



United States Department of Agriculture Rural Development

Kentucky State Office

August 4, 2009

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PUBLIC SERVICE COMMISSION

Mr. Harry Storm, Chairman Ohio County Water District 130 East Washington St. Hartford, Kentucky 42347

Re: Letter of Conditions Dated June 26, 2007

Dear Chairman Storm:

This letter shall serve as Amendment No. 2 to the Letter of Conditions dated June 26, 2007. The purpose of this amendment is to make editorial revisions to the proposed wholesale rate structure.

Paragraph numbered "29" is revised to read as follows:

" 29. Rates and Charges:

Rates and charges for facilities and services rendered by the 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:

First	2,000	gallons @\$	21.13 Minimum Bill.
Next	18,000	gallons @\$	8.78 per 1,000 gallons.
Next	30,000	gallons @\$	7.59 per 1,000 gallons.
Next	50,000	gallons @\$	6.39 per 1,000 gallons.
Next	100,000	gallons@\$	5.20 per 1,000 gallons.
All Over	200,000	gallons @\$	5.20 per 1,000 gallons.

Wholesale rate to all users will be \$2.68 per 1,000 gallons.

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Committed to the future of rural communities.

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

Sincerely,

VERNON C. BROWN

Acting State Director

cc: Area Director - Madisonville, Kentucky Green River ADD - Owensboro, Kentucky E.F. Morgan, Jr. - Hartford, Kentucky Rubin & Hays - Louisville, Kentucky

Tetra Tech - Lexington, Kentucky

PSC - ATTN: Dennis Jones - Frankfort, Kentucky

Brent Kirtley - Frankfort, Kentucky