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May 12, 2008

RECEIVED

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PUBLIC SERVICE
COMMISSION

Via Hand-Delivery

Ms. Stephanie Stumbo

Executive Director

Public Service Commission

211 Sower Boulevard

P. O. Box 615

Frankfort, Kentucky 40602-0615

Re: APPLICATION OF R.A. WILLIAMS DEVELOPMENT CO., INC. D/B/A
CEDARBROOK TREATMENT PLANT FOR THE APPROVAL OF THE
PROPOSED INCREASE IN RATES, Case No. 2008-00042

JOINT APPLICATION OF R.A. WILLIAMS CONSTRUCTION COMPANY,
INC., AND CEDARBROOK UTILITIES, LLC FOR APPROVAL OF THE
TRANSFER OF WASTEWATER TREATMENT PLANT TO CEDARBROOK
UTILITIES, LLC, Case No. 2008-00040

Dear Ms. Stumbo:

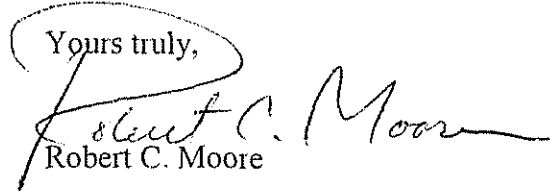
The following comments are being submitted on behalf of Cedarbrook Utilities, LLC, in response to your letter of May 5, 2008, and the Memorandum Concerning the May 5, 2008, Informal Conference prepared by J.R. Goff and M. Todd Osterloh.

1) With respect to Case No. 2008-00040, Cedarbrook Utilities, LLC, advised Commission Staff that the Commission should set a rate sufficient to provide the necessary funds to operate the subject WWTP, as it believes that is the purpose of the rate-setting procedure. Cedarbrook Utilities, LLC, further advised that the rate of \$62.00 per month initially recommended by Commission Staff would be sufficient to fund the operation of the WWTP. In recognition of the concerns of the Commission Staff, Cedarbrook Utilities, LLC, anticipates supplementing its application to provide additional financial information supporting the determination that it has the financial capability to own and operate the subject WWTP.

2) With respect to Case No. 2008-00042, Cedarbrook Utilities, LLC, believed that additional expenditures should have been included in the application for rate adjustment. These additional expenditures were expenditures that had been incurred by R. A. Williams Construction Company, Inc., in operating the subject WWTP, but that had not been included in the application. On May 9, 2008, R. A. Williams Construction Company, Inc., filed with the Commission its Amendment to Application for Rate Adjustment in Case No. 2008-00042, that included these expenses. Cedarbrook Utilities, LLC, anticipates filing supplemental information concerning the expenses incurred in operating the subject WWTP.

Ms. Stephanie Stumbo
May 12, 2008
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Please feel free to contact me should you wish to discuss these comments.

Yours truly,

Robert C. Moore

RCM/neb
cc: David Edward Spenard
J.R. Goff
M. Todd Osterloh