



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

December 21, 2010

PARTIES OF RECORD

Re: Case No. 2010-00094

Attached is a copy of an affidavit which is being filed in the record of the above-referenced case. If you have any questions, please contact M. Todd Osterloh at 502/564-3940, Extension 439.

Sincerely,

A handwritten signature in cursive script that reads "Jeff D. Derouen for".

Jeff Derouen
Executive Director

Attachment

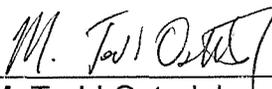
AFFIDAVIT

M. Todd Osterloh, being duly sworn, states:

1. I am a Staff Attorney of the Public Service Commission of Kentucky. I have been employed in this position since April 16, 2007.

2. On December 14, 2010, Jack Hughes, attorney for Northern Kentucky Water District ("NKWD") telephoned me to remind Commission Staff that the "Build America Bonds" were set to expire on December 31, 2010. He stated NKWD's position that the "Build America Bonds" were financially advantageous to the customers as a mechanism for retiring the previously issued Bond Anticipation Notes. Mr. Hughes stated that NKWD and its financial advisors and bond counsel would need a Commission order approving the financing 7-10 days prior to the end of the year in order to accomplish the bond issuance. After speaking with Mr. Hughes, I advised Commission Staff and the Commission as to my conversation with him.

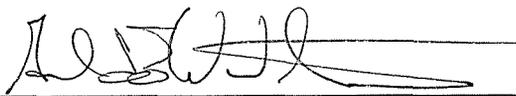
Affiant states noting further.



M. Todd Osterloh

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FRANKLIN)

Subscribed and sworn to before me by M. Todd Osterloh this 21st day of December, 2010.



Gerald E. Wuetcher
Notary Public
My Commission expires February 12, 2013.