

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALLEGED FAILURE OF GREEN HILLS)	CASE NO.
WATER DISTRICT TO FILE REQUIRED)	2011-00338
REPORTS)	

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the show cause hearing conducted on October 27, 2011 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the show cause hearing conducted on October 27, 2011 in this proceeding;
- The written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the hearing conducted on October 27, 2011.

A copy of this Notice, the certification of the digital video record, exhibit list, and hearing log have been served by first class mail upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at http://psc.ky.gov/av_broadcast/2011-00315-thru-00349/2011-00315-thru-00349_27Oct11_Inter.asx. Parties wishing an

annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

The exhibits introduced at the evidentiary hearing may be downloaded at <http://psc.ky.gov/pscscf/2011%20cases/2011-00338/>.

Done at Frankfort, Kentucky, this 3rd day of November 2011.



Linda Faulkner
Linda Faulkner
Director, Filings Division
Public Service Commission of Kentucky

Sherri Turner
Office Manager
Green Hills Water District
P. O. Box 116
Bledsoe, KY 40810

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE FAILURE TO
FILE REQUIRED REPORTS – SHOW
CAUSE HEARINGS

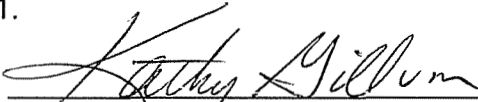
)
)
) CASE NOS. 2011-00338
)

CERTIFICATE

I, Kathy Gillum, hereby certify that:

1. The attached DVD contains a digital recording of the show cause hearings conducted in the above-styled proceeding on October 27, 2011;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the hearing;
4. The "Exhibit List" attached to this Certificate correctly lists all Exhibits introduced at the hearings on October 27, 2011.
5. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the hearings of October 27, 2011 and the time at which each occurred.

Given this 31st day of October, 2011.


Kathy Gillum, Notary Public
State at Large

My commission expires: Sept 3, 2013



Case History Log Report

Case Number: 2011-00315_thru_00349_27Oct11

Case Title: Show Cause Hearings (Multi Cases)

Case Type: Other

Department:

Plaintiff:

Prosecution:

Defendant:

Defense:

Date: 10/27/2011

Location: Default Location

Judge: Jim Wood

Clerk: Kathy Gillum

Bailiff:

Event Time	Log Event	
10:07:23 AM	Case Started	
10:07:29 AM	Preliminary Comments	
10:08:29 AM	Introductions	
	Note: Kathy Gillum	James Wood, Hearing Officer; Shane Benson, Staff Attorney; and Jeff Cline, Annual Reports Branch PSC.
10:08:50 AM	Case No. 2011-00349 (Woodland Acres)	
	Note: Kathy Gillum	Woodland Acres counsel is willing to stipulate to Mr. Clines Testimony.
10:09:41 AM	Robert Moore (Woodland Acres)	
	Note: Kathy Gillum	Mr. Moore is counsel for Woodland Acres) Mr. Moore agrees to stipulate to Mr. Cline's testimony. Mr. Moore requested to add info into record: Mr. Moore stated that PSC Order issued indicated that Woodland Acres did not file annual reports; May 3, 2010 Woodland Acres LLC filed application for transfer with the PSC. On 9-1-10 the PSC approved the application for transfer. Woodland Acres Utilities did not take ownership until 9-1-10. John Ford previously operated Woodland Acres Sanitation until Woodland Acres Utilities took it over. Mr. Ford passed away 10-9-08 and he was the sole shareholder and operator of Woodland Acres Sanitation which was administratively dissolved by Sec. of State. Does not believe that Woodland Acres Utilities should file reports prior to 2010. Motion filed for an extension of time to file the reports (due Nov 30th). \$250.00 check was tendered by counsel to the PSC today. (See Exhibit 2011-00349 PSC Exhibit 2 for receipt and copy of check)
10:14:42 AM	Hearing Officer Wood (PSC)	
	Note: Kathy Gillum	James Wood, PSC Hearing Officer
10:14:57 AM	Robert Moore (Woodland Acres)	
	Note: Kathy Gillum	Incorporates the reference of case number 2010-00191.
10:15:41 AM	Hearing Officer Wood (PSC)	
	Note: Kathy Gillum	Oral Motion duly noted
10:15:58 AM	Shane Benson (PSC)	
	Note: Kathy Gillum	No objection.

10:16:04 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
10:16:29 AM	Case Completed	
10:17:30 AM	Case No. 2011-00338 (Green Hills WD)	
10:17:50 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness called to testify by Shane Benson. Witness sworn. Witness testifies to job title and duties.
10:19:03 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson as PSC Exhibit 1.
10:20:37 AM	Examination by Shane Benson (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testified that notice was received by utility. Witness states that at 9:25 p.m. yesterday the electronic copy was filed. Still missing the hard copy of the 2009 Annual Report, the 2009 GOR and the 2010 Report.
10:21:44 AM	Witness Excused (Cline)	
10:22:04 AM	Witness, Sherry Turner (Green Hills WD) Note: Kathy Gillum	Witness called to testify by Shane Benson. Witness sworn.
10:22:51 AM	Examination of witness by Shane Benson (PSC) Note: Kathy Gillum	Questions regarding job title and duties of witness. Witness states that the CPA has failed to file the WD's required reports. Witness states that a \$250.00 money order was mailed to the PSC, witness has a copy of the money order receipt and express mail receipt.
10:24:47 AM	Exhibit Green Hills 1 Note: Kathy Gillum	Exhibit: Original money order receipt and Express Mail Receipt was introduced by Sherry Turner on behalf of Green Hills WD indicating the mailing of \$250.00 penalty check to the PSC.
10:26:09 AM	Examination by Shane Benson (PSC) continues Note: Kathy Gillum	Questions regarding whether witness has attempted to contact CPA regarding filing the reports. Witness asks for an extension of time in order to file the reports. Witness states that the WD is in process of firing the CPA and hiring a new CPA to replace him. Witness asks for 60 day extension. Witness asks about what to do.
10:28:26 AM	Shane Benson (PSC) Note: Kathy Gillum	Mr. Benson stipulates that Ms. Turner did cut a \$250.00 money order and sent to the PSC. The green card was signed by PSC staff, but the money order has not been found. Instructs witness to cancel the money order and issue a new one.
10:30:05 AM	Witness Excused (Turner)	
10:30:38 AM	Shane Benson (PSC)	
10:30:49 AM	Recess Note: Kathy Gillum	Case recessed for 15 minutes to allow for parties to arrive
10:31:06 AM	Case Recessed	
10:52:45 AM	Case Started	
10:52:51 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Back on the record.
10:53:15 AM	Case No. 2011-00315 (B & H Gas)	
10:53:37 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Reminder that witness is still under oath.

