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PUBLIC SERVICE

August 25, 2008

Michael F. Burford Director, Division of Filings Kentucky Public Service Commission P.O. Box 615 Frankfort, KY 40602

RE: Case No. 2006-00506

Standby Power Generators

Mr. Burford:

Below is the break down of construction costs for the above mentioned case number. The amounts are classified into appropriate plant account in accordance with the Uniform System of Accounts.

Account #310, Power Generation Equipment

\$1,099,381.84

Total Project Cost

\$1,099,381.84

Copies of "as-built" drawings are also required under Item 5 of the order and are included for your file.

Please contact our Construction Manager, Scott Shepherd, if you any further questions or need additional information. Scott can be reached by phone at 859-426-2715 or by email at sshep@nkywater.org.

Sincerely,

Jack Bragg

Vice President of Finance

Cc: File

Mr. Jack Bragg – V.P. Financial, NKWD Mr. Jack Hughes – District PSC Attorney