYYYYYNN Ammonia-Nitrogen Total as N 900306 900307	SAMPLE MEASUREMENT					5.35	5.70		
	PERMIT REQUIREMENT					2	4	MG/L	24
50050 Flow in Conduit MGD 900305 900306	SAMPLE MEASUREMENT		0.1620						
	PERMIT REQUIREMENT		.1548	MGD					CN
50060 Total Residual Chlorine 900305 900307	SAMPLE MEASUREMENT					0.18			
	PERMIT REQUIREMENT					0.1		MG/L	GR
Fecal Coliform General 900305 900307	SAMPLE MEASUREMENT						20 K	#/ 100ML	
	PERMIT REQUIREMENT					1000	2000		24
	SAMPLE MEASUREMENT								
	PERMIT REQUIREMENT								

DHEC Form No. 2103 (10/87)

K = Less Than, L = Greater Than, Sample Split = Owner

Nitrogen-Kjeldahl MG/L	as N	[illegible]	900306	900306	CP	X
Nitrogen-Kjeldahl MG/L	as N	10.2	900307	900307	CP	X
NO2 and NO3 as N	MG/L	.18	900306	900306	CP	X
NO2 and NO3 as N	MG/L	.17	900307	900307	CP	X
Phosphorous, Total	MG/L	1.3	900306	900306	CP	X
Phosphorous, Total	MG/L	1.4	900307	900307	CP	X
Cadmium, Total	UG/L	<10	900306	900306	CP	X
Cadmium, Total	UG/L	<10	900307	900307	CP	X
Chromium, Total	UG/L	10	900306	900306	CP	X
Chromium, Total	UG/L	<10	900307	900307	CP	X
Copper, Total as Cu	UG/L	10	900306	900306	CP	X
Copper, Total as Cu	UG/L	<10	900307	900307	CP	X
Iron, Total as Fe	UG/L	330	900306	900306	CP	X
Iron, Total as Fe	UG/L	310	900307	900307	CP	X
Lead, Total	UG/L	<50	900306	900306	CP	X
Lead, Total	UG/L	<50	900307	900307	CP	X
Manganese, Total	UG/L	20	900306	900306	CP	X
Manganese, Total	UG/L	20	900307	900307	CP	X
Nickel, Total	UG/L	<20	900306	900306	CP	X
Nickel, Total	UG/L	<20	900307	900307	CP	X
Zinc, Total	UG/L	30	900306	900306	CP	X
Zinc, Total	UG/L	30	900307	900307	CP	X
Aluminum, Total	UG/L	340	900306	900306	CP	X
Aluminum, Total	UG/L	330	900307	900307	CP	X
Mercury, Total	UG/L	0.2	900306	900306	CP	X
Mercury, Total	UG/L	<0.2	900307	900307	CP	X
Flow in Conduit MGD		.164	900305	900305	GR	F
Flow in Conduit MGD		.164	900305	900306	GR	F
Flow in Conduit MGD		.164	900306	900307	GR	F
Water Temperature Centigrade		15.0	900305	900305	GR	X
Water Temperature Centigrade		12.0	900305	900306	GR	X
Water Temperature Centigrade		11.0	900306	900307	GR	X
Water Temperature Farenheit		59.0	900305	900305	GR	X
Water Temperature Farenheit		53.6	900305	900306	GR	X
Water Temperature Farenheit		51.8	900306	900307	GR	X
Air Temperature Celsius		20.0	900305	900305	GR	X
Air Temperature Celsius		22.0	900305	900306	GR	X
Air Temperature Celsius		16.0	900306	900307	GR	X
Weather		Clear	900305	900305	GR	X
Weather		Clear	900305	900306	GR	X
Weather		Clear	900306	900307	GR	X
pH - Lab	SU	7.2	900305	900306	GR	X
pH - Lab	SU	7.5	900306	900307	GR	X
Alkalinity as CaCO3	MG/L	29	900305	900306	GR	X

Please take care of this.