10:54:02 AM	Examination by Shane Benson (PSC) Note: Kathy Gillum	Witness called to testify by Shane Benson. Witness testifies as to written testimony. Examination of witness, Jeff Cline, conducted by Shane Benson, PSC, on all cases from this point forward.
10:54:51 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson as PSC Exhibit 1. Witness adopts written testimony. Witness testifies that notice was received by B & H Gas. Witness states that B & H failed to file required reports.
10:56:55 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed
10:57:11 AM	Case No. 2011-00317 (Atrium Wireless)	
10:57:34 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Adopts written testimony. Witness testifies that notice was received.
10:58:04 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
10:59:54 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed
11:00:05 AM	Case No. 2011-00322 (TracFone Wireless)	
11:00:21 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Adopts written testimony. Witness testifies that notice was received by utility.
11:01:38 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:02:14 AM	Shane Benson (PSC) Note: Kathy Gillum	Asks for an Order
11:02:33 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Motion duly noted.
11:03:25 AM	Case No. 2011-00326 (INS)	
11:03:38 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received by utility.
11:04:20 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:06:07 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:06:23 AM	Case No. 2011-00327 (Jilapuhn-Stateside)	
11:06:41 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies no return receipt received yet.
11:07:27 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:09:22 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:09:38 AM	Case No. 2011-00328 (TeleDias)	
11:09:46 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received by utility.

11:10:32 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:12:19 AM	Exhibit PSC 2 Note: Kathy Gillum	Letter requests withdrawal of its CLEC in Kentucky.
11:13:22 AM	Case No. 2011-00329 (Tel-Tech)	
11:13:35 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received by the utility.
11:14:14 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:15:55 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:16:08 AM	Case No. 2011-00331 (Airnex)	
11:16:24 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies .
11:17:21 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:19:17 AM	Hearing Officer Wood (PSC)	
11:19:23 AM	Case No. 2011-00333 (American Broadband)	
11:19:40 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received by utility.
11:20:28 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:21:59 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:22:13 AM	Case No. 2011-00334 (Andiamo)	
11:22:29 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies notice was mailed to utility, but PSC has not received a return receipt. On Oct 21, 2011 PSC received a letter that utility stopped all activity.
11:23:20 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:25:24 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Mr. Wood stated that a copy of the letter should be placed in the record of this hearing as an exhibit.
11:26:22 AM	Exhibit PSC 2 Note: Kathy Gillum	Exhibit: Copy of letter dated 10-18-11 from Jeffrey S. Kaufman on behalf of Andiamo Telecom stating it was no longer in business as of January 31, 2010, introduced by Shane Benson and marked as PSC Exhibit 2..
11:27:00 AM	Case NO. 2011-00337 (Center Ridge)	
11:27:10 AM	Witness Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received by utility.
11:27:15 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.

11:28:50 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:29:28 AM	Case Recessed	
11:34:16 AM	Case Resumed	
11:34:20 AM	Case No. 2011-00340 (Levee Road)	
11:35:01 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received. Filed 10-20-11 and \$250.00 penalty.
11:35:38 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:37:43 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:37:55 AM	Case No. 2011-00341 (Estill Co. WD)	
11:38:20 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies that notice was received by the utility.
11:39:03 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:40:49 AM	Shane Benson (PSC) Note: Kathy Gillum	Received a Motion for Extension of Time to file reports. Order granting Motion issued 10-26-11. Have until Nov. 30th.
11:41:38 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed.
11:42:14 AM	Case No. 2011-00347 (Red Barn)	
11:42:26 AM	Witness, Jeff Cline (PSC) Note: Kathy Gillum	Witness adopts written testimony. Witness testifies no return
11:43:09 AM	Exhibit PSC 1 Note: Kathy Gillum	Exhibit: Written testimony of Jeff Cline introduced by Shane Benson and marked as PSC Exhibit 1.
11:45:10 AM	Hearing Officer Wood (PSC) Note: Kathy Gillum	Case completed
11:45:22 AM	Shane Benson (PSC) Note: Kathy Gillum	Commission staff rests.
11:45:46 AM	Hearing Officer Wood (PSC) - Hearing Adjourned Note: Kathy Gillum	Mr. Wood states for the record that there were no persons appearing in any of the cases called today with the exception of Case No. 2011-00349 and 2011-00338. Hearing Adjourned.
11:46:21 AM	Case Recessed	
10:16:28 AM	Exhibit PSC 2 Note: Kathy Gillum	Copy of check (\$250.00) tendered by Mr. Moore on behalf of utility, and a copy of PSC receipt dated 10-27-11
3:19:15 PM	Case Stopped	



Exhibit List Report

Case Number: 2011-00315_thru_00349_27Oct11

Case Title: Show Cause Hearings (Multi Cases)

Department:

Plaintiff:

Prosecution:

Defendant:

Defense:

Name	Description
2011-00315 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00317 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00322 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00326 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00327 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00328 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00328 PSC Exhibit 2	Letter from Teledias Communications dated 10-26-11 requesting withdrawal of its CLEC Certificate of Authority in Kentucky
2011-00329 PSC Exhibit 1	Written testimony of Jeff Cline and attachments.
2011-00331 PSC Exhibit 1	Written testimony of Jeff Cline and attachments.
2011-00333 PSC Exhibit 1	Written testimony of Jeff Cline and attachments.
2011-00334 PSC Exhibit 1	Written testimony of Jeff Cline and attachments.
2011-00334 PSC Exhibit 2	Copy of letter dated 10-18-11 from Jeffrey S. Kaufman on behalf of Andiamo Telecom stating it was no longer in business as of January 31, 2010.
2011-00337 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00338 Green Hills WD Exhibit 1	Original money order receipt and express mail receipt indicating the mailing of \$250.00 penalty check
2011-00338 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00340 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00341 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00347 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00349 PSC Exhibit 1	Written testimony of Jeff Cline and attachments
2011-00349 PSC Exhibit 2	Copy of check (\$250.00) tendered by Mr. Moore on behalf of utility, and a copy of PSC receipt dated 10-27-11

1 **Q1 State your name and business address.**

2 A Jeff Cline, Public Service Commission, 211 Sower Boulevard, Frankfort,
3 Kentucky 40601

4 **Q2 Who is your employer?**

5 A Public Service Commission of Kentucky ("PSCKY")

6 **Q3 How long has the PSCKY employed you?**

7 A I have been an employee of the PSCKY since August, 1997.

8 **Q4 What is your current position?**

9 A Annual Report Branch Manager

10 **Q5 As the Annual Report Branch Manager, what are your duties?**

11 A I oversee the Annual Report Branch of the Filings Division. This branch is
12 responsible for the compilation and dissemination of statistical information on
13 the public utilities which the PSCKY regulates. It provides the appropriate
14 annual financial and statistical report form and the annual gross operating
15 revenues report form to jurisdictional utilities and then receives completed
16 report forms, reviews them for accuracy and completeness, and ensures that
17 the information from the annual financial and statistical report form is correctly
18 entered into the PSCKY's E-Filing System, which is accessible through the
19 PSCKY's Web Site.

20 Although the Executive Director of the PSCKY is the custodian of PSCKY
21 documents and reports, I have been delegated responsibility for storing and
22 maintaining the completed annual financial and statistical reports and the
23 gross operating revenue reports.

1 **Q6 What are the Annual Financial and Statistical Reports?**

2 A 807 KAR 5:006, Section 3(1), provides that "utilities shall file annually a
3 financial and statistical report upon forms to be furnished by the commission."
4 A copy of the form provided to a water district is attached to my testimony as
5 Exhibit JC-1. The report requests information on a wide range of subjects, to
6 include a utility's officers, income and expenses, and its liabilities. The report
7 form varies according to the type of utility. The report form for an electric utility
8 will be quite different from the report form for a sewer utility.

