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David L. Armstrong
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James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

July 24, 2013

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

RE: Case No. 2013-00299
Southside Water Association, Inc.
City of Beattyville

The Commission staff has reviewed the application in the above case and finds that it meets the minimum filing requirements and has been accepted for filing.

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

FILED

JUL 19 2013

**PUBLIC SERVICE
COMMISSION**

RECEIVED

JUL 19 2013

**PUBLIC SERVICE
COMMISSION**

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

**JOINT APPLICATION OF SOUTHSIDE WATER,
INC., OF LEE COUNTY, KENTUCKY AND THE
CITY OF BEATTYVILLE, KENTUCKY
FOR AN ORDER APPROVING A TRANSFER OF
OWNERSHIP AND CONTROL PURSUANT TO
THE PROVISIONS OF KRS 278.020(5) AND (6)**)
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Case No. 2013 - 00299

JOINT APPLICATION

This Joint Application of the Southside Water, Inc., ("Southside") of Lee County, Kentucky and the City of Beattyville, Kentucky ("Beattyville")(hereinafter, Southside and Beattyville shall be collectively referred to as (the "Applicants"), respectfully shows:

1. That Southside is a non-profit water association of Lee County, Kentucky, created and existing under and by virtue of Chapter 273 of the Kentucky Revised Statutes and the post office address of Southside is Southside Water, Inc., c/o Mr. Eugene Barrett, President, P.O. Box 1007, Beattyville, Kentucky 41311. A copy of the Articles of Incorporation and By-Laws of Southside are attached hereto as **Exhibit "A"**.

2. That Beattyville is a municipal corporation of the Commonwealth of Kentucky and the post office address of Beattyville is City of Beattyville, Kentucky, c/o Honorable John Smith, Mayor, 28 Railroad Street, Suite A, Beattyville, Kentucky 41311.

3. That the Applicants, pursuant to the provisions of KRS 278.020(5) and (6), request that the Kentucky Public Service Commission ("PSC") enter its Order authorizing and approving the transfer and control of Southside's water distribution system (the "Southside System") to Beattyville.

4. That Southside has operated the Southside System since 1968 and has expanded said Southside System by borrowing funds, in part, from the United States Department of Agriculture, acting through Rural Development ("RD") through the issuance of a promissory note dated November 18, 2008, in the original principal amount of \$344,000 (the "RD Note"). A copy of the RD Note is attached hereto as **Exhibit "B"**. The RD Note is secured by a Real Estate Mortgage for Kentucky, Form RD 1927-1 KY (the "RD Mortgage"), which RD Mortgage is of record in Mortgage