

Skeeters, Bennett, Wilson & Pike

Attorneys at Law

Donald E. Skeeters
R. Terry Bennett
David T. Wilson II
Michael A. Pike
Dustin C. Humphrey

550 W. Lincoln Trail Blvd.
Radcliff, Kentucky 40160
www.sbw-law.com

Tel: (270) 351-4404
Fax: (270) 352-4626

Real Estate Dept:
Tel: (270) 352-4406
Fax: (270) 352-4421

August 8, 2012

RECEIVED

AUG 10 2012

PUBLIC SERVICE
COMMISSION

Mr. Jerry Wuetcher
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RE: Case No. 2011-00416

Mr. Wuetcher:

I am writing to memorialize the conversation between the undersigned, Jim Bruce of the Hardin County Water District No. 1, and you which occurred on Friday, August 3, 2012.

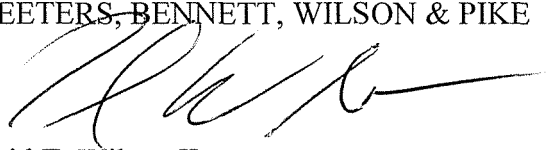
We discussed the need for the District to amend its tariff to address cost of services associated with the transmission of water to and for the benefit of the City of Muldraugh. As indicated, the costs associated with the water transmission to the City is subsumed within the base rate that the Department of Defense pays the District monthly for operating its water system in total. The District has no contractual agreement with the City of Muldraugh, but the District is compensated by the DOD for transmitting water to the City of Muldraugh.

It is my understanding from our conversation that you are comfortable with this explanation and, therefore, it will not be necessary to amend the tariff.

If I have misstated our conclusions, I trust you will advise at your earliest convenience. As always, the District and the undersigned are most appreciative of your consideration of the needs of Hardin County Water District No. 1 and its customers.

Sincerely,

SKEETERS, BENNETT, WILSON & PIKE


David T. Wilson II

DTW:nh
Cc: Mr. Jim Bruce