9 **Q7 What is the purpose of the Annual Financial and Statistical Reports?**

10 A These reports are used to assess the financial condition of a utility and to
11 monitor general trends within certain segments of the utility industry in
12 Kentucky. They are also used to compile and develop information about the
13 utility industry conditions. The PSCKY frequently uses them when reviewing
14 utility applications for rate adjustments.

15 **Q8 What are Annual Gross Operating Revenue Reports?**

16 A KRS 278.140 requires each utility subject to PSCKY jurisdiction to file with the
17 PSCKY a report of its gross earnings or receipts derived from intrastate
18 business for the preceding calendar year. The report requests contact
19 information and the amount of revenue that a utility received from its Kentucky
20 operations. The same report form is used for electric, gas, water and sewer
21 utilities and is attached to my testimony as Exhibit JC-2. The report form for
22 telecommunication utilities varies according to the type of telecommunication
23 service.

1 **Q9 For what are the Annual Gross Operating Revenue Reports used?**

2 A The reports are used to determine a utility's assessment for the maintenance
3 of the PSCKY. Every year utilities are assessed in proportion to their earnings
4 or receipts derived from intrastate business in Kentucky for the preceding
5 calendar year. This assessment is used to fund the PSCKY's operating costs.
6 Before the beginning of a new fiscal year, the Finance Cabinet's Office of
7 Policy and Management determines the PSCKY's budget levels for that year.
8 Once those levels are determined, the Finance Cabinet determines the rate for
9 the PSCKY assessment. This rate is based in part on total utility intrastate
10 receipts.

11 Once the assessment rate is determined, the Department of Revenue issues
12 assessment notices for each utility. To determine the assessment amount,
13 the Department of Revenue applies the assessment rate to the total intrastate
14 receipts reported on the annual gross operating revenues report. KRS
15 278.130 provides that in no instance will this assessment be less than fifty
16 dollars (\$50.00).

17 **Q10 How are the forms for the Annual Financial and Statistical Report and the**
18 **Annual Gross Operating Revenues Report provided to the utilities?**

19 A In mid-December each year, the Annual Report Branch sends by first class
20 mail two copies of the annual gross operating revenues report to each utility
21 subject to PSCKY jurisdiction. A transmittal letter accompanies the reports
22 explaining why the reports must be filed and states the deadline for filing the
23 reports. The annual financial and statistical report is also provided in this

1 mailing to utilities that do not yet use the PSC's E-Filing System. For the
2 utilities that have previously filed their annual financial and statistical reports
3 using the PSC's E-Filing System, a link to the E-Filing System is provided in
4 the transmittal letter in lieu of a paper copy of the report form.

5 **Q11 What are the deadline for filing these reports?**

6 A KRS 278.140 provides that the annual gross operating revenues report for a
7 calendar year must be filed by March 31 of the following year. 807 KAR
8 5:006, Section 3(1) establishes the same deadline for the annual financial and
9 statistical reports.

10 **Q12 May a utility request an extension of these deadlines?**

11 A No extension is permitted for the annual gross operating revenues report. 807
12 KAR 5:006, Section 3, permits the Executive Director to grant a reasonable
13 extension of time for filing of the annual financial and statistical reports where
14 good cause has been shown. The Executive Director has delegated to me the
15 authority to grant extensions.

16 **Q13 Does the transmittal letter advise about the availability of an extension of
17 time for filing the Annual Financial and Statistical Reports?**

18 A Yes.

19 **Q14 How frequently is a request for an extension of time to file the Annual
20 Financial and Statistical Report granted?**

21 A Extensions are granted as a matter of course. They are normally granted in
22 30-day increments. If a utility is unable to meet the extended deadline, it may
23 request another extension.

1 **Q15 If a utility fails to meet the March 31 deadline and no request for**
2 **extension is made, what happens?**

3 A The Annual Report Branch will usually advise the utility in writing that the
4 required reports are delinquent. If the reports are not received shortly
5 thereafter, I and my subordinates may telephone the responsible utility officials
6 and advise them of the need to submit the required report and the possible
7 consequences of failing to do so. We may telephone the utility several times
8 over the next few months in an effort to obtain the reports.

9 **Q16 Once the reports are received, what does the Annual Report Branch do**
10 **with them?**

11 A Annual Financial and Statistical Report: When a report is received either
12 electronically or through the mail, its receipt is recorded in a PSC electronic
13 database. I and my subordinates ensure that the report is entered into the
14 E-Filing System. (If the E-Filing System is used to submit the report, the utility
15 inputs the information directly into the PSCKY's E-Filing System. If the utility
16 files its report in paper form rather than using the E-Filing System, Annual
17 Report Branch personnel will input the information into the E-Filing System.)
18 The report is then reviewed for completeness and accuracy. It is checked for
19 mathematical errors. All corresponding schedules are reviewed to ensure
20 internal consistency. If inconsistencies or miscalculations are found, the utility
21 is advised to make appropriate corrections. These corrections are then
22 reviewed. After the review is completed, the report is made available for
23 viewing and downloading through the PSCKY's Web Site. A paper copy is

1 available for public inspection at the PSCY's office in Frankfort, Kentucky.
2 Completed reports remain in the custody and control of the Annual Report
3 Branch at the PSCY's office in Frankfort, Kentucky.

4 Annual Gross Operating Revenues Report: When a report is received, its
5 receipt is recorded in our database. It is then reviewed for completeness and
6 accuracy. The report is also compared against the gross revenue entries on
7 the utility's annual financial and statistical report, if filed, for consistency. If
8 inconsistencies are found, the utility is advised to make corrections. These
9 corrections are also reviewed. After the review is completed, the report is
10 stored at the PSCY's office in Frankfort, Kentucky. Completed reports
11 remain in the custody and control of the Annual Report Branch. The
12 Department of Revenue is advised of the report's contents and uses the
13 information to prepare the utility's assessment for the maintenance of the
14 PSCY.

15 **Q17 Were copies of the Annual Financial and Statistical Report Form and the**
16 **Annual Gross Operating Revenues Report Forms for the 2009 and 2010**
17 **calendar year sent to Green Hills Water District?**

18 A On December 15, 2010, two copies of the annual gross operating revenues
19 report form and in lieu of a paper copy of the annual financial and statistical
20 report a link to the E-Filing System were sent by U. S. Mail to Green Hills
21 Water District at the following address: Post Office Box 116, Bledsoe,
22 Kentucky 40810. This address is the mailing address which the utility had
23 provided previously to the Commission. 807 KAR 5:003 requires Green Hills

1 Water District to maintain a current mailing address with the PSCKY. A similar
2 package was sent to Green Hills Water District to the same address for the
3 2009 reports on December 15, 2009.

4 **Q18 Was anything besides these forms mailed to the utility?**

5 A Yes. Transmittal letters were mailed to the utility. Copies of these letters are
6 attached as Exhibit JC-3.

7 **Q19 Did the PSCKY receive the completed form on or before March 31, 2011?**

8 A No. Green Hills Water District did not submit either the annual gross operating
9 revenues report or the annual financial and statistical report forms for the 2009
10 or for the 2010 calendar year nor provided the information through the PSC E-
11 Filing System by March 31.

