APR 17 2014

NICHOLAS COUNTY WATER DISTRICT 1639 OLD PARIS ROAD CARLISLE, KY. 40311 PHONE # 1-859-289-3157 FAX # 1-859-289-8131

PUBLIC SERVICE COMMISSION

"DEAF, HARD OF HEARING, SPEECH IMPAIRED PERSONS CALL 711"

Wednesday, April 16, 2014 Kentucky Public Service Commission P.O. Box 615 Frankfort, Kentucky 40602

Attn: Jeff Derouen, Executive Director

In re: Western - Fleming County Water District PSC Case No. 2014-00048

Dear Mr. Derouen:

The Nicholas County Water District has been notified that the Western - Fleming County Water District has applied for a water rate increase. As presented, the proposed increase will be approximately 92%. Our current rate with the WFCWD is \$1.43/1000 gallons. The proposed rate will be \$2.743. We feel that this proposed rate is excessive and oppressive to our rural customers.

Nicholas County Water District purchases all of its water and currently purchases approximately 70% of its water from the WFCWD and approximately 30% percent from the City of Carlisle. Due to the Counties projected negative population growth and that 16.3% of the county household income is below the poverty level, we are very concerned about the negative impact that this increase would cause for the customers and residents of Nicholas County.

If the rate increase is approved as presented, the Nicholas County Water District would have no choice but to reduce the amount of water purchased from Western Flemling County Water District and increase its purchase of water from other sources.

If you have any questions, please feel free to contact me.

Sincerely,

Alwa Swut Debra Sweet Chairperson

MKM/td