[illegible]	[illegible]	[illegible]	[illegible]	GR	[illegible]
Fecal Coliform	[illegible]	[illegible]	[illegible]	GR	F
General					
Fecal Coliform	[illegible]	[illegible]	[illegible]	[illegible]	F
General		WES			
Fecal Coliform	14	900306	900307	GR	F
General					

STATE OF SOUTH CAROLINA

BEFORE THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

IN RE: Lloydwood Subdivision
Lexington County

NOTICE OF ENFORCEMENT CONFERENCE

YOU ARE HEREBY NOTIFIED that an enforcement conference has been scheduled for Wednesday, October 6, 1993, at 10:00 A.M. in Room 489 of the Aycock Building, 2600 Bull Street, Columbia, South Carolina. Representatives of C.W. Haynes and Company have the opportunity to be present at this conference to demonstrate why an Administrative Order should not be issued finding it in violation of the Pollution Control Act, S.C. Code Ann. Section 48-1-10, et seq. (1987), and assessing a monetary penalty.

Representatives of C.W. Haynes and Company may be accompanied at the conference by legal and/or technical counsel. The possibility of a Consent Order will be discussed.

This Notice is based upon the attached findings.

From the enclosed facts, it appears that the Respondent has violated the Pollution Control Act. These violations subject it to the assessment of civil penalties as authorized by S.C. Code Ann. Section 48-1-330 of the Act.

YOU ARE FURTHER NOTIFIED that your failure to attend the scheduled enforcement conference will likely result in the issuance of an Administrative Order without your consent. Such an Order may contain the enclosed findings as findings of fact and may impose a monetary penalty.

This Notice is issued pursuant to S.C. Code Ann. Section 48-1-50 (1987), which authorizes the Department to issue orders and assess monetary penalties.

Date: September 17, 1993

J. Robin Foy

J. Robin Foy
Environmental Quality Manager
Enforcement Section

EXHIBIT 2.i

STATE OF SOUTH CAROLINA

BEFORE THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

IN RE: C.W. Haynes & Company, Inc.
d/b/a Lloydwood Subdivision
Lexington County

NOTICE OF ENFORCEMENT CONFERENCE

YOU ARE HEREBY NOTIFIED that an enforcement conference has been scheduled for Tuesday, October 3, 1995, at 10:00 A.M. in Room 489 of the Aycock Building, 2600 Bull Street, Columbia, South Carolina. Representatives of C.W. Haynes & Company, Inc. have the opportunity to be present at this conference to demonstrate why an Administrative Order should not be issued finding it in violation of the Pollution Control Act, S.C. Code Ann. Section 48-1-10, et seq. (1987), and assessing a monetary penalty.

Representatives of C.W. Haynes & Company, Inc. may be accompanied at the conference by legal and/or technical counsel. The possibility of a Consent Order will be discussed.

This Notice is based upon the attached findings.

From the enclosed facts, it appears that the Respondent has violated the Pollution Control Act. These violations subject it to the assessment of civil penalties as authorized by S.C. Code Ann. Section 48-1-330 of the Act.

YOU ARE FURTHER NOTIFIED that your failure to attend the scheduled enforcement conference will likely result in the issuance of an Administrative Order without your consent. Such an Order may contain the enclosed findings as findings of fact and may impose a monetary penalty.

This Notice is issued pursuant to S.C. Code Ann. Section 48-1-50 (1987), which authorizes the Department to issue orders and assess monetary penalties.

Date: September 8, 1995

J. Robin Foy

J. Robin Foy
Environmental Quality Manager
Enforcement Section

EXHIBIT 2.j

STATE OF SOUTH CAROLINA

BEFORE THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

IN RE: Piney Grove Utilities, Inc.
d/b/a Lloydwood SD
Lexington County

NOTICE OF ENFORCEMENT CONFERENCE

YOU ARE HEREBY NOTIFIED that an enforcement conference has been scheduled for Thursday, June 20, 1996, at 10:00 A.M. in Room 489 of the Aycock Building, 2600 Bull Street, Columbia, South Carolina. Representatives of Piney Grove Utilities, Inc. have the opportunity to be present at this conference to demonstrate why an Administrative Order should not be issued finding it in violation of the Pollution Control Act, S.C. Code Ann. § 48-1-10, et seq. (1987), and assessing a monetary penalty.