12 **Q20 Describe what efforts, if any, that you and your subordinates have taken
13 to obtain the reports from Green Hills Water District?**

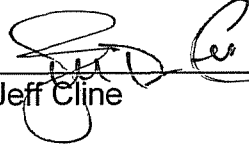
14 A A letter was sent to Green Hills Water District on April 28, 2010 for the 2009
15 reports. A letter was sent on May 18, 2011 for the 2010 reports.

16 **Q21 As of this date, have the Annual Financial and Statistical Report and the
17 Annual Gross Operating Revenues Report for calendar years 2009 or
18 2010 for Green Hills Water District been filed with the PSCKY?**

19 A The annual financial and statistical report and the annual gross operating
20 revenues report for calendar year 2009 have not been filed with the PSCKY.
21 The annual financial and statistical report for calendar year 2010 has not been
22 filed with the PSCKY. The annual gross operating revenues report for
23 calendar year 2010 has been submitted to the PSCKY.

1 Q22 Does this complete your written testimony?

2 A Yes.

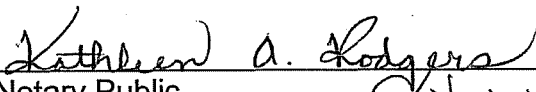


Jeff Cline

COMMONWEALTH OF KENTUCKY)

COUNTY OF FRANKLIN)

SUBSCRIBED AND SWORN to before me by Jeff Cline, this 26th day of October 2011.



Kathleen A. Rodgers
Notary Public
My commission expires ~~12 February 2013~~ Nov. 12, 2012

Water Districts/Associations - Class C

Annual Report

Of

Exact Legal Name of Reporting Utility

(Address of Utility)

TO THE
PUBLIC SERVICE COMMISSION
OF THE
COMMONWEALTH OF KENTUCKY

FOR THE CALENDAR YEAR ENDED DECEMBER 31, 20_____

CHECKLIST FOR THE ANNUAL REPORT
 FOR CLASS C WATER DISTRICTS AND WATER ASSOCIATIONS
 TO BE COMPLETED AND RETURNED WITH THE ANNUAL REPORT

<u>Page No.</u>	<u>Account No.</u>		<u>Page No.</u>		Yes	No	If No, Explain Why
4-6	The identification pages have been completed						
7	101-105	agrees with	11	Total 101-105			
7	108	agrees with	11	Beginning and Ending Balance 108			
7	108	agrees with	13	Total 301-348 Cols c & h			
7	114-115	agrees with	14	Net Balance 114-115			
7	124	agrees with	14	Total 124			
7	141-143	agrees with	15	Net Balance 141-143			
7	186	agrees with	15	Total 186			
8	215.1	agrees with	10	Total 215.1			
8	215.2	agrees with	10	Total 215.2			
8	224	agrees with	16 & 17	Total 224 Col f Page 16 + Total 224 Col 4 Page 17			
8	232	agrees with	18	Total 232, Col f			
8	236	agrees with	18	Beginning and Ending Balance 236			
8	237	agrees with	19	Total 237 Cols b & e			
8	242	agrees with	19	Total 242			
8	252	agrees with	16	Beginning and Ending Balance 252			
9	400	agrees with	21	Total Water Operating Revenue, Col e			
9	401	agrees with	22	Total 601-675 Col c			
9	408	agrees with	18	Total Taxes Accrued 408 Col c			
9	427	agrees with	19	Total Col c			
9	Net Income Before Contributions	agrees with	10	Balance Transferred from Net Income Before Contributions			

CHECKLIST FOR THE ANNUAL REPORT
 FOR CLASS C WATER DISTRICTS AND WATER ASSOCIATIONS
 TO BE COMPLETED AND RETURNED WITH THE ANNUAL REPORT

<u>Page No.</u>	<u>Account No .</u>	<u>Page No.</u>	Yes	No	If No, Explain Why
11	101	agrees with 12			Total 301-348 Col f
12					The analysis of water utility plant accounts Cols c through f has been completed
13					The analysis of accumulated depreciation and amortization by primary account has been completed.
16					Schedule of Long-Term Debt has been completed
17					Schedule of Bond Maturities has been completed
17	Total Col 12	agrees with 17			Total Col 4
21					Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Revenue and Expenses
21					The analysis of water operating revenue Cols c, d, and e has been completed
22					The analysis of water utility expense has been completed
23					Schedule of Pumping and Purchased Water Statistics has been completed.
24	466 Line 8	agrees with 24			Line 11
23	Total Col (d)	agrees with 24			Line 4, Total Produced and Purchased
23	Total Col (e)	agrees with 24			Line 13, Total Water Sales
					Oath page has been completed

PUBLIC SERVICE COMMISSION OF KENTUCKY
PRINCIPAL PAYMENT AND INTEREST INFORMATION
FOR THE YEAR ENDING DECEMBER 31, 20_____

1. Amount of Principal Payment during calendar year \$ _____
2. Is Principal Current? (Yes)_____ (No) _____
3. Is Interest Current? (Yes)_____ (No) _____
4. Has all long-term debt been approved by the Public Service Commission?
(Yes)_____ (No)_____ PSC Case No. _____

SERVICES PERFORMED BY
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT ("CPA")

Are your financial statements examined by a Certified Public Accountant?

Yes _____ No _____

If yes, which service is performed?

Audit _____

Compilation _____

Review _____

Please enclose a copy of the accountant's report with the annual report

Additional Requested Information

Utility Name _____

Contact Person _____

Contact Person's E-Mail Address _____

Utility's Web Address _____

Please complete the above information, if it is available.

If there are multiple staff who may be contacts please include their names and e-mail addresses also.

Additional Information Required By Commission Orders

Provide any special information required by prior Commission orders, as well as any narrative explanations necessary to fully explain the data. Examples of the types of special information that may be required by Commission orders include surcharge amounts collected, refunds issued, and unusual debt repayments.

Case #	Date Of Order	Item/Explanation

Attach additional sheets if more room is required

MAJOR WATER PROJECTS

Instructions: Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service Commission. For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and which will increase your current utility plant by at least 20%.

Brief Project Description (improvement, replacement, building construction, expansion. If expansion, provide the estimated number of new customers):

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (community, area or nearby roads)

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HISTORY

1. Exact name of utility making this report. (Use the words "The", "Company" or "Incorporated" only when a part of the corporate name.) _____

2. Give the location, street and number, and TELEPHONE NUMBER of the principal office in Kentucky. _____

3. Give name, title, address and TELEPHONE NUMBER of the officer to whom correspondence concerning this report should be addressed. _____

4. Date of organization. _____

5. If a consolidated or merged entity, name all previously separate entities.

6. Date for each consolidation and each merger. _____

7. State whether respondent is a water district or association.

8. Name all operating departments other than water.

9. Name of counties in which you furnish water service.

10. Give the number of employees:

Full-Time: _____ Part-Time: _____

REPORT OF

For Year Ended _____

Location of books and records: _____

Contacts

Name	Title	Address	Salary Charged Utility
Send Correspondence To:			\$
Report Prepared by:			\$

Officers and Managers

Name	Title	Home Address	Salary Charged Utility	Current Term Expires
	Chairperson		\$	/ /
	Treasurer		\$	/ /
	Secretary		\$	/ /
	Commissioner		\$	/ /
	Commissioner		\$	/ /
	Commissioner		\$	/ /
	Commissioner		\$	/ /
	Commissioner		\$	/ /
	Commissioner		\$	/ /
	Commissioner		\$	/ /
	General Manager		\$	
	Office Manager		\$	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	
			\$	

