

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WHOLESALE WATER PURCHASE AGREEMENT)
BETWEEN MONROE COUNTY WATER DISTRICT) CASE NO. 2008-00016
AND FOUNTAIN RUN WATER DISTRICT)

ORDER

Monroe County Water District ("Monroe District") has filed a proposed agreement to provide wholesale water service to Fountain Run Water District ("Fountain District"). Having reviewed the agreement and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed contract.

IT IS THEREFORE ORDERED that:

1. Pursuant to KRS 278.260, this proceeding is initiated to examine the reasonableness and lawfulness of the proposed agreement between Monroe District and Fountain District.
2. Monroe District and Fountain District are made parties to this proceeding.
3. Monroe District shall file with the Commission, within 30 days of the date of this Order, the information requested in Appendix A.
4. Service of any document or pleading shall be made in accordance with Administrative Regulation 807 KAR 5:001, Section 3(7), and Kentucky Civil Rule 5.02.
5. All documents that this Order requires to be filed with the Commission shall be served upon all other parties.

Done at Frankfort, Kentucky, this 6th day of February, 2008,

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Executive Director

Case No. 2008-00016

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00016 DATED FEBRUARY 6, 2008

Monroe District, pursuant to 807 KAR 5:001, shall file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before 30 days from the date of this Order. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Monroe District shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests to which Monroe District fails or refuses to furnish all or part of the requested information, Monroe District shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in

responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. State whether Monroe District purchases its entire water requirements from the city of Tompkinsville. If Monroe District obtains any portion of its total water requirements from another source, identify the source and the amount of water obtained during calendar year 2007.

2. State whether Monroe District has entered into any agreement to revise or amend its water supply contract with Tompkinsville since June 9, 1994. If yes, provide a copy of each agreement or revision executed since June 9, 1994.

3. State the maximum quantity of water that Monroe District may purchase in a month from Tompkinsville under the terms of its current wholesale contract with Tompkinsville.

4. State the quantity of water that Monroe District has purchased from Tompkinsville for each month during the 2006 and 2007 calendar years.

5. State the estimated average monthly quantity that Monroe District expects Fountain District to purchase in a monthly period. State the basis for this estimate.