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May 30, 2006

John N. Hughes, Esq.
124 West Todd Street
Frankfort, Kentucky 40601

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

Re: Case No. 2006-00173

Gentlemen:

The enclosed memorandum has been filed in the record of the above-referenced case. Any comments regarding this memorandum's contents should be submitted to the Commission within five days of receipt of this letter. Any questions regarding this memorandum should be directed to Gerald Wuetcher, Deputy General Counsel, at (502) 564-3940, Extension 259.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

gw
Enclosure

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2006-00173

FROM: Gerald Wuetcher *GW*
Deputy General Counsel

DATE: May 26, 2006

RE: Conference Call of May 26, 2006

On May 26, 2006, Commission Staff conducted a telephone conference call with Christian County Water District in the above referenced case. Participating in the conference call were:

James Owen	-	Christian County Water District
Jess Thompson	-	Commission Staff
Gerald Wuetcher	-	Commission Staff

Prior to the conference, Commission Staff telephoned and spoke with John N. Hughes, legal counsel for Christian County Water District ("Christian District"). Mr. Hughes stated that he would not be available for the conference call but suggested that the call continue without his participation.

Beginning the conference, Mr. Wuetcher stated that Commission Staff would prepare minutes of the conference for the case record, that a copy of these minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes.

Mr. Wuetcher stated that Commission Staff was confused about the utility's filing. The cover letter to the utility's purchased water adjustment application stated that the application was intended to pass through to Christian District customers refunds that the water district had received from its supplier for overpayments. The proposed rates, however, reflect a \$0.36 per 1,000 gallons of water increase. Mr. Owens stated that an error had occurred. Christian District had prepared two applications. One application reflected an increase in the cost of purchased water due to the recent rate adjustment of Hopkinsville Water Environment Authority. The other reflected a refund that Hopkinsville had made as a result of a metering error. Apparently the cover letter for the refund application had been attached to the application for the rate increase.

Mr. Wuetcher then inquired when Christian District would be applying to pass through the refund. Mr. Owens stated that the application should be filed no later than June 2, 2006.

The conference call then concluded.

cc: Parties of Record