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April 22, 2009

RECEIVED

APR 23 2009

**PUBLIC SERVICE
COMMISSION**

VIA UPS

Mr. Jeff R. Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

In re: Application of Cumberland County Water District; Case No. 2009-00150

Mr. Derouen:

Enclosed herewith please find documentation confirming the rate of 4.25% on the \$415,000 USDARD Loan.

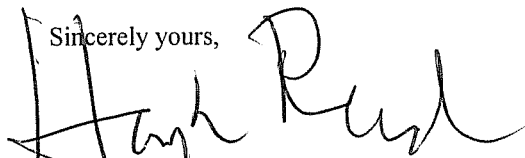
The rate may be adjusted downward at the time the Bonds are actually delivered to USDARD upon completion of construction as USDARD has a scale adjusted to market conditions.

The District's Bonds are scheduled for public sale on May 4, and USDARD will submit a bid at par and an interest rate of 4.25%.

I apologize for not including this information in your initial package as this was an oversight on my part.

If this office can supply any additional information please don't hesitate to advise me.

Sincerely yours,



HENRY M. REED III

cc: Mr. Preston (Bob) O. Robards
Division of Engineering
Water and Sewer Branch
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Mr. Todd Osterloh
Division of General Counsel
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615



BOND SCHEDULE, 2/27/2006

Name of Borrower: Cumberland County Water District			
Amount of Loan	415000	Annual Interest Rate	0.0425
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	false
Principal Payment Units	500	Interest Payment Units	1

YEAR	PERIOD	NUMBER	PAYMENT	INTEREST	PRINCIPAL	BALANCE
2007	1	1	17638	17638	0	415000
2008	1	2	17638	17638	0	415000
2009	1	3	22138	17638	4500	410500
2010	1	4	22447	17447	5000	405500
2011	1	5	22234	17234	5000	400500
2012	1	6	22022	17022	5000	395500
2013	1	7	22309	16809	5500	390000
2014	1	8	22075	16575	5500	384500
2015	1	9	22342	16342	6000	378500
2016	1	10	22087	16087	6000	372500
2017	1	11	22332	15832	6500	366000
2018	1	12	22055	15555	6500	359500
2019	1	13	22279	15279	7000	352500
2020	1	14	21982	14982	7000	345500
2021	1	15	22184	14684	7500	338000
2022	1	16	22365	14365	8000	330000
2023	1	17	22025	14025	8000	322000
2024	1	18	22185	13685	8500	313500
2025	1	19	22324	13324	9000	304500
2026	1	20	22442	12942	9500	295000
2027	1	21	22038	12538	9500	285500
2028	1	22	22134	12134	10000	275500
2029	1	23	22209	11709	10500	265000
2030	1	24	22263	11263	11000	254000
2031	1	25	22295	10795	11500	242500
2032	1	26	22307	10307	12000	230500
2033	1	27	22297	9797	12500	218000
2034	1	28	22265	9265	13000	205000
2035	1	29	22213	8713	13500	191500
2036	1	30	22139	8139	14000	177500
2037	1	31	22044	7544	14500	163000
2038	1	32	22428	6928	15500	147500
2039	1	33	22269	6269	16000	131500
2040	1	34	22089	5589	16500	115000
2041	1	35	22388	4888	17500	97500
2042	1	36	22144	4144	18000	79500
2043	1	37	22379	3379	19000	60500
2044	1	38	22072	2572	19500	41000
2045	1	39	22243	1743	20500	20500
2046	1	40	21372	872	20500	0
TOTALS			878691	463691	415000	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.