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October 20, 2006

John Pierce
General Manager
Garrison-Quincy-Ky-O-Heights Water District
P. O. Box 279
Murphy's Lane
Garrison, KY 41141

CERTIFICATE OF SERVICE

RE: Case No. 2006-00355
Garrison-Quincy-Ky-O-Heights Water District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on October 20, 2006.

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a horizontal line.

Executive Director

BOD/jc
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE FILING OF A WATER SHORTAGE)
RESPONSE PLAN BY GARRISON-) CASE NO. 2006-00355
QUINCY-KY-O-HEIGHTS WATER)
DISTRICT)

O R D E R

On May 3, 2006, the Garrison-Quincy-Ky-O-Heights Water District ("Garrison") submitted revisions to its tariff to include a water shortage response plan. The plan is to be implemented in the event the available water supply becomes insufficient to provide water service to the customers of the utility. On July 6, 2005, the Commission sent a letter to each jurisdictional water utility instructing it to review its water shortage response plan and file the plan with the Commission if it had not done so previously. Administrative Regulation 807 KAR 5:066, Section 17, requires that all water utilities that must file a water shortage response plan with the Environmental and Public Protection Cabinet, must also file a copy of this plan with the Commission.

An investigation into the reasonableness of Garrison's proposed plan was established by Commission Order issued on July 21, 2006. Garrison filed revised sheets of its water shortage response plan on September 7, 2006. These revised sheets set out four different stages of alerts and various criteria for each stage based on diminishing water supplies.

The Commission, having reviewed the record and being sufficiently advised, finds that:

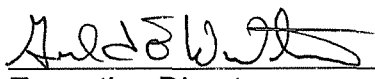
1. Garrison filed a water shortage response plan as directed by Commission letter dated July 6, 2005.
2. The water shortage response plan as revised by Garrison's September 7, 2006 filing should be accepted.

IT IS THEREFORE ORDERED that Garrison's water shortage response plan as revised by the September 7, 2006 filing is accepted.

Done at Frankfort, Kentucky, this 20th day of October, 2006.

By the Commission

ATTEST:


for Executive Director