



COMMONWEALTH OF KENTUCKY

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STEPHEN REEDER
Executive Director

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August 24, 2007

Hon. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40601

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PUBLIC SERVICE
COMMISSION

Re: Case No. 2007-00134

Dear Ms. O'Donnell:

The Kentucky River Authority opposes the Louisville Water Company's Motion to Amend the Procedural Schedule in the above-styled case for the following reasons.

The Central Kentucky water supply problem was recognized by the Public Service Commission as early as 1993 per Case No. 93-434. By Order of August 21, 1997, the Commission directed Kentucky American Water Company to "take the necessary and appropriate measures to obtain the sources of supply so that the quantity and quality of water delivered to its distribution system shall be sufficient to adequately, dependably, and safely supply the total reasonable requirements of its customers under maximum consumption through the year 2020."

Since that time Kentucky American has thoroughly explored various alternatives. In cooperation with various cities comprising the Bluegrass Water Supply Consortium (later Commission), Kentucky American and the Commission explored both a Kentucky River solution as well as purchasing water from the Louisville Water Company. A new treatment plant in Kentucky River Pool 3 was decided upon by the Commission and Kentucky American in 2003. For at least two years, the Louisville Water Company had a representative present at Bluegrass Water Supply Commission meetings where these issues were discussed.

The Case before the Public Service Commission regarding the application of Kentucky American Water Company for a certificate of convenience and necessity to authorize the construction of the Pool 3 treatment plant and transmission line is not new

to the Louisville Water Company. Given the history leading to this application and the fact that the Louisville Water Company has had knowledge of the facts for several years, the Kentucky River Authority does not believe an Amendment to the Procedural Schedule is warranted which could result in further delays toward compliance with the Commission's Order in Case No. 93-434.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Reeder". The signature is fluid and cursive, with a large initial "S" and "R".

Stephen Reeder
Executive Director

cc: All parties of record
Hon. A.W. Turner Jr.
Hon. Lindsey Ingram Jr.
Hon. Lindsey Ingram III
Hon. David E. Spenard
Hon. David J. Barberie
Hon. David Boehm
Beth O'Donnell, Executive Director
Hon. Damon R. Talley
HON. EDWARD T. DEPP