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	UTILITY PLANT			
101-105	Utility Plant.....	11	\$ _____	\$ _____
108	Less: Accumulated Depreciation And Amortization.....	11,13	\$ _____	\$ _____
	Net Plant.....		\$ _____	\$ _____
114-115	Utility Plant Acquisition Adjustments (Net)	14	\$ _____	\$ _____
	Total Net Utility Plant.....		\$ _____	\$ _____
	OTHER PROPERTY AND INVESTMENTS			
121	Nonutility Property.....		\$ _____	\$ _____
122	Less: Accumulated Depreciation And Amortization.....		\$ _____	\$ _____
	Net Nonutility Property.....		\$ _____	\$ _____
124	Utility Investments.....	14	\$ _____	\$ _____
	Total Other Property & Investments...		\$ _____	\$ _____
	CURRENT AND ACCRUED ASSETS			
131	Cash.....		\$ _____	\$ _____
132	Special Deposits.....		\$ _____	\$ _____
141-143	Accounts Receivable, Less Accumulated Provision for Uncollectible Accounts.....	15	\$ _____	\$ _____
151	Plant Materials and Supplies.....		\$ _____	\$ _____
174	Misc. Current and Accrued Assets.....		\$ _____	\$ _____
	Total Current and Accrued Assets		\$ _____	\$ _____
	DEFERRED DEBITS			
186	Misc. Deferred Debits.....	15	\$ _____	\$ _____
	Total Deferred Debits.....		\$ _____	\$ _____
	TOTAL ASSETS AND OTHER DEBITS.....		\$ _____	\$ _____

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	EQUITY CAPITAL			
215.1	Retained Earnings From Income Before Contributions.....	10	\$ _____	\$ _____
215.2	Donated Capital.....	10	\$ _____	\$ _____
	Total Equity Capital.....		\$ _____	\$ _____
	LONG-TERM DEBT			
224	Long-Term Debt.....	16-17	\$ _____	\$ _____
	Total Long-Term Debt.....		\$ _____	\$ _____
	CURRENT AND ACCRUED LIABILITIES			
231	Accounts Payable.....		\$ _____	\$ _____
232	Notes Payable.....	18	\$ _____	\$ _____
235	Customer Deposits.....		\$ _____	\$ _____
236	Accrued Taxes.....	18	\$ _____	\$ _____
237	Accrued Interest.....	19	\$ _____	\$ _____
242	Misc. Current & Accrued Liabilities..	19	\$ _____	\$ _____
	Total Current and Accrued Liabilities.....		\$ _____	\$ _____
	NONCURRENT LIABILITIES			
252	Advances For Construction.....	16	\$ _____	\$ _____
253	Other Deferred Credits.....		\$ _____	\$ _____
265	Miscellaneous Operating Reserves.....		\$ _____	\$ _____
	Total Noncurrent Liabilities.....		\$ _____	\$ _____
	TOTAL EQUITY CAPITAL AND LIABILITIES.		\$ _____	\$ _____

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues.....	21	\$ _____	\$ _____
401	Operating Expenses.....	22	\$ _____	\$ _____
403	Depreciation Expenses.....		\$ _____	\$ _____
406	Amortization of Utility Plant Acquisition Adjustment.....		\$ _____	\$ _____
407	Amortization Expense - Other.....		\$ _____	\$ _____
408	Taxes Other Than Income.....		\$ _____	\$ _____
	Utility Operating Expenses.....		\$ _____	\$ _____
	Total Utility Operating Income.....		\$ _____	\$ _____
	OTHER INCOME AND DEDUCTIONS			
419	Interest and Dividend Income.....		\$ _____	\$ _____
420	Allowance for Funds Used During Construction.....		\$ _____	\$ _____
421	Nonutility Income.....		\$ _____	\$ _____
426	Miscellaneous Nonutility Expenses....		\$ _____	\$ _____
	Total Other Income and Deductions....		\$ _____	\$ _____
	TAXES APPLICABLE TO OTHER INCOME			
408	Taxes Other Than Income.....		\$ _____	\$ _____
	Total Taxes Applicable To Other Income.....		\$ _____	\$ _____
	INTEREST EXPENSE			
427	Interest Expense.....		\$ _____	\$ _____
	Total Interest Expense.....		\$ _____	\$ _____
	NET INCOME BEFORE CONTRIBUTIONS.....		\$ _____	\$ _____

STATEMENT OF RETAINED EARNINGS

215.1	Retained Earnings From Income Before Contributions:	
	Balance Beginning of Year.....	\$ _____
	Balance Transferred from Net Income Before Contributions...	\$ _____
	Other Changes to Account:	
	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits (explain) _____	\$ _____
	Debits (explain) _____	\$ _____
	Balance End of Year.....	\$ _____

215.2	Donated Capital:		<u>Tapping</u>		
			<u>Fees</u>	<u>Grants</u>	<u>Other</u>
			<u>Total</u>		
	Balance Beginning of Year.....	_____	_____	_____	_____
	Credits:				
432	Proceeds from capital contributions.....	_____	_____	_____	_____
	Other Credits (explain)	_____	_____	_____	_____
	Debits:				
	(explain - Requires Commission Approval)	_____	_____	_____	_____
	Balance End of Year.....	_____	_____	_____	_____

UTILITY PLANT (ACCTS. 101 - 105)

ACCT. NO.	PLANT ACCOUNTS	TOTAL
101	Utility Plant In Service.....	\$ _____
103	Property Held For Future Use.....	\$ _____
104	Utility Plant Purchased or Sold.....	\$ _____
105	Construction Work In Progress.....	\$ _____
	Total Utility Plant.....	\$ _____

ACCUMULATED DEPRECIATION AND AMORTIZATION (ACCT. 108)

DESCRIPTION	TOTAL
Balance First of Year.....	\$ _____
Credits During Year:	
Amounts Charged To Account 403.....	\$ _____
Amounts Charged To Other Accounts (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Salvage Value Recovered On Plant Retired.....	\$ _____
Other Credits (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Total Credits.....	\$ _____
Debits During Year:	
Book Cost of Plant Retired.....	\$ _____
Cost Of Removal.....	\$ _____
Other Debits (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Total Debits.....	\$ _____
Balance End Of Year.....	\$ _____

