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February 16, 2011

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602-0615

Attn: Jeff Derouen
Executive Director

Re: Case No. 2008-00443

RECEIVED

FEB 17 2011

PUBLIC SERVICE
COMMISSION

Dear Executive Director Derouen:

Pursuant to your letter dated February 11, 2011, I was contacted by James W. Hoskins to gather certain information to questions you had outlined in that letter as a follow up to Magoffin County Water District's ("Magoffin District") January 10, 2011 response to the Commission's Order of November 30, 2010. I will outline the Magoffin County Water District's written verification as provided to me by the Manager, James W. Hoskins, in the same order as the three requests were presented in your letter.

Magoffin District's Drought Mitigation Plan provides that "[a]n emergency would be declared as soon as the river flow falls to 3.0 mgd [million gallons per day]." Explain how the river flow will be determined. At what location will the measurement of the Licking River's flow be made? Who will be making the measurements? Is a discharge of 5.0 cubic feet per second the approximate equivalent of the proposed standard of 3.0 million gallons per day?

Response: River flow will be determined by USGS Gauge No. 03248300. The location of the measurement of river flow will be on the Licking River near Mason Fork. Salyersville Water Works will be making the measurements. Yes, a discharge of 5.0 cubic feet per second is the approximate equivalent of the proposed standard of 3.0 million gallons per day.

In its Response, Magoffin District provided a chronology of actions taken between December 29, 2010 and January 3, 2011 to complete the interconnection with Paintsville Utilities. List all actions taken by Magoffin District between February 10, 2009 and December 28, 2010 to complete the interconnection.

Response: February 2010 - December 28, 2010 - previously provided in the response by Magoffin County Water District relating to Public Service Commission Order entered November 30, 2010 (See attached).

February 10, 2009 - February 2010 - information previously provided in the minutes attached to the June 24, 2010 response of Magoffin County Water District to Commission Staff Second Information Request.

See also:

June 12, 2009 - please refer to minutes previously provided.

December 11, 2009 - please refer to minutes previously provided.

February 12, 2010 - please refer to minutes previously provided.

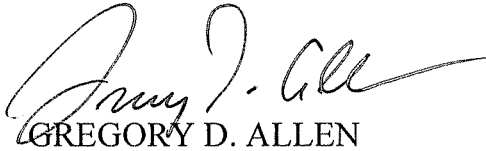
Provide the written guidelines or protocols that Magoffin District will use to make purchases from its other suppliers once an emergency is declared. If no written protocols have been developed, describe how Magoffin District will determine from which supplier(s) to purchase water and the amounts of such purchases.

Response: During a declared emergency, Magoffin County Water District will evaluate and determine from each of the contracted available water suppliers which supplier to purchase from based on the following factors or guidelines:

- A) Availability and quantity of water from supplier.**
- B) Cost and quality of water to be purchased per 1,000 gallons.**
- C) Number of customers served by the purchased water and effected by the emergency.**
- D) Recommendations and guidance by water district engineer.**
- E) Input, recommendations and guidance from the Kentucky Division of Water in Frankfort, Kentucky.**

If you have any further questions, please contact Mr. James W. Hoskins at the Magoffin County Water District, 749 Parkway Drive, Salyersville, Kentucky 41465.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Gregory D. Allen". The signature is fluid and extends to the right with a long, sweeping tail.

GREGORY D. ALLEN
MAGOFFIN COUNTY ATTORNEY

GDA:sgb

CHRONOLOGICAL LIST OF ALL ACTIONS TAKEN
BY MAGOFFIN WATER DISTRICT SINCE FEBRUARY 2010

Master Meter Paintsville Line on 460 installed on 12/22/2010.

Water from Paintsville – started filling, sanitizing and testing on:

- 12/29/2010 - Received 14,000 gallon (Paintsville called and stopped us - their tank low on water supply)
- 12/30/2010 - No water available from Paintsville Utilities
- 12/31/2010 - No Water available from Paintsville Utilities
- 01/01/2011 - Saturday - Holiday
- 01/02/2011 - Sunday - off work
- 01/03/2011 - No water available from Paintsville Utilities