

NEWS RELEASE

Luther Strange

Alabama Attorney General



FOR IMMEDIATE RELEASE

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For More Information, contact:

Joy Patterson (334) 242-7491
Suzanne Webb (334) 242-7351

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AG SEEKS TO INTERVENE IN JEFFERSON COUNTY SEWER CASE

(MONTGOMERY) – Attorney General Luther Strange today filed a motion to intervene on behalf of consumers in matters involving the Jefferson County Sewer System. According to a report released yesterday by the system’s court-appointed receiver, a 25 percent rate increase is planned for September. The Attorney General seeks to join litigation in his role to represent the interests of consumers during upcoming rate proceedings.

The motion was filed late this afternoon in Jefferson County Circuit Court in a case involving the financial crisis and tremendous debt of the Jefferson County Sewer System, Bank of New York Mellon v. Jefferson County.

The Attorney General seeks to intervene because the ongoing case has a substantial impact on pending rate increases and “on the rights of ratepayers and their ability to obtain service at just and reasonable rates from a public utility which is a monopoly provider.” The motion notes that ratepayers include homeowners, tenants, religious, charitable and other non-profit organizations; small businesses; commercial and industrial businesses; and state agencies and other governmental offices, “all of whom are in need of and will benefit from legal representation in these rate proceedings.” The motion further notes that “no other party represents the rights of ratepayers in this litigation. Jefferson County is the owner of the utility, and the Receiver is the operator of the utility. While Jefferson County and the Receiver have expressed concern for ratepayers’ interests, both have other significant interests in the litigation.”

Attorney General Strange said, “Even before we filed this motion, I have been meeting with concerned parties to try to facilitate a constructive and effective approach to this complex problem. It is my hope that our intervention will enable this office to serve as a catalyst to bring all sides together as we work to reach a broader resolution to the severe difficulties facing the Jefferson County Sewer System, its ratepayers, and its creditors.”

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