



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 26, 2010

Honorable W. Randall Jones
Attorney at Law
Rubin & Hays
Kentucky Home Trust Building
450 South Third Street
Louisville, KY 40202

RE: Case No. 2010-00126
Laurel County Water District #2

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Linda Faulkner".

Linda Faulkner
Filings Division Director

LF/ke
Enclosure

RECEIVED

MAR 23 2010

PUBLIC SERVICE
COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

FILED
MAR 23 2009
PUBLIC SERVICE
COMMISSION

**THE APPLICATION OF LAUREL COUNTY)
WATER DISTRICT #2 OF LAUREL COUNTY,)
KENTUCKY, FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO CONSTRUCT,)
FINANCE AND INCREASE RATES PURSUANT)
TO KRS 278.023.)**

Case No. 2010 - 00126

APPLICATION

This Application of the Laurel County Water District #2 ("Applicant") of Laurel County, Kentucky, respectfully shows:

1. That Applicant is a water district of Laurel County, Kentucky, created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes.

2. That the post office address of Applicant is:

Laurel County Water District #2
c/o Mr. Roy Wayne Jenkins, Chairman
3910 South Laurel Road
London, Kentucky 40744

3. That Applicant, pursuant to the provisions of KRS 278.020 and 278.023, seeks (i) a Certificate of Public Convenience and Necessity, permitting Applicant to construct a waterworks construction project, consisting of extensions, additions, and improvements (the "Project") to the existing waterworks system of Applicant; (ii) an Order approving revised rates; and (iii) approval of the proposed plan of financing said Project.

4. That the proposed project includes (i) the expansion of the existing water treatment plant from 1.44 MGD to 2.88 MGD; (ii) the construction and installation of approximately 8 miles of raw water main; and (iii) the construction of a new water intake on the Laurel River Lake.

5. That Applicant proposes to finance the construction of the Project through (i) the issuance of \$8,385,000 of its Waterworks Revenue Bonds, consisting of \$6,065,000 of Series A Bonds and \$2,320,000 of Series B Bonds; (ii) two USDA, Rural Development ("RD") grants in the aggregate amount of \$1,500,000; and (iii) a Kentucky House Bill grant in the amount of \$1,000,000.