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September 2, 2010

RECEIVED

SEP 02 2010

PUBLIC SERVICE
COMMISSION

VIA HAND DELIVERY

Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: Application of the City of West Liberty, Kentucky for Approval to Acquire the Utility Assets of Elam Utility Company, Inc., and for Approval of a Management Agreement
Case No. 2010-00302

Dear Mr. DeRouen:

I am writing to inform you and the Commission that the transfer of Elam Utility Company's assets to the City of West Liberty occurred on August 25, 2010. Per the Commission's August 13, 2010 Order in this proceeding, the City will file with the Commission on or before September 14, 2010, a report on the transfer status, including whether all of the conditions of the Memorandum of Understanding have been met. Preliminarily, though, I am pleased to report that the City has caused 120,118 Dth of gas to be transferred to the Columbia entities, repaying the Elam imbalance that created the crisis.

Should you have any questions, please contact me at your convenience.

Sincerely,

W. Duncan Crosby III

WDC:ec

cc: Parties of Record

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