

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

APR 20 2015

PUBLIC SERVICE
COMMISSION

In the matter of:

THE APPLICATION OF NICHOLAS COUNTY)
WATER DISTRICT TO ISSUE SECURITIES IN)
THE APPROXIMATE PRINCIPAL AMOUNT OF)
\$1,900,000 FOR THE PURPOSE OF REFUNDING) CASE NO. 2015 -00094
CERTAIN OUTSTANDING REVENUE BONDS OF)
THE DISTRICT AND PROVIDING FUNDS TO)
COMPLETE THE FINANCING OF A WATER)
IMPROVEMENTS PROJECT PURSUANT TO THE)
PROVISIONS OF KRS 278.300 AND 807 KAR 5:001)

Response to Staffs Deficiencies Letter

The Nicholas County Water District (the "District"), by counsel, hereby files it's Response to Staff's filing deficiencies letter dated April 14, 2015, as follows:

1. Deficiency No. 1: 807 KAR 5:001, Section 18 (1) (e) - If proceeds are for property acquisition, give a full description thereof. Provide all contracts for property acquisition.

Response: No property is being acquired in connection with the completion of the Project described in **Case No. 2014-00325**. All of the information provided in **Case No. 2014-00325** is hereby incorporated by reference and as of the date hereof, all of such information provided in **Case No. 2014-00325** is fully reliable and no material changes have occurred in the Project since the date of the Order issued on October 9, 2014.

2. Deficiency No. 2: 807 KAR 5:001, Section 18 (2) (c) - If property to be acquired: provide maps and plans of property and detailed estimates by USOA account number.

Response: No property is being acquired.

As stated on page 3 of the original Application, the Tobacco Settlement grant ("TS Grant") in the amount of \$185,000 has not been received by the District as of this date. The reason that such TS Grant was not received was that the roads specified in the grant application for water line installation had already been completed. It is necessary for the grant application to be amended to include the correct roads and such amendment cannot take place until the budget year 2016. If the TS Grant amendment is approved and the District receives the TS Grant proceeds in the future, the District plans to retire the \$185,000 KRWFC debt with such proceeds.

The undersigned, Counsel to the District, hereby certifies that the above Responses to Staff's Deficiencies Letter were prepared by the undersigned on behalf of the District, and that each Response is true and accurate to the best of my knowledge, information and belief formed after a reasonable inquiry. Dated this April 17, 2015.

Rubin & Hays

By 
W. Randall Jones
Kentucky Home Trust Building
450 South Third Street
Louisville, Kentucky 40202
Telephone: (502) 569-7525
Fax: (502) 569-7555
Email: wrjones@rubinhays.com