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David L. Armstrong
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Commissioner

February 9, 2011

Mr. Larry D. Herald
Paintsville Utilities
Post Office Box 630
Paintsville, Kentucky 41240

Dear Mr. Herald:

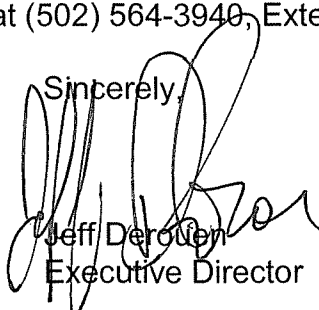
The purpose of this letter is to inquire about the present and future capacity of Paintsville Utilities to provide water to Magoffin County Water District.

At a hearing before the Public Service Commission on February 10, 2009, you testified that Paintsville Utilities had available capacity to provide Magoffin County Water District approximately 300,000 gallons of water daily. Magoffin County Water District recently reported to the Commission that, when Magoffin County Water District attempted to test its 8-inch connection to Paintsville Utilities from December 29, 2010 through January 3, 2011, Paintsville Utilities was only able to provide 14,000 gallons of water for the entire period. Paintsville Utilities' inability to provide additional water prevented completion of the tests.

In light of this report, the Public Service Commission respectfully requests that Paintsville Utilities advise in writing within 15 days of the date of this letter of the daily volume of water that Paintsville Utilities can presently provide Magoffin County Water District and why Paintsville Utilities was able to provide only 14,000 gallons of water in late December 2010. The Public Service Commission further requests that Paintsville Utilities also advise in writing of the maximum daily volume of water that Paintsville Utilities will be able to provide Magoffin County Water District upon the completion of its new water treatment plant and of that plant's expected completion.

Thank you for your attention to this request. Please direct any questions regarding this letter to Gerald Wuetcher at (502) 564-3940, Extension 259.

Sincerely,



Jeff Derouen
Executive Director

cc: Magoffin County Water District