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NATIONAL PARK SERVICE Mammorh Cave National Park P.O. Box 7 Mammoth Cave, Kentucky 42259-0007

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Executive . Director's Office

August 6, 2004

Attn: Beth O'Donnell Public Service Commission of Kentucky 211 Sower Road Frankfort, Kentucky 40601

Ms. O'Donnell:

On July 22, the Hart County Herald contained a Notice of Adjustment of Water Rates for the Green River Valley Water District in Hart, Barren, Larue, Green and Metcalfe Counties. A list of existing and proposed new rates that was included in this notice showed a 34% increase that would be applicable to Mammoth Cave National Park. We are a substantial Green River Valley Water District customer, having expended nearly \$40,000 in payments in Calendar Year 2003. Based on our water usage for that year, the proposed increase would result in annual additional costs to us, and thus to the American taxpayers, of approximately \$12,600 in the first full year. A rate increase with this level and range of impact is simply unacceptable.

While we understand that utilities periodically need to increase rates, we feel such a large increase at one time is exorbitant. Given the fact that Mammoth Cave National Park has received no appreciable base funding increase in recent years, we have experienced significant budget shortfalls, and have had to make commensurate adjustments to employment and services. Increases such as the one proposed by Green River Valley Water District only serve to worsen our fiscal situation, further limiting budget resources that formerly helped support the local community through purchasing, contracting, and hiring.

We ask that you give the proposed rate increase for Green River Valley Water District close scrutiny. We question the need for such a large increase, and suggest that any increase approved be phased in over a period of several years. Because of our budget situation, we have taken measures to reduce our costs, including water conservation measures, wherever possible. We suggest that Green River Valley Water District be required to show proof of their own efforts to keep costs down before any rate increase is awarded.

Thank you for your consideration of this matter. If you need further information or have questions concerning our operations, please contact Administrative Officer Mary Conner at (270) 758-2171.

Ronald R. Switzer Superintendent

cc:

Administrative Officer