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June 1, 2006

TO: PARTIES OF RECORD  
RE: Case No. 2006-00173  
Christian County Water District

Enclosed please find a memorandum that has been filed in the record of the above-referenced case. Any comments regarding this memorandum's contents should be submitted to the Commission within five days of receipt of this letter. Questions regarding this memorandum should be directed to Gerald Wuetcher at 502/564-3940, Extension 259.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell  
Executive Director

vh/  
Enclosure

**INTRA-AGENCY MEMORANDUM**

**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case File No. 2006-00173

**FROM:** Gerald Wuetcher *GW*  
Deputy General Counsel

**DATE:** May 26, 2006

**RE:** Conference Call of May 26, 2006

On May 26, 2006, Commission Staff conducted a telephone conference with Christian County Water District in the above referenced case. Participating in the conference call were:

James Owen	-	Christian County Water District
Jess Thompson	-	Commission Staff
Gerald Wuetcher	-	Commission Staff

Prior to the conference, Commission Staff telephoned and spoke with John N. Hughes, legal counsel for Christian County Water District ("Christian District"). Mr. Hughes stated that he would not be available for the conference call but suggested that the call continue without his participation.

Beginning the conference, Mr. Wuetcher stated that Commission Staff would prepare minutes of the conference for the case record, that a copy of these minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes.

Mr. Wuetcher stated that Commission Staff was confused about the utility's filing. The cover letter to the utility's purchased water adjustment application stated that the application was intended to pass through to Christian District customers refunds that the water district had received from its supplier for overpayments. The proposed rates, however, reflect a \$0.36 per 1,000 gallons of water increase. Mr. Owen stated that an error had occurred. Christian District had prepared two applications. One application reflected an increase in the cost of purchased water due to the recent rate adjustment of Hopkinsville Water Environment Authority. The other reflected a refund that Hopkinsville had made as a result of a metering error. Apparently the cover letter for the refund application had been attached to the application for the rate increase.

Mr. Wuetcher then inquired when Christian District would be applying to pass through the refund. Mr. Owen stated that the application should be filed no later than June 2, 2006.

The conference call then concluded.

cc: Parties of Record