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

May 10, 2012

Thomas R. Nienaber, Esq. Berger & Neinaber 400 Madison Avenue Covington, Kentucky 41011

Re: Case No. 2012-00109

Grant County Sanitary Sewer District

Dear Mr. Nienaber:

The enclosed document has been filed in the record of the above-referenced case. Any objections to this action should be submitted to the Commission within five days of receipt of this letter.

Sincerely,

Jeff Derouen

Executive Director

gw Enclosure



Berger & Nienaber

John A. Berger Thomas R. Nienaber

ATTORNEYS AND COUNSELORS AT LAW 401 Madison Avenue Covington, Kentucky 41011 (859) 491-9088 Fax (859) 491-9854

Gregory N. Schabell R. Leslie Knight Bryan C. Berger

May 9, 2012

Public Service Commission Attn: Mr. Gerald E. Wuetcher 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40602-0615

Re:

Grant County Sanitary Sewer District

Case No. 2012-00109

Dear Mr. Wuetcher:

Pursuant to your request of May 9, 2012, please accept this correspondence as the Grant County Sanitary Sewer District's ("District") Response to your request for additional information regarding the subject Application.

During the design stages of the Phase I Project, the District determined that a main pump station would need to be constructed on the east side of I-75 near the Cincinnati South Campground, US Highway 25, Dry Ridge, Kentucky 41035. In order to service that pump station, 3 phase electric was required. The District was originally informed by representatives of Duke Energy that 3 phase electric was reasonably available to the pump station site. However, after commencement of construction of the Phase I Project, it was determined that 3 phase electric was not available in the area. As a consequence, the District was required to bring 3 phase electric service to the pump station site. This project required the District to bore under I-75 at a cost of approximately \$80,000.00. Additional expenses in bringing 3 phase electric to the pump station site, including labor and materials cost an additional \$40,000.00. Overall, the District was required to expend approximately \$120,000.00 over its original construction cost estimate.

To cover the unanticipated cost overage, the District paid that cost from its cash reserves with the intent of securing the additional financing to reimburse the District for those funds expended. As the District is only required to repay approximately 50% of the \$133,000.00 loan amount, it is in the District's best financial interest to secure this loan for the purposes so stated.

Should you have any additional questions regarding this matter, please do not hesitate to

May 9, 2012 Page 2

call. Per your email of May 9, 2012, I am also filing the attached statement in the District's file with the PSC.

Very truly yours,

BERGER & NIENABER, P.S.C.

Thomas R. Nienaber

TRN/css

cc:

Grant County Sanitary Sewer District

Attn: Mr. Bobby Burgess

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

APPLICATION OF THE GRANT COUNTY SANITARY SEWER DISTRICT

FOR

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT PROPOSED SANITARY SEWER LINE IMPROVEMENTS AND

APPROVAL OF THE PROPOSED PLAN TO FINANCE THE IMPROVEMENTS

CASE NO. 2012-00109

SUPPLEMENTAL FILING

Comes now the Grant County Sanitary Sewer District ("District"), through Counsel Thomas R. Nienaber, and in response to the Public Service Commission's request for additional information dated May 9, 2012, states as follows:

During the design stages of the Phase I Project, the District determined that a main pump station would need to be constructed on the east side of I-75 near the Cincinnati South Campground, US Highway 25, Dry Ridge, Kentucky 41035. In order to service that pump station, 3 phase electric was required. The District was originally informed by representatives of Duke Energy that 3 phase electric was reasonably available to the pump station site. However, after commencement of construction of the Phase I Project, it was determined that 3 phase electric was not available in the area. As a consequence, the District was required to bring 3 phase electric service to the pump station site. This project required the District to bore under I-75 at a cost of approximately \$80,000.00. Additional expenses in bringing 3 phase electric to the pump station site, including labor and materials cost an additional \$40,000.00. Overall, the District was required to expense approximately \$120,000.00 over its original construction cost estimate.

To cover the unanticipated cost overage, the District paid that cost from its cash reserves with the intent of securing the additional financing to reimburse the District for those funds expended. As the District is only required to repay approximately 50% of the \$133,000.00 loan amount, it is in the District's best financial interest to secure this loan for the purposes so stated.

Respectfully submitted,

BERGER & NIENABER, P.S.C.

Thomas R. Nienaber - KBA#51820 401 Madison Avenue Covington, KY 41011 (859) 491-9088