GRAVES COUNTY WATER DISTRICT PO BOX 329 MAYFIELD, KY 42066

FEB 8 - 2013
PUBLIC SERVICE
COMMISSION

February 5, 2013

Mr. Jeff Deouren PO Box 615 Frankfort, KY 40602

Case: 2012-00358

Dear Mr. Deouren:

This letter will serve as an update on our progress on the Graves-Hickory merger on the case above.

Hickory bank accounts were closed today. Easements have been sent to our lawyer for quick claim deeds even though that is not part of the order.

We are working on combining insurance policies with the same agent.

I am waiting a call from Mr. Brent Kirtley as he is reviewing the tariff pages I have completed so far.

Our CPA is working on audits and PSC reports so I do not have a time table on when the journal entries will be completed.

Sincerely,

Denise Melvin,

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Secretary