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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

December 16, 2009

Mr. James Simpson  
Henry County Water District No. 2  
P. O. Box 219  
Campbellsburg, KY 40011

Re: Tariff Filing  
Henry County Water District No. 2

Dear Mr. Simpson:

The Public Service Commission acknowledges receipt of Henry County Water District No. 2's ("Henry District") amended tariff sheet dated December 14, 2009, regarding plat certifications.

This tariff sheet, which the Public Service Commission received on December 14, 2009, states a proposed effective date of January 4, 2010. Based upon the date of the Commission's receipt and the sheet's stated effective date, Henry District has provided 21 days' notice to the Commission of the proposed rate.

KRS 278.180(1) states:

Except as provided by subsection (2) of this section, no change shall be made by any utility in any rate except upon thirty (30) days' notice to the Commission, stating plainly the changes proposed to be made and the time when the changed rates will go into effect. However, the Commission may, at its discretion, based upon a showing of good cause in any case, shorten the notice period from thirty (30) days to a period of not less than twenty (20) days. The Commission may order a rate change only after giving an identical notice to the utility. The Commission may order the utility to give notice of its proposed rate increase to that utility's customers in the manner set forth in its regulations.

James Simpson  
December 15, 2009  
Page 2

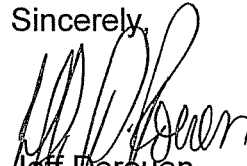
As Henry District has not requested that the Commission shorten the notice period to 20 days for the proposed rate and has not submitted any supporting arguments for such Commission action, Henry District's filing does not comply with KRS 278.180(1) and cannot be accepted without further Commission action.

Please note that generally the Commission does not act on its own motion to reduce the notice period for a proposed rate. Should Henry District request a shortened notice period and the Commission act favorably on that request, the Commission still retains the right to suspend the operation of the rate for five months from the proposed effective date of January 4, 2010.

Henry District is currently seeking Commission approval of issues related to this filing in Case No. 2009-00440. Accordingly, a copy of this letter and a copy of the tariff filing will be placed into the record of Case No. 2009-00440.

Any questions regarding this letter should be directed to Gerald Wuetcher, Commission counsel, at (502) 564-3940, Extension 259.

Sincerely,



Jeff Derouen  
Executive Director

Office:  
8955 Main Street • P.O. Box 219  
Campbellsburg, KY 40011  
Telephones:  
(502) 532-6279 • (502) 532-6280  
1-800-256-2350  
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(502) 532-0027



Water Treatment Plant:  
3278 Morton Ridge Road  
Bedford, Ky 40006  
Telephone:  
(502) 255-0126  
Fax:  
(502) 255-0347

December 14, 2009

Mr. Jeff Derouen, Executive Director  
Public Service Commission  
PO Box 615  
Frankfort, KY 40602

**RECEIVED**

**DEC 14 2009**

**PUBLIC SERVICE  
COMMISSION**

Dear Mr. Derouen,

On behalf of the Henry County Water District # 2, the enclosed tariff is being submitted. Because plat certification in Henry County requires the permanent reservation of hydraulic capacity, it is unreasonable that these certifications be made in the absence of some payment by which the subdivider offsets the impact of certification.

If you have any questions, please contact me at 502-532-6279.

Sincerely,

A handwritten signature in black ink, appearing to read "James T. Simpson", with a long horizontal flourish extending to the right.

James T. Simpson  
Chief Operating Officer  
Henry County Water District # 2

JTS/lc

FOR Henry County Water District # 2  
Community, Town or City

P.S.C. KY. NO. 1 \_\_\_\_\_

Original \_\_\_\_\_ SHEET NO. 1 \_\_\_\_\_

Henry County Water District # 2  
(Name of Utility)

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

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**RULES & REGULATIONS**

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**PLAT TARIFF**

The Henry County Planning Commission has stipulated that the District's certification of water availability on a subdivision plat represents the unconditional and permanent commitment of hydraulic capacity to that subdivision, and that such capacity shall be held in reserve indefinitely and exclusively in order to serve that subdivision.

The developer who presents a subdivision plat to the District for certification is requesting the option of future service to potential customers in his development, if and when homes are built and sold. But holding hydraulic capacity in reserve indefinitely via plat certification also requires the District to refuse service to subsequent actual customers in the vicinity of the proposed subdivision whenever existing demands plus the plat-certified reservation of demand would result in pressure below state minimums.

Therefore, effective January 4, 2010 it is the policy of the District not to make unconditional certifications of Henry County subdivision plats unless there is in effect an impact fee or system development charge by which the developer partially offsets the impact of holding hydraulic capacity in reserve for his subdivision.

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DATE OF ISSUE December 14, 2009

Month / Date / Year

DATE EFFECTIVE January 4, 2010

Month / Date / Year

ISSUED BY 

(Signature of Officer)

TITLE Chief Operating Officer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_