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June 15, 2006

Mr. James Owen
Christian County Water District
1960 Dawson Springs Road
P.O. Box 7
Hopkinsville, Kentucky 42241-0007

RE: Case No. 2006-00032
Christian County Water District

Dear Mr. Owen:

During telephone conference call on February 15, 2006, Commission Staff agreed to present to Christian County Water District for its consideration proposed revisions to the water district's present policy on Multiple Users and Leak Adjustments.

Commission Staff recommends that water utilities, when practical, prohibit the practice of multiple users on one meter. Circumstances may prevent the implementation of a total ban on multiple users on one meter. In those instances, Staff strongly suggests that water utilities prohibit new services with multiple users on one meter. Commission Staff proposes that Christian County Water District add the following provisions to its existing tariff:

1. Multiple users on one meter.

Where two or more tenants or occupants (of different rental units) of property, including duplexes, apartment houses, mobile home parks, trailer parks, or other multi-unit premises, are served by a single water meter, the rates and charges shall be computed by dividing the number of gallons of water registered by such single meter by the number of units being served by such meter and then applying the result thus obtained to the water rate schedule set out above, to arrive at the monthly bill. The owner or operator of the property has to pay the total monthly water bill for such property. In no event shall the monthly bill applicable to each unit be less than the minimum water rate stipulated above.

2. Leak Adjustments.

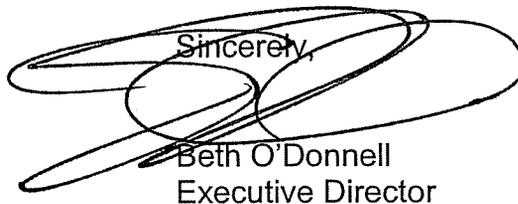
Leak Adjustments. A customer may make a request for a bill adjustment in the event of a leak under the following conditions:

1. The customer must request a leak adjustment in writing to the utility.
2. The customer's bill will be based on two components: cost of average monthly usage billed at general service rates and cost of excess water usage billed at the Leak Adjustment Rate. The Cost of average monthly usage will be determined by calculating the customer's average monthly usage over a twelve-month period. The customer will be billed for this usage at the utility's general service rates. Excess water usage is determined by subtracting average monthly usage from the total water usage indicated on the meter. This excess usage is billed at the Leak Adjustment Rate. The customer's bill will be the sum of the cost of average monthly usage and cost of excess usage. All water passing through the meter must be accounted and paid for by the customer.
3. If meter readings are not available for an entire twelve-month period, the water bill will be estimated by the utility, subject to an upward or downward adjustment once a twelve-month average of actual meter readings can be calculated.
4. A customer is permitted only one (1) leak adjustment for a twenty-four-month period.

During the conference call, Christian County Water District agreed to consider revisions to its proposed policy on Multiple Meters and Leak Adjustments and to provide certain financial information that would permit the calculation of a Leak Adjustment Rate. As of this date, Commission Staff has not received such information. I request that Christian County either provide such information or advise Commission Staff when such information will be provided.

I further request that Christian District advise Commission Staff in writing within 10 days of the date of this letter of its position on Commission Staff's proposal and of all actions that has been taken regarding this proposal.

Should you have questions concerning this matter, please contact Eddie Beavers at 502-564-3940, extension 214.

Sincerely,

Beth O'Donnell
Executive Director