Representatives of Piney Grove Utilities, Inc. may be accompanied at the conference by legal and/or technical counsel. The possibility of a Consent Order will be discussed.

This Notice is based upon the attached findings.

From the enclosed facts, it appears that the Respondent has violated the Pollution Control Act. These violations subject it to the assessment of civil penalties as authorized by S.C. Code Ann. § 48-1-330 of the Act.

YOU ARE FURTHER NOTIFIED that your failure to attend the scheduled enforcement conference will likely result in the issuance of an Administrative Order without your consent. Such an Order may contain the enclosed findings as findings of fact and may impose a monetary penalty.

This Notice is issued pursuant to S.C. Code Ann. § 48-1-50 (1987), which authorizes the Department to issue orders and assess monetary penalties.

Date: May 23, 1996

J. Robin Foy
Environmental Quality Manager
Enforcement Section

EXHIBIT 2.k

Piney Grove Utilities, Inc.
d/b/a Lloydwood Subdividion
NPDES Permit #SC0031402
Lexington County

Findings of Fact

1. Piney Grove Utilities, Inc. (Respondent) owns and is responsible for the proper operation and maintenance of a waste disposal system (WDS) serving the Lloydwood Subdivision in Lexington County, South Carolina.

2. Effective May 1, 1994, the South Carolina Department of Health and Environmental Control (Department) reissued National Pollutant Discharge Elimination System (NPDES) Permit #SC0031402 to the Respondent allowing for the discharge of treated wastewater into an unnamed tributary to Dry Creek in strict compliance with the terms, conditions and requirements of the permit.

3. As a result of the Respondent's failure to comply with specific permitted effluent limits and failure to submit required reports, the Department and the Respondent agreed to the provisions of Consent Order #94-002-W dated January 5, 1994. Item #2 on page 6 of the Order required that the Respondent upgrade the WDS by June 7, 1994, to achieve compliance with permitted effluent limits. The required upgrade construction was not performed.

4. By letter dated September 27, 1994, the Department approved the Respondent's request to eliminate the discharge from the WDS to the City of Cayce by April 15, 1995. The Department agreed to extend the scheduled date for elimination of the discharge from the WDS to Cayce until July 31, 1995 (per telephone conversation with the Respondent on October 25, 1994). The discharge from the WDS was not eliminated, as agreed upon.

5. Discharge monitoring reports (DMR's) submitted by the Respondent to the Department for the monitoring periods June 1994 through August 1995 revealed the following violations of effluent discharge limits:

   * Flow limit was exceeded in June, July, August, September, October, November and December 1994; January, February, March, July and August 1995.

   * Biochemical oxygen demand limit was exceeded in June and July 1994; June 1995.

   * Fecal coliform limit was exceeded in September 1994; March and May 1995.

6. Six of six operation and maintenance inspections (O&M's) conducted by the Department at the WDS since June 1994 have rated it as unsatisfactory.

7. In discussion during an enforcement conference held on October 3, 1995, the Respondent stated that: (a) although funds generated by the WDS were used to upgrade drinking water systems in two other subdivisions, it did not have sufficient funds to upgrade the WDS to comply with the NPDES permit requirements and (b) it had encountered operational problems associated with inflow and infiltration (I/I).

8. In discussions following the enforcement conference, the Department and Respondent agreed to defer negotiation of requirements in an Order until an appropriate wasteload allocation (WLA) could be determined by the Department.

9. On May 23, 1996, the Department sent to the Respondent a revised WLA based on the new ammonia toxicity criteria adopted in April 1996.

