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February 26, 2013

Mr. Jeff Derouen  
Executive Director  
Public Service Commission of Kentucky  
Post Office Box 615  
Frankfort, Kentucky 40602-0615

Re: Case No. 2012-00433  
West Carroll County Water District

Dear Mr. Derouen:

Please be advise the report filed with the Commission in the above-referenced case contains a typographical error that requires correction.

The first paragraph of page 11 of the report reads:

Staff also recommends that that West Carroll be required to use a 10-year service life for this asset group for accounting purposes in all future reporting periods. These lives better represent the life expectancy of West Carroll's assets than the current lives and will better match expenses to the revenues generated by the water service rates approved by the Commission in this proceeding. This action will minimize the erosion of equity. Staff further recommends that adjustment to accumulated depreciation or retained earnings should be made to account for the retroactive effect of this change in accounting estimate.

It should read:

Staff also recommends that that West Carroll be required to use a 10-year service life for this asset group for accounting purposes in all future reporting periods. These lives better represent the life expectancy of West Carroll's assets than the current lives and will better match expenses to the revenues generated by the water service rates approved by the Commission in this proceeding. This action

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will minimize the erosion of equity. Staff further recommends that no adjustment to accumulated depreciation or retained earnings should be made to account for the retroactive effect of this change in accounting estimate.

If a hearing is held in the above-referenced matter, the Commission Staff members who prepared the report will make the correction as part of their direct testimony.

I apologize for the error.

Respectfully,

A handwritten signature in black ink, appearing to read "Gerald B. Wuetcher". The signature is fluid and cursive, with a prominent initial "G" and a long, sweeping underline.

Gerald Wuetcher  
Commission Staff Counsel

gw