SHARPSBURG WATER DISTRICT P O BOX 248 SHARPSBURG, KENTUCKY 40374

Phone:606-247-2861 Toll Free:800-559-2861 Fax:606-247-9031 TDD:606-247-4901

August 1, 2006

Beth O'Donnell Public Service Commission P O Box 615 Frankfort, KY 40602

RECEIVED

AUG 3 2006

PUBLIC SERVICE COMMISSION

Re: Case No. 2006-00174

Sharpsburg Water District

Dear Beth,

Contractors began work on waterline extensions on June 28, 2006.

The building contractors have began to do some excavation work on the lot; but cannot proceed until approval is granted by the Office of Housing, Buildings, and Construction.

I apologize for not sending this sooner; I will inform you when the project is 50% complete.

Sincerely,

Gavle Haney, Manager

Sharpsburg Water District is Equal Opportunity