796-160C

South Carolina
DHEC
Department of Health and Environmental Control
2600 Bull Street, Columbia, SC 29201-1708

Commissioner: Douglas E. Bryant

Board: John H. Burriss, Chairman
William M. Hull, Jr. MD, Vice Chairman
Roger Leaks, Jr., Secretary
Richard E. Jabbour, DDS
Cyndi C. Mosteller
Brian K. Smith
Rodney L. Grandy

Promoting Health, Protecting the Environment

BUREAU OF DRINKING WATER PROTECTION

February 2, 1996

CERTIFIED MAIL

Piney Grove Utilities, Inc.
Attn: Mr. William E. Sellars
1500 Lady Street
Columbia, South Carolina 29201

Re: Notice of Violation of Consent Order
92-104-DWP
Franklin Park Subdivision (4050016)
Richland County

Dear Mr. Sellars:

On November 13, 1992, the South Carolina Department of Health and Environmental Control (Department) issued Piney Grove Utilities, Inc. (Respondent) a fully executed signed Consent Order 92-104-DWP with an effective date of November 13, 1992. The Order requirements agreed to by the Respondent are as follows:

1. Operate the public water supply system at Franklin Park Subdivision under a water service connection moratorium. This tap moratorium will be reviewed by the Department on a semi-annual basis and its lifting will be contingent on procurement of a second approvable water source for Franklin Park Subdivision.

2. Submit to the Department a letter from the City of Columbia as to what plans are under consideration for the extension of their public water distribution system along Lower Richland Boulevard from U.S. HWY 76 to S.C. HWY 66 and continuing along S.C. HWY 66 to the Franklin Park Subdivision. This submittal should be made within ten (10) days of the receipt of the executed Order.

3. If the Respondent is unsuccessful in transferring ownership of the public water supply system then:

a. Within thirty (30) days of the execution date of this Order, submit to the Department a permit application with the required plans and specifications for the installation of corrosion control devices and chlorination injection equipment to be installed on the Respondent's water supply well; and,

EXHIBIT 2.1

recycled paper

b. Within sixty (60) days of the construction permit approval, install the corrosion control and disinfection equipment and request approval from the Department to operate the modified water supply system.

4. If the water well now serving the residents of Franklin Park can no longer meet Department water quality standards; or further expansion of the Respondent's water distribution system is desired, then the Respondent shall secure a second potable water supply source. The source must be permitted and approved by the Department.

5. This Order shall be amended to include a compliance schedule for the procurement of a second water source for the Franklin Park Subdivision if necessary.

The requirements contained in paragraphs two (2) and three (3) above have yet to be completed as required by the Order.

The Department finds you in violation of the Department Consent Order 92-104-DWP, the State Safe Drinking Water Act, the State Primary Drinking Water Regulations, and requests the following corrective actions by April 1, 1996:

1. Comply with the requirements specified in the two (2) paragraphs identified above.

2. Pay to the Department the two-thousand nine-hundred and seventy-nine dollar ($2,979.00) civil penalty. Since the Respondent has failed to comply with the requirements of the Order, this penalty shall not be suspended.

The Department expects that all of the said requirements will be completed. Failure to comply with any of these said items will result in the issuance of an Administrative Order to include the assessment of additional civil penalties.

If you have any questions concerning this letter, please contact me at 803-734-5346. Your cooperation is greatly appreciated.

Sincerely,

L. James Ridge
Enforcement Section
Bureau of Drinking Water Protection

cc: Ms. Angela Mettlen
Mr. David Price
Mr. Larry Boland - Cen Mid EQC

South Carolina
DHEC
Department of Health and Environmental Control
2600 Bull Street, Columbia, SC 29201-1708

Commissioner: Douglas E. Bryant

Board: John H. Burriss, Chairman
William M. Hull, Jr., MD, Vice Chairman
Roger Leaks, Jr., Secretary
Richard E. Jabbour, DDS
Cyndi C. Mosteller
Brian K. Smith
Rodney L. Grandy

Promoting Health, Protecting the Environment

BUREAU OF DRINKING WATER PROTECTION

June 17, 1996

Certified Mail

CALLISON TIGHE ROBINSON & HAWKINS, LLP
Attn: Louis H. Lang, Esquire
Post Office Box 1390
Columbia, South Carolina 29202-1390

Re: Consent Order 92-104-DWP
Franklin Park Subdivision (4050016)
Richland County

Dear Mr. Lang:

The purpose of this correspondence is to bring closure to an outstanding enforcement referral concerning the Department's efforts to insure that the residents of Franklin Park are supplied with a potable drinking water which meets specified pH parameters. Public water suppliers are required to treat public drinking water having "aggressive" characteristics with chemicals which help insure minimal leaching takes place from consumer plumbing (brass/lead) and the public water system (PWS) distribution lines. The Respondent has failed to install this required treatment on its system. To resolve the Order violations which exist within the above PWS, the Department proposes the following compliance schedule:

