



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 8, 2010

Phillip Back - Chairman
Letcher County Water and Sewer District
P.O. Box 827
Whitesburg, KY 41858

Dear Mr. Back:

The order issued by the Kentucky Public Service Commission on Case No. 2007-00480 dated January 15, 2008 stipulates the following:

- Letcher County is authorized to borrow an amount not to exceed \$781,000 at an interest rate not to exceed 1 percent per annum. Letcher County shall notify the Commission of the final terms of the loan with 30 days after issuance.
- Letcher County shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc) within 60 days of the date that construction is substantially completed. Construction costs should be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.
- Letcher County shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certified herein.

Please report to us in writing the status of these issues by March 22, 2010.

Sincerely,

Linda Faulkner
Division Director Filings