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Vice Chairman

Charles R. Borders  
Commissioner

May 3, 2010

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

RE: Case No. 2010-00163  
Garrison-Quincy-Ky-O-Heights Water District

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

APR 23 2010

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

FILED  
APR 23 2010  
PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GARRISON-QUINCY  
KY-O-HEIGHTS WATER DISTRICT OF LEWIS  
COUNTY, KENTUCKY, FOR A CERTIFICATE  
OF PUBLIC CONVENIENCE AND NECESSITY  
TO CONSTRUCT, FINANCE AND INCREASE  
RATES PURSUANT TO KRS 278.023.

CASE No. 2010-00163

APPLICATION

This Application of the Garrison-Quincy-KY-O-Heights Water District ("Applicant") of Lewis County, Kentucky, respectfully shows:

1. That Applicant is a water district of Lewis 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:  
  
Garrison-Quincy-KY-O-Heights Water District  
c/o Mr. John Pierce, Manager  
P.O. Box 279  
Garrison, Kentucky 41147
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 sewer project (the "Project"); (ii) an Order approving increased rates; and (iii) approval of the proposed plan of financing said Project.
4. That the Project consists of the construction and installation of (i) approximately 49,350 linear feet of small diameter force mains, (ii) 415 individual grinder pump stations and (iii) a 114,000 GPD package wastewater treatment plant.
5. That Applicant proposes to finance the construction of the Project through (i) the issuance of \$798,000 of its Water and Sewer Revenue Bonds, Series 2010; (ii) a USDA, Rural Development ("RD") grant in the amount of \$429,500; (iii) a Community Development Block Grant ("CDBG") in the amount of \$1,600,000; (iv) a Kentucky Infrastructure Authority ("KIA") grant in the amount of \$2,450,000; and (v) Applicant connection fees in the amount of \$22,500. Applicant