



October 12, 2010

Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: Case number 2010-00391

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Dear Mr. Derouen:

Per my conversation with Quang Nguyen we are filing clarification and addressing deficiencies on the application filed on October 4, 2010 for Clark financing.

1. The principal amount to be paid to RUS on October 29, 2010 is \$ 6,081,036.12. The RUS Payoff Statement, Exhibit E, included two loans, B410 & B412, which are *not* being paid off. The principal on loan B410 and B412 total \$ 31,036.30; when subtracted from RUS's principal due of \$ 6,112,072.41 equals the application amount of \$ 6,081,036.12.

2. Clark Energy has obtained a rate lock with NRUCFC that will guarantee the rates in the application are applicable on the October 29, 2010 loan closing date.

In response to the filing deficiency letter, as of August 31, 2010, Clark's total utility plant, Exhibit D, was \$ 102,849,087.40; customers served were 26,123 and there were 3,034 miles of distribution line.

Respectfully submitted,

Holly S. Eades
Vice President, Finance