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Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Charles R. Borders  
Commissioner

December 6, 2010

Mr. Bill Gilbert  
Rattlesnake Ridge Water District  
P. O. Box 475  
Grayson, KY 41143-0475

Honorable W. Randall Jones  
Rubin & Hays  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, KY 40202

RE: Case No. 2010-00458  
Rattlesnake Ridge Water District

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Linda Faulkner".

Linda Faulkner  
Filings Division Director

LF/rs

COMMONWEALTH OF KENTUCKY  
**FILED**  
BEFORE THE PUBLIC SERVICE COMMISSION  
NOV 24 2010

In the Matter of:

PUBLIC SERVICE  
COMMISSION

**THE APPLICATION OF RATTLESNAKE RIDGE )  
WATER DISTRICT FOR A CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY TO CONSTRUCT, )  
FINANCE AND INCREASE RATES PURSUANT )  
TO KRS 278.023. )**

CASE NO. 2010-00458

**APPLICATION**

This Application of the Rattlesnake Ridge Water District ("Applicant") respectfully shows:

1. That Applicant is a water district created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes.

2. That the post office address of Applicant is:

Rattlesnake Ridge Water District  
c/o Mr. Bill Gilbert, Chairman  
P.O. Box 475  
Grayson, Kentucky 41143

3. That Applicant, pursuant to the provisions of KRS 278.020 and 278.023, seeks (i) a Certificate of Public Convenience and Necessity permitting Applicant to construct a waterworks construction project as defined below (the "Project"); (ii) an Order approving increased rates and charges; and (iii) approval of the proposed plan of financing said Project.

4. The project consists of the (i) expansion of the water treatment plant from 1.608 MGD to 2.408 MGD; (ii) construction of a 500,000 gallon elevated water storage tank; and (iii) installation of a transmission line that will connect to the main lines at State Route 7 and feed the proposed 500,000 gallon elevated water storage tank.

5. That the District is financing of the construction of the Project through (i) the issuance of \$2,482,000 of its Waterworks Revenue Bonds, consisting of \$1,336,000 of Series A Bonds and \$1,146,000 of Series B Bonds; (ii) a USDA, Rural Development ("RD") grant in the amount of \$1,100,000; (iii) a Community Development Block Grant ("CDBG") in the amount of \$1,000,000; (iv) an Appalachian Regional Commission ("ARC") grant in the amount of \$400,000; (v) an Infrastructure for Economic Development Fund ("IEDF") 2008 grant (Lawrence County) in the amount of \$500,000; (vi) an IDEF 2008 grant (Elliott County) in the amount of \$500,000; and