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Of Counsel: Bill Colvin

August 5, 2009

Mr. Jeff Derouen
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED
AUG 07 2009
PUBLIC SERVICE
COMMISSION

Re: *Green-Taylor Water District/City of Greensburg Proposed Water Rate Increase*

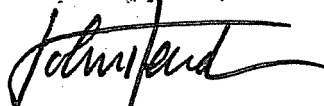
Mr. Derouen:

On August 1, 2009, Green-Taylor Water District (hereinafter "GTWD") received a proposed City of Greensburg water rate increase that apparently has not yet been filed with the commission. At this time, GTWD is reviewing the rate increase and intends to attempt a fair resolution based upon the financial information of the City and its water plant.

In the meantime, as Local Counsel for GTWD, I have been requested to give formal notice to the Public Service Commission that the GTWD Board of Commissioners desires the Commission to suspend and investigate the proposed rate increase of the City of Greensburg as it pertains to water sold to GTWD.

The Board of Commissioners await your response.

Very truly yours,



John D. Henderson
GTWD Local Counsel

JDH

Cc: Green-Taylor Water District
P.O. Box 168
Greensburg, Kentucky 42743

City of Greensburg
110 West Court Street
Greensburg, Kentucky 42743

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August 5, 2009

Hon. George C. Cheatham II
CITY OF GREENSBURG
110 West Court Street
Greensburg, Kentucky 42743

Re: *Green-Taylor Water District/City of Greensburg Proposed Water Rate Increase*

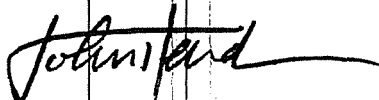
Mayor:

Green-Taylor Water District has received the City's proposed water rate increase and would appreciate the opportunity to negotiate a fair and reasonable rate based upon your plant's financial information. In order to properly address the issue, we have notified the Public Service Commission of your proposal and as indicated in my letter, desire to attempt a prompt and fair resolution of this important issue.

We have again contacted Ms. Carryn Lee to assist us in reviewing your proposed rate increase. We understand there have been increases in costs in all areas, but due diligence requires the Board to ensure the City's numbers reflect adherence to our agreement. We would prefer to reach common ground as to the proper rate without the PSC's intervention. Therefore, once we have an understanding of your plant's numbers, we would like to discuss your proposed rate increase.

If you have any questions, please feel free to give me a call.

Very truly yours,



John D. Henderson
GTWD Local Counsel

JDH

Cc: Green-Taylor Water District
P.O. Box 168
Greensburg, Kentucky 42743