WATER UTILITY PLANT ACCOUNTS

ACCT NO (a)	ACCOUNT NAME (b)	END OF PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	END OF CURRENT YEAR (f)
301	Organization.....	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises.....	\$ _____	\$ _____	\$ _____	\$ _____
303	Land and Land Rights.....	\$ _____	\$ _____	\$ _____	\$ _____
304	Structures & Improvements.....	\$ _____	\$ _____	\$ _____	\$ _____
305	Collecting and Impounding Reservoirs.....	\$ _____	\$ _____	\$ _____	\$ _____
306	Lake, River & Other Intakes.....	\$ _____	\$ _____	\$ _____	\$ _____
307	Wells and Springs.....	\$ _____	\$ _____	\$ _____	\$ _____
309	Supply Mains.....	\$ _____	\$ _____	\$ _____	\$ _____
310	Power Generation Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____
311	Pumping Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____
320	Water Treatment Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____
330	Distribution Reservoirs and Standpipes.....	\$ _____	\$ _____	\$ _____	\$ _____
331	Transmission and Distribution Mains.....	\$ _____	\$ _____	\$ _____	\$ _____
333	Services.....	\$ _____	\$ _____	\$ _____	\$ _____
334	Meters & Meter Installations....	\$ _____	\$ _____	\$ _____	\$ _____
335	Hydrants.....	\$ _____	\$ _____	\$ _____	\$ _____
336	Backflow Prevention Devices.....	\$ _____	\$ _____	\$ _____	\$ _____
339	Other Plant and Miscellaneous Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____
340	Office Furniture and Equip.....	\$ _____	\$ _____	\$ _____	\$ _____
341	Transportation Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____
343	Tools, Shop and Garage Equip....	\$ _____	\$ _____	\$ _____	\$ _____
345	Power Operated Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____
348	Other Tangible Plant.....	\$ _____	\$ _____	\$ _____	\$ _____
	Total Water Plant.....	\$ _____	\$ _____	\$ _____	\$ _____

ANALYSIS OF ACCUMULATED DEPRECIATION AND AMORTIZATION BY PRIMARY ACCOUNT

ACCT. NO. (a)	ACCOUNT (b)	BALANCE BEGINNING OF YEAR (c)	CREDITS DURING THE YEAR		CHARGES DURING THE YEAR		BALANCE END OF YEAR (h)
			CHARGES TO DEP. EXP. (d)	OTHER CREDITS (e)	PLANT RETIREMENTS (f)	OTHER CHARGES (g)	
301	Organization.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
303	Land and Land Rights.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
304	Structures & Improvements...	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
305	Collecting & Impounding Reservoirs.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
306	Lake, River & Other Intakes.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
307	Wells and Springs.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
309	Supply Mains.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
310	Power Generation Equipment..	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
311	Pumping Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
320	Water Treatment Equipment...	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
330	Distribution Reservoirs and Standpipes.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
331	Transmission & Distribution Mains.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
333	Services.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
334	Meters and Meter Installations.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
335	Hydrants.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
336	Backflow Prevention Devices.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
339	Other Plant & Miscellaneous Equipment.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
340	Office Furniture & Equip....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
341	Transportation Equipment....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
343	Tools, Shop & Garage Equip..	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
345	Power Operated Equipment....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
348	Other Tangible Plant.....	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	TOTALS	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustment approved by the Commission, include the Order Number.

ACCOUNT NAME	TOTAL
Acquisition Adjustments (114)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Plant Acquisition Adjustments.....	\$ _____
Accumulated Amortization (115)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Accumulated Amortization.....	\$ _____
Net Acquisition Adjustments.....	\$ _____

UTILITY INVESTMENTS (ACCT. 124)

DESCRIPTION OF SECURITY (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
UTILITY INVESTMENTS (ACCT. 124):		
_____ ..	\$ _____	\$ _____
_____ ..	\$ _____	\$ _____
_____ ..	\$ _____	\$ _____
_____ ..	\$ _____	\$ _____
_____ ..	\$ _____	\$ _____
_____ ..	\$ _____	\$ _____
Total Utility Investments.....	\$ _____	\$ _____

ACCOUNTS RECEIVABLE - NET (ACCOUNTS 141 - 143)

Report hereunder all accounts receivable included in Accounts 141 and 143.

DESCRIPTION	TOTAL
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141).....	\$ _____
Accumulated Provision for Uncollectible Accounts (Acct. 143)	
Balance First Of Year..... \$ _____	
Add: Provision For Uncollectibles For	
Current Year..... \$ _____	
Collection of Accounts Previously	
Written Off..... \$ _____	
Other _____ \$ _____	
Total Additions..... \$ _____	
Deduct:	
Accounts Written Off During Year..... \$ _____	
Other _____ \$ _____	
Total Deductions..... \$ _____	
Balance End Of Year.....	\$ _____
Total Accounts Receivable - Net.....	\$ _____

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)

DESCRIPTION	TOTAL
Miscellaneous Deferred Debits (Acct. 186):	
Deferred Rate Case Expense.....	\$ _____
Other Deferred Debits.....	\$ _____
Total Miscellaneous Deferred Debits.....	\$ _____

ADVANCES FOR CONSTRUCTION (ACCT. 252)

DESCRIPTION	TOTAL
Balance first of year.....	\$ _____
Add credits during year.....	\$ _____
Deduct charges during year.....	\$ _____
Balance end of year.....	\$ _____

LONG TERM DEBT (ACCT. 224)

DESCRIPTION OF OBLIGATION AND AMOUNT OF ORIGINAL ISSUE (a)	DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST EXPENSE FOR YEAR		PRINCIPAL PER BALANCE SHEET DATE (f)
			RATE (d)	AMOUNT (e)	
_____	_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total.....				\$ _____	\$ _____

ACCOUNT 224, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total						

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
Total						

NOTES PAYABLE (ACCOUNTS 232)

(a)	DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST EXPENSE FOR YEAR		PRINCIPAL BALANCE END OF YEAR (f)
			RATE (d)	AMOUNT OF PAYMENT (e)	
Account 232 - Notes Payable:				\$	\$
_____	_____	_____	_____	\$	\$
_____	_____	_____	_____	\$	\$
_____	_____	_____	_____	\$	\$
_____	_____	_____	_____	\$	\$
_____	_____	_____	_____	\$	\$
Total Account 232.....				\$	\$

ACCRUED TAXES (ACCOUNT 236)

ACCT. NO. (a)	DESCRIPTION (b)	TOTAL (c)
	Balance first of year.....	\$
408	Accruals Charged:	
	Utility regulatory assessment fees.....	\$
	Property taxes.....	\$
	Payroll taxes (employer's portion).....	\$
	Other taxes and licenses.....	\$
	Total taxes accrued.....	\$
408	Taxes paid during year:	
	Utility regulatory assessment fees.....	\$
	Property taxes.....	\$
	Payroll taxes (employer's portion).....	\$
	Other taxes and licenses.....	\$
	Total taxes paid.....	\$
	Balance end of year.....	\$

WATER OPERATING REVENUE

ACCT. NO. (a)	(b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue.....	_____	_____	\$ _____
461	Metered Water Revenue:			
461.1	Sales to Residential Customers.....	_____	_____	\$ _____
461.2	Sales to Commercial Customers.....	_____	_____	\$ _____
461.3	Sales to Industrial Customers.....	_____	_____	\$ _____
461.4	Sales to Public Authorities.....	_____	_____	\$ _____
461.5	Sales to Multiple Family Dwellings....	_____	_____	\$ _____
461.6	Sales through Bulk Loading Stations...	_____	_____	\$ _____
	Total Metered Sales.....	_____	_____	\$ _____
462	Fire Protection Revenue	_____	_____	\$ _____
465	Sales to Irrigation Customers.....	_____	_____	\$ _____
466	Sales for Resale.....	_____	_____	\$ _____
	Total Sales of Water	_____	_____	\$ _____
	Other Water Revenues:			
469	Guaranteed Revenues.....			\$ _____
474	Other Water Revenues.....			\$ _____
	Total Other Water Revenues.....			\$ _____
	Total Water Operating Revenues.....			\$ _____

