CHRISTIAN COUNTY WATER DISTRICT

P.O. Box 7 Hopkinsville, KY 42241-0007 Phone: 270-886-3696 Fax: 270-886-0708

2009-00373

PUBLIC SERVICE COMMISSION

September 2, 2009

Water Commissioners

Ashbel Brunson Chairman

Steve Hunt Secretary

J. David Johnson

Treasurer

Barbara Morris

Ronald Adams

Kentucky Public Service Commission PO BOX 615 211 Sower Blvd. Frankfort, KY. 40602-0615

RE:

Wholesale Rate Increase

Objection & Intervention

Receipt # 7008 0150 0003 0193 1305

In This Matter Before The Commission:

On August 7, 2009, following notification by the City of Hopkinsville's water utility (HWEA) of a 37% wholesale rate increase; Christian County Water District forwarded an objection to this increase to the Kentucky Public Service Commission. Representatives of both utilities met twice to exchange information. After reviewing the information provided by HWEA, Christian County Water District was able to conclude that a 9% wholesale rate increase would be more appropriate according to the reported cost being incurred by HWEA. Therefore, a 37% increase is excessive, unfair, and unreasonable. The rate payers of Christian County Water District would be forced into a unfair position, subsidizing HWEA's city rate payers, thereby keeping the water rates for those "city" rate payers unreasonably low.

On September 1, 2009, Christian County Water District received notice of HWEA's filing of a 37% wholesale rate increase (tariff filling) with the Public Service Commission. Therefore, Christian County Water District must officially file an objection to this wholesale rate increase (tariff filling) and request intervention on behalf of its rate payers in this matter.

Respectfully submitted,

James Owen

General Manager