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June 29, 2017

RECEIVED

Dr. Talina R. Mathews Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602-0615 JUN 3 0 2017

Public Service Commission

RE:

Case No. 2017-00044

Joint Application of Southern Water and Sewer District, Prestonsburg City's Utilities Commission, and the City of Prestonsburg, Kentucky

Dear Dr. Mathews:

On May 2, 2017, the Public Service Commission ("Commission") approved the joint application for approval of the transfer of ownership and control of Southern Water and Sewer District's ("Southern District") wastewater treatment and collection facilities and portions of its water distribution system to Prestonsburg City's Utilities Commission ("PCUC") and the City of Prestonsburg, Kentucky ("Prestonsburg") in the above-referenced case.

In ordering paragraph 4 of the Commission's May 2, 2017 Order, the Commission required: "No later than June 30, 2017, Southern District shall submit its Gross Report and Annual Report for its sewer system for the period January 1, 2017, through the date of the transfer." The closing date for the transfer of Southern District's assets has been delayed because the joint applicants are still awaiting approval from Southern District's creditors. Consequently, Southern District is unable to file its Gross Report and Annual Report through the date of the transfer by June 30, 2017. Southern District will file its Gross Report and Annual Report required by ordering paragraph 4 within ninety (90) days of the closing date. The joint applicants anticipate the closing will occur in July or August of this year.

Yours truly,

Damon R. Talley

DRT:MEW