

CRAWFORD & BAXTER, P.S.C.

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September 29, 2010

RECEIVED

OCT 04 2010

PUBLIC SERVICE
COMMISSION

Ms. Linda Faulkner
Division Director Filings
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40601

RE: Trimble County Water District No. 1

Dear Ms. Faulkner:

Your letter of August 25, 2010, to the Trimble County Water District No. 1 styled 'Second Notice' was referred to me as the attorney for the District. The District acknowledges the requirements of the Commission's December 3, 2008, Order but states that this project has not yet been completed.

First, the District's engineers, Sisler-Maggard Engineering, PLLC, 220 East Reynolds Road, Lexington, Kentucky 40517, have not prepared the 'as built' drawings, nor is the project completed. This project has been plagued by the general contractor walking off the job and subsequently filing bankruptcy. The District had to initiate proceedings against the contractor's bonding authority to procure funds to attempt to finish the project. As I write this letter, the project is still ongoing with hopes that 'substantial completion' can be achieved by the end of October, 2010.

Second, we believe that the District's Engineers also filed notice prior to the actual start of the construction of the project, and that information was also contained in the rate increase petition filed with the Commission. By copy of this letter, I am requesting Joe Sisler to review his files to confirm that notification was given to the PSC as required by the Order, and to forward his documentation to your attention. If further information is needed, then please advise and we will deal directly with the engineering firm on this matter.

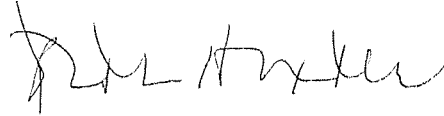
I trust this letter complies with your request. We will be updating the Commission with the required plans as soon as they are available upon the completion of this project.

CRAWFORD & BAXTER, P.S.C.

Ms. Linda Faulkner
September 29, 2010
Page Two

Sincerely,

CRAWFORD & BAXTER, P.S.C.

A handwritten signature in black ink, appearing to read "Ruth H. Baxter". The signature is written in a cursive style with a large initial "R".

Ruth H. Baxter

RHB/rb/dmp

cc: Mr. Joe Sisler
Ms. Darra Smith, Manager, TCWD
Mr. Wayne Smith, Chairperson, TCWD