

Rubin & Hays

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

October 20, 2006

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

RECEIVED

OCT 23 2006

PUBLIC SERVICE
COMMISSION

Re: **Grayson County Water District - Case No. ²⁰⁰⁶⁻⁰⁰⁴³⁵~~2005~~00435**

Dear Ms. O'Donnell:

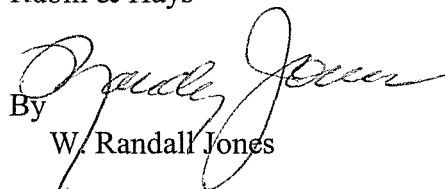
Enclosed please find the original and ten (10) copies of a Motion to Amend the Motion to Reopen Case in connection with the above styled case.

Attached to the Motion are eleven copies of the required Exhibits.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:ilm
Enclosures
cc: Distribution List

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

OCT 23 2006

PUBLIC SERVICE COMMISSION

In the Matter of:

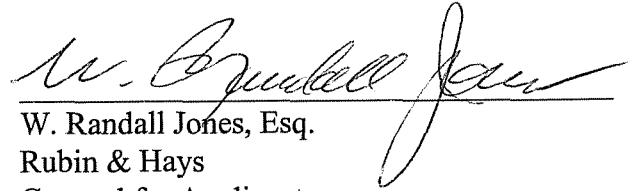
MOTION OF GRAYSON COUNTY WATER)
DISTRICT TO REOPEN CASE NO.)
2005-00358 FOR AN ORDER APPROVING) Case No. 2006-00435
A PROPOSED RATE CHANGE PURSUANT)
TO KRS 278.023.)

MOTION TO AMEND MOTION TO REOPEN

This Motion of the Grayson County Water District ("Applicant"), by Counsel, respectfully shows:

- 1. That on September 29, 2006, Applicant submitted a Motion to Reopen Case No. 2005-00358 requesting that the Kentucky Public Service Commission issue an Order approving a proposed rate change.
2. That the proposed rates contained in the U. S. Department of Agriculture, acting through Rural Development ("RD") Amendment No. 2, dated August 29, 2006, have been revised to correct certain mathematical errors, and accordingly, RD has issued Amendment No. 3, dated October 16, 2006, which Amendment sets forth the correct rates. Applicant files a copy of Amendment No. 3 with this Motion.
4. That Applicant files this Motion to request that the Commission issue its Order approving the proposed rate change as set forth in Amendment No. 3 of the RD Letter of Conditions.
5. That on September 21, 2006, Applicant published a Notice of Proposed Rate Change pursuant to Section 2 of 807 KAR 5:069, in The Record, which is the newspaper of general circulation in Applicant's service area and in Grayson County, Kentucky. Applicant requests a deviation from the publication requirement in Section 2 of 807 KAR 5:069 relating to the new proposed rates, as the proposed rates set forth in Amendment No. 3 are substantially similar to the rates published by the Applicant on September 21, 2006. Requiring another publication would be duplicative and an unnecessary expense to Applicant.

WHEREFORE, Applicant, the Grayson County Water District, by counsel, asks that the Public Service Commission of the Commonwealth of Kentucky issue its Order approving the proposed increased rates as set out in Section 25 of Amendment No. 3 to the RD Letter of Conditions.

A handwritten signature in cursive script, appearing to read "W. Randall Jones", is written over a horizontal line.

W. Randall Jones, Esq.
Rubin & Hays
Counsel for Applicant
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
(502) 569-7525



United States Department of Agriculture
Rural Development
Kentucky State Office

October 16, 2006

Mr. Edwin Nichols, Chairman
Grayson County Water District
P.O. Box 217
Leitchfield, Kentucky 42755

Re: Letter of Conditions Dated January 19, 2005

Dear Chairman Nichols:

This letter shall serve as Amendment No. 3 to the Letter of Conditions dated January 19, 2005. The purpose of this amendment is to revise the requested rate schedule in order to correct mathematical errors in the rate schedules and to meet the requirements and recommendations of the Kentucky Public Service Commission (PSC).

Paragraph numbered "25" is revised to read as follows:

" 25. Rates and Charges:

Rates and charges for facilities and services rendered by the Water District must be at least adequate to meet cost of maintaining, repairing and operating the water system and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Water rates will be at least:

5/8" x 3/4" Meter:

First	1,500	gallons @ \$	15.28 - Minimum Bill.
Next	8,500	gallons @ \$	7.23 - per 1,000 gallons.
Next	40,000	gallons @ \$	6.48 - per 1,000 gallons.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

3/4" Meter:

First	3,000	gallons @ \$	26.13 - Minimum Bill.
Next	7,000	gallons @ \$	7.23 - per 1,000 gallons.
Next	40,000	gallons @ \$	6.48 - per 1,000 gallons.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

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1" Meter:

First	5,000	gallons @ \$	40.59 - Minimum Bill.
Next	5,000	gallons @ \$	7.23 - per 1,000 gallons.
Next	40,000	gallons @ \$	6.48 - per 1,000 gallons.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

1 1/2" Meter:

First	10,000	gallons @ \$	76.74 - Minimum Bill.
Next	40,000	gallons @ \$	6.48 - per 1,000 gallons.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

2" Meter:

First	16,000	gallons @ \$	115.62 - Minimum Bill.
Next	34,000	gallons @ \$	6.48 - per 1,000 gallons.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

3" Meter:

First	30,000	gallons @ \$	206.34 - Minimum Bill.
Next	20,000	gallons @ \$	6.48 - per 1,000 gallons.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

4" Meter:

First	50,000	gallons @ \$	335.94 - Minimum Bill.
Next	100,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

6" Meter:

First	100,000	gallons @ \$	622.44 - Minimum Bill.
Next	50,000	gallons @ \$	5.73 - per 1,000 gallons.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

8" Meter:

First	150,000	gallons @ \$	908.94 - Minimum Bill.
All Over	150,000	gallons @ \$	5.00 - per 1,000 gallons.

10" Meter:

First	250,000	gallons @ \$	1,408.94 - Minimum Bill.
All Over	250,000	gallons @ \$	5.00 - per 1,000 gallons.

The Water District will charge rates to its wholesale customers according to their existing and/or amended water purchase contracts. ”

All other provisions of the referenced Letter of Conditions and Amendments 1 and 2 remain in full force and unchanged.

Sincerely,


KENNETH SLONE
State Director

cc: Area Director - Columbia, Kentucky
Rural Development Manager - Elizabethtown, Kentucky
Lincoln Trail ADD - Elizabethtown, Kentucky
Thomas Goff - Leitchfield, Kentucky
✓ Rubin & Hays - Louisville, Kentucky
Cann-Tech, LLC - Lawrenceburg, Kentucky
PSC - ATTN: Bob Amato - Frankfort, Kentucky