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)
601	Salaries and Wages-Employees.....	\$ _____
603	Salaries & Wages- Officers, Commissioners & Directors.....	\$ _____
604	Employee Pensions & Benefits.....	\$ _____
610	Purchased Water.....	\$ _____
615	Purchased Power.....	\$ _____
616	Fuel for Power Production.....	\$ _____
618	Chemicals.....	\$ _____
620	Materials & Supplies.....	\$ _____
630	Contractual Services.....	\$ _____
635	Water Testing.....	\$ _____
640	Rents.....	\$ _____
650	Transportation Expenses.....	\$ _____
655	Insurance.....	\$ _____
665	Regulatory Commission Expenses.....	\$ _____
670	Bad Debt Expense.....	\$ _____
675	Miscellaneous Expenses.....	\$ _____
	Total Water Utility Expenses.....	\$ _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM WELLS (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	_____	_____	_____	_____
February.....	_____	_____	_____	_____
March.....	_____	_____	_____	_____
April.....	_____	_____	_____	_____
May.....	_____	_____	_____	_____
June.....	_____	_____	_____	_____
July.....	_____	_____	_____	_____
August.....	_____	_____	_____	_____
September.....	_____	_____	_____	_____
October.....	_____	_____	_____	_____
November.....	_____	_____	_____	_____
December.....	_____	_____	_____	_____
Total for year....	_____	_____	_____	_____

Maximum gallons pumped by all methods in any one day (Omit 000's): _____

Date ____/____/____

Minimum gallons pumped by all methods in any one day (Omit 000's): _____

Date ____/____/____

If water is purchased, indicate the following:

Vendor _____

Point of delivery _____

If water is sold to other water utilities for redistribution, identify all entities with whom the utility has a water sales contract and the maximum quantity the utility is under contract to provide daily and monthly. If unlimited then list "unlimited" otherwise list in thousands of gallons:

Entity Receiving Water	Maximum Daily	Maximum Monthly
------------------------	---------------	-----------------

SALES FOR RESALE (466)

LINE #	COMPANY	GALLONS (Omit 000's)	AVG. RATE PER 1,000 GALLONS (CENTS)	AMOUNT
1				
2				
3				
4				
5				
6				
7				
8	TOTAL			

WATER STATISTICS

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED, PURCHASED & DISTRIBUTED:	
2	Water Produced	
3	Water Purchased	
4	TOTAL PRODUCED AND PURCHASED	
5		
6	WATER SALES:	
7	Residential	
8	Commercial	
9	Industrial	
10	Bulk Loading Stations	
11	Resale	
12	Other Sales	
13	TOTAL WATER SALES	
14		
15	OTHER WATER USED:	
16	Utility/water treatment plant	
17	Wastewater plant	
18	System Flushing	
19	Fire Department	
20	Other	
21	TOTAL OTHER WATER USED	
22		
23	WATER LOSS:	
24	Tank Overflows	
25	Line Breaks	
26	Line Leaks	
27	Other	
28	TOTAL LINE LOSS	
29		
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4	
31		
32	WATER LOSS PERCENTAGE:	
33	Line 28 divided by Line 4	

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OATH

Commonwealth of _____)
County of _____) ss:

I, _____, having appeared before the undersigned officer duly authorized to administer oaths and being duly sworn, state under oath that I am _____ of _____ (“Respondent”); that I have supervision over the books of account and other financial records of the Respondent and have control over the manner in which they are kept; that such books and records have, during the period covered by the foregoing report, been maintained in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky; that I have carefully examined the foregoing report and to the best of my knowledge and belief the information contained in this report is, so far as it relates to matters of accounts, in accordance with the said books of account; that all other statements of fact contained in the foregoing report are true; and that the foregoing report is a correct and complete statement of the business and affairs of the Respondent in every respect and manner during the period of time from and including _____, 20____, to and including _____, 20____

(Signature of Officer)

Subscribed and sworn to before me, a _____, in and for the State and County named in the above this _____ day of _____, 20____

(Apply Seal Here)

My Commission Expires _____

(Signature of officer authorized to administer oath)

[Persons making willful false statements in this report may be punished by fine or imprisonment under KRS 523.040 and 523.100.]

KENTUCKY PUBLIC SERVICE COMMISSION
REPORT OF GROSS OPERATING REVENUES DERIVED FROM INTRA-KENTUCKY
BUSINESS FOR THE YEAR ENDING DECEMBER 31, 20__

Name of Utility Reporting _____

FEIN # (Federal Employer Identification Number)

Grid for FEIN number with a dash in the 4th position.

Address of Utility: _____ Phone: _____

City: _____ State: _____ Zip: _____ Fax: _____

E-Mail: _____ Web Site: _____

Primary Regulatory Contact: _____
(Name) (Title)

- (1) Gross Revenues of Electric Utility..... \$ _____
(2) Gross Revenues of Gas Utility..... \$ _____
(3) Gross Revenues of Water Utility..... \$ _____
(4) Gross Revenues of Sewer Utility..... \$ _____
(5) Other Operating Revenues..... \$ _____
*** TOTAL GROSS REVENUES..... \$ _____

OATH

State of.....)
) ss.
County of.....)

_____ being duly sworn, states that he/she is
(Officer)

_____ of the _____ that the
(Official Title) (Utility Reporting)

above report of gross revenues is in exact accordance with _____
(Utility Reporting)

and that such books accurately show the gross revenues of: _____
(Utility Reporting)

derived from Intra-Kentucky business for the calendar year ending December 31, 20_____.

(Officer) (Title)

This the _____ day of _____, 20_____

(Notary Public) (County) (Commission Expires)

NOTE: ANY DIFFERENCE BETWEEN THE AMOUNT OF THE GROSS REVENUES SHOWN IN
THE ANNUAL REPORT AND THE AMOUNT APPEARING ON THIS STATEMENT MUST
BE RECONCILED ON THE REVERSE OF THIS REPORT



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

December 15, 2010

Alfred Witt
Green Hills Water District
P. O. Box 116
Bledsoe, KY 40810

RE: 2010 Annual Reporting
(700) Water District
Utility ID: 22100

Dear Alfred Witt:

Electronic entry of the 2010 Annual Financial and Statistical Report information is now available on the Kentucky Public Service Commission web site (www.psc.ky.gov) under the "Commission Records" / "Financial Reports" menu. In the event of a lost or need to change a password, please contact the undersigned. Please be aware that if a company utilizes outside parties for filing reports, it is their responsibility to provide the party with the necessary ID and password. Additional instructions regarding the annual report process can be found online under the "Commission Records" / "Financial Reports" portion of our site as well.

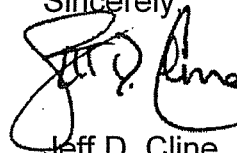
Upon completion of the electronic annual report form, please indicate the report is "complete" by means of the "Tools" menu selection's "change status" feature, which causes the system to inform PSC staff that the report is ready for the final audit and approval process. You must then generate a hard copy of the form by choosing the "Print All Schedules" selection on the "Tools" menu. Please be aware that a paper copy, either computer-generated or manually-produced, along with a signed oath page, are still required to be filed with the Commission until such time the Kentucky statutes are revised to allow us to accept the electronic annual report format as the official record.

