



From:
Francis Water Company
P.O.Box 38
Garrett, Ky 41630
(606) 874- 1111

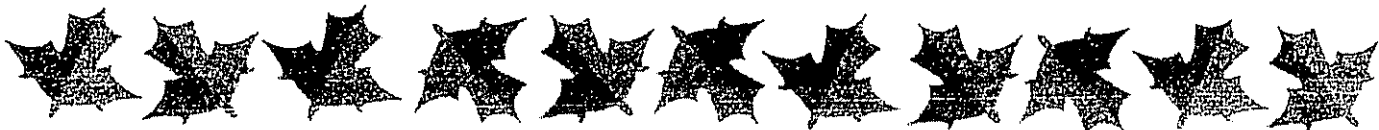
Date: Feb-28-08

TO:

Name Michael Burford
Title: Director of Filing Division
Company: PSC
Location: Frankfort

Message

CASE # 2004-00338



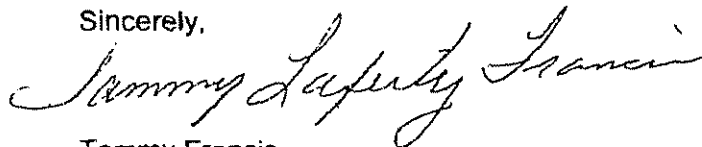
February 28, 2008

Michael F. Burford
Director of Filings Division
Public Service Commission
211 Sower Boulevard
Post Office Box 615
Frankfort, KY 40602

Dear Mr. Burford:

This letter is in response to your recent correspondence regarding Case No. 2004-00338, wherein you requested that Francis Water Company should file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that its current water rates are adequate. To meet this requirement, please be aware that Francis Water Company's latest Annual Report on file with the PSC shows a net income of \$7,256 for 2006, and that we will file the 2007 Annual Report as soon as possible. These reports indicate that Francis Water Company's current water rates are sufficient to meet its operating expenses and annual debt service requirements.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Francis". The signature is written in black ink and is positioned above the printed name.

Tammy Francis