1. Within thirty (30) days of the receipt of this letter, representatives for Franklin Park shall submit to the Department a permit application with the required plans and specifications for the installation of corrosion control devices and chlorination injection equipment to be installed on the Respondent's water supply well;

2. Within sixty (60) days of the construction permit approval, install the corrosion control and disinfection equipment and request approval from the Department to operate the modified water supply system: and,

3. Complete the second round of sampling for system lead and copper monitoring by June 30, 1996.

Further, the Respondent, Mr. William E. Sellars, should understand that until the Franklin Park system has a second approved water source there shall be no additional taps added to

EXHIBIT 2.m
recycled paper

this system. At this time there are forty-nine approved water connections within the Franklin Park PWS.

Continued failure to comply with the provision of Consent Order 92-104-DWP outlined above shall be grounds for sanctions under the State Safe Drinking Water Act, to include the assessment of civil penalties and suit upon the Order in the appropriate court.

Please indicate your concurrence, within five business days, with the proposed dates outlined above, or provide an acceptable alternate timetable for the resolution of this Order. If further questions arise do not hesitate to call me at 734-4647.

Sincerely,

L. James Ridge
Enforcement Section
Bureau of Drinking Water Protection

cc: Ms. Angie Mettlen
Mr. David Price
Mr. Larry Boland - CM EQC

3. CIRCUIT COURT DOCUMENTS

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

IN THE COURT OF COMMON PLEAS
C/A No.:98-CP-32-309

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL,

Plaintiff,

-v-

PINEY GROVE UTILITIES, INC.,

Defendant.

ORDER GRANTING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT

FILED
JUL 6 12 09 PM '99
THOMAS
CLERK
LEX

This case comes before me on Plaintiff SCDHEC's motion for summary judgment. After careful consideration, I conclude that Plaintiff's motion should be granted.

Plaintiff has brought this action to enforce Consent Order 94-002-W. If a party is aggreived by the issuance of an agency order, then they may appeal this order to the Administrative Law Judge within 15 days of its issuance. S.C. Code Regs. R. 61-72, (Law. Co-op. 1991), Contested Cases. If they fail to appeal this order within the appropriate time period, the agency decision becomes final and enforceable as a matter of law. All matters which could have been brought up in a timely appeal of an agency decision then become barred by the operation of *res judicata*. Perry v. State Law Enforcement Div., 310 S.C. 558, 426 S.E. 2d 334 (Ct. App. 1992); Bennett v. S.C. Dept. of Corrections, 305 S.C. 310, 408 S.E. 2d 230 (1991). Defendant Piney Grove Utilities, Inc. entered into this Consent Order and did not appeal the Order within the 15 day appeal period. Consent Order 94-002-W is final and enforceable as a matter of law.

EXHIBIT 3.a

Therefore, this Court issues its Order requiring the Defendant, Piney Grove Utilities, Inc. to comply with the provisions of CO 94-002-W. The Defendant shall:

1) Within sixty (60) days of the execution date of the Order, obtain an agreement with the City of Cayce for elimination of the discharge to the Hwy 321 Regional Sewer/Cayce forcemain which will be constructed along US 321 by July 15, 1999.

2) Within one hundred twenty (120) days of the execution date of the Order, submit to the Department approvable plans and specifications and an application for a permit to construct to eliminate the discharge to the Hwy 321 Regional Sewer/Cayce forcemain. These plans shall include as required, but shall not necessarily be limited to, construction of a pump station and a force main in accordance with S.C. Code Regs 61-67 and Cayce's specifications.

3) Within ninety (90) days of issuance of a permit to construct by the Department, the Defendant shall complete construction and eliminate the discharge.

4) Within one hundred eighty (180) days of elimination of the discharge, the Defendant shall complete close-out of the onsite waste treatment lagoon in accordance with the requirements of the Department.

AND IT IS SO ORDERED.

Hon. James W. Johnson, Jr.
Presiding Judge
Eleventh Judicial Circuitf