Further, enclosed with this letter are two copies of the Report of Gross Operating Revenues form. One original notarized copy of the reports are to be completed for the calendar year 2010 and **filed with the Commission no later than March 31, 2011**, as required by 807 KAR 5:006, Section 3(1), KRS 278.140 and KRS 278.230(3).

Extension of time requests for filing the Report of Gross Operating Revenues form cannot be granted. However, the Commission may occasionally, upon written request, allow a 30 day extension of time for filing the Annual Financial and Statistical Report. The request must provide a reasonable explanation and be filed prior to the March 31, 2011, deadline. The prompt filing of these reports is essential. **Any utility failing to comply with timely filing requirements shall be subject to KRS 278.990, including the imposition of penalties provided therein.**

If you need additional copies of any form, they can be found on our web site under "Utility Information" / "Forms", or you may contact the undersigned and we will gladly provide a hard copy. Should you have any questions or require additional information, please do not hesitate to contact the undersigned by generating an email to JeffD.Cline@ky.gov.

Sincerely,



Jeff D. Cline
Annual Report Branch Manager

Enclosure(s)



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

December 15, 2009

Alfred Witt
Green Hills Water District
P. O. Box 116
Bledsoe, KY 40810

RE: 2009 Annual Reporting
Water District

Dear Alfred Witt:

Enclosed with this letter are two copies of the Report of Gross Operating Revenues form and one copy of the Annual Financial and Statistical Report form. Each report is to be completed for the calendar year 2009 and one original notarized copy of **all reports should be filed with the Commission no later than March 31, 2010**, as required by 807 KAR 5:006, Section 3(1), KRS 278.140 and KRS 278.230(3).

On-line entry of annual report information is now required for all utilities under the jurisdiction of this Commission, if online access is available. Upon completion of the online annual report, you may conveniently generate a hard copy of the form from our site. Please be aware that a paper copy, either computer-generated or manually-produced, along with a signed oath page, are still required to be filed with the Commission until such time the Kentucky statutes are revised to allow us to accept the electronic annual report format as the official record.

In order to participate in this on-line filing process, your utility must have an ID and password. To do so, please notify the undersigned in writing, on utility letterhead, designating a contact name of the person responsible for annual report filings, along with their mailing address, e-mail address, as well as telephone and fax numbers. If your company files a report for more than one type of service, for example gas and electric, you will be issued a separate account ID and password for each reporting entity. Unique accounts ensure that the correct reporting form is accessed for companies providing multiple types of services.

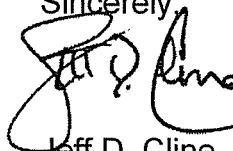
Upon receipt of your letter, the contact person(s) you designate will receive an account ID and password via email to be used for purposes of filing annual reports. If your company utilizes outside parties for filing your reports, it will be your responsibility to provide the party with your ID and password.

We have made every effort to create the on-line system with a look similar to the paper form. In addition, there are built-in audit tools which inform the user when certain line item totals do not match and section totals are incorrect. Also, the automatically generated "checklist" page at the end of the report may be used to determine if all required totals are correct. This gives the filer an opportunity to correct any totals which do not balance, or provide an explanation as to why certain totals may not match. Upon completion of the annual report forms, the filer will indicate that the report is "complete" by means of a menu selection, which causes the system to inform PSC staff that the report is ready for the final audit and approval process.

Extension of time requests for filing the Report of Gross Operating Revenues form cannot be granted. However, the Commission may occasionally, upon written request, allow a 30 day extension of time for filing the Annual Financial and Statistical Report. The request must provide a reasonable explanation and be filed prior to the March 31, 2010, deadline. The prompt filing of these reports is essential to the efficient operations of this Commission. **Any utility failing to comply with timely filing requirements shall be subject to KRS 278.990, including the imposition of penalties provided therein.**

If you need additional copies of any form, they can be found on our web site under "Utility Information" / "Forms", or you may contact the undersigned and we will gladly provide a hard copy. Should you have any questions, please call (502) 564-3940 or generate an email to JeffD.Cline@ky.gov.

Sincerely,



Jeff D. Cline
Annual Report Branch Manager

CUSTOMER'S RECEIPT DO NOT SEND THIS RECEIPT FOR PAYMENT. KEEP IT FOR YOUR RECORDS

Serial Number: 50835503294 Year, Month, Day: 111024 Post Office: 408100 U.S. Dollars and Cents: *250*00

Pay to: Ky State
 Address: Treasurer
 From: Green Hills Water
 Address: PO Box 116
Bledsoe Ky. 40810



Memo: Violation Fee

This receipt is your guarantee for a refund of your money order if it is lost or stolen, provided you fill in the Pay To and From information on the money order in the space provided. No claim for improper payment permitted 2 years after payment. If your money order is lost or stolen, present this receipt and file a claim or refund at your Post Office.

An inquiry Form 6401 may be filed at any time for a fee. A replacement will not be issued until 60 days after the money order purchase date, provided the money order has not been paid.



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Finance Copy
 Label 11-B, March 2004
Post Office To Addressee

ORIGIN (POSTAL SERVICE USE ONLY)		
PO ZIP Code <u>40810</u>	Day of Delivery <input checked="" type="checkbox"/> Next <input type="checkbox"/> 2nd <input type="checkbox"/> 2nd Del. Day	Postage \$ <u>18.50</u>
Date Accepted <u>10 24 11</u>	Scheduled Date of Delivery	Return Receipt Fee
Mo. Day Year	Month Day	\$
Time Accepted <input checked="" type="checkbox"/> AM <input type="checkbox"/> PM	Scheduled Time of Delivery <input type="checkbox"/> Noon <input type="checkbox"/> 3 PM	COD Fee \$ Insurance Fee \$
Flat Rate <input type="checkbox"/> or Weight <u>8</u> lbs. ozs.	Military <input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day	Total Postage & Fees \$
	Int'l Alpha Country Code	Acceptance Emp. Initials <u>8</u>

DELIVERY (POSTAL USE ONLY)		
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature
Mo. Day		
Delivery Attempt	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature
Mo. Day		
Delivery Date	Time	<input type="checkbox"/> AM <input type="checkbox"/> PM Employee Signature
Mo. Day		

CUSTOMER USE ONLY

PAYMENT BY ACCOUNT Express Mail Corporate Acct. No. Federal Agency Acct. No. or Postal Service Acct. No.

WAIVER OF SIGNATURE (Domestic Mail Only) Additional merchandise insurance is void if customer requests waiver of signature. I wish delivery to be made without obtaining signature of addressee or addressee's agent (if delivery employee judges that article can be left in secure location) and I authorize that delivery employee's signature constitutes valid proof of delivery.

NO DELIVERY Weekend Holiday Mailer Signature

FROM: (PLEASE PRINT) PHONE 606 558-3995
Green Hills Water District
P.O. Box 116
Bledsoe, Ky. 40810

TO: (PLEASE PRINT) PHONE 502 564-3940
General Counsel
Public Service Commission
211 Sower Boulevard
PO Box 615 Frankfort, KY.

FOR PICKUP OR TRACKING
 Visit www.usps.com
 Call 1-800-222-1811

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FOR INTERNATIONAL DESTINATIONS, WRITE COUNTRY NAME BELOW.