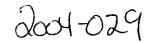


LAJUANA S. WILCHER SECRETARY



Commonwealth of Kentucky Environmental and Public Protection Cabinet Department for Environmental Protection Frankfort Office Park 14 Reilly Rd Frankfort, KY 40601

April 5, 2004

APR - 9 2004

RECEIVED

PUBLIC SERVICE COMMISSION

Tom Dorman, Executive Director Kentucky Public Service Commission 211 Sower Boulevard, P.O. Box 615 Frankfort, Kentucky 40602

RE: Joint Application of Orchard Grass Utilities, Inc., and the Oldham County Sewer District for transfer approval

Dear Mr. Dorman:

The proposed transaction effecting the transfer of the Orchard Grass and Willow Creek wastewater treatment plants to the Oldham County Sewer District is consistent with this community's wastewater Facility Plan as reviewed and approved by the Kentucky Division of Water. The acquisition of these facilities by the Oldham County Sewer District will contribute significantly to the goal of regionalizing Oldham County's sewage collection and treatment works. Further, it will accelerate the ultimate elimination of small, privately-owned wastewater treatment plants, such as Orchard Grass and Willow Creek, which will be replaced by new or existing regional treatment facilties. The Division of Water encourages such an approach.

The approved Wastewater Facility Plan submitted by the Oldham County Sewer District may be viewed by you or your staff at this office. Please advise if you wish to see the plan, and we will be happy to make the necessary arrangements.

Sincerely,

William L. Chlebowy, P.E., Supervisor Municipal Planning Section Facilities Construction Branch Division of Water



Mr. Tom Dorman April 5, 2004 Page Two

C: Carroll Cogan Ed Schoenbaechler Robert C. Moore