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COMMONWEALTH OF KENTUCKY

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BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE
COMMISSION

In the Matter of:

**PROPOSED ADJUSTMENT OF THE WHOLESALE)
WATER SERVICE RATES OF THE FRANKFORT) CASE NO. 2008-0250
ELECTRIC AND WATER PLANT BOARD)**

**RESPONSE ON BEHALF OF PEAKS MILL
AND ELKHORN WATER DISTRICTS**

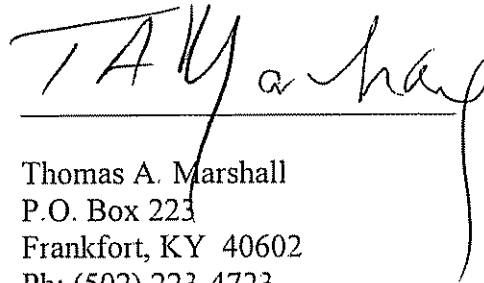
Comes the Peaks Mill Water District (“Peaks Mill”), and the Elkhorn Water District (“Elkhorn”), by counsel, and hereby tender this Response to the Motion for Hearing as filed by the Frankfort Electric and Water Plant Board and states as follows:

Peaks Mill and Elkhorn continue to request that the Commission Staff carefully review any cost of service study or other justification that is provided in support of the rates. Small public utilities, such as water districts, rely upon the resources and expertise available through Commission review and analysis. This is especially true where the rate from the wholesale supplier may not have been thoroughly reviewed by Commission Staff previous to the case currently before the Commission. Thus, Peaks Mill and Elkhorn join in the request for time for adequate review as contained in the Response filed on behalf of North Shelby Water Company and U.S. 60 Water District.

Further, Peaks Mill and Elkhorn believe that an informal conference with the parties and Commission Staff should be convened prior to any conclusion in regards to the scheduling of a formal hearing. Once such a conference is held, Staff may be in a

better position to assess the status of the case and make recommendations as to the appropriate scheduling.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing RESPONSE has been sent by first-class mail, postage prepaid, on this date, November 14, 2008, to the following:

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