

Jackson County Water Association
P.O. Box 232
U.S. Highway 421 South
Tyner, KY 40486

Mr. Mike Burford
Director of Filings
Kentucky Public Service Commission
P.O. Box 615
211 Sower Blvd.
Frankfort, KY 40601

RECEIVED

JAN 17 2007

PUBLIC SERVICE
COMMISSION

RE: Filing Deficiencies – Case No. 2006-00467

Dear Mr. Burford:

Enclosed are an original and ten copies of our response to the letter setting our certain deficiencies in our application for a rate increase.

With regard to 807 KAR 5:001, Section 10(7)(b), Jackson County is not proposing any new construction in this application. No formal capital construction budget exists.

There are no pro forma adjustments proposed. The utility is requesting only to charge rates to recover the expenses incurred in 2005, which are included in the audit report and the annual report for 2005. Available expense reports are included in Exhibit 8.

Jackson County requests any applicable deviations if additional information is needed on these items. Jackson County also requests Staff assistance if additional information is needed.

Sincerely



Howard M. Williams
President