

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE FEASIBILITY AND	)	
ADVISABILITY OF KENTUCKY-AMERICAN	)	CASE NO. 2001-00117
WATER COMPANY'S PROPOSED SOLUTION TO	)	
ITS WATER SUPPLY DEFICIT	)	

ORDER

On May 15, 2001, the Commission established this proceeding to investigate the feasibility and advisability of Kentucky-American Water Company's ("Kentucky-American") proposed solution to its water supply deficit. At that time, Kentucky-American indicated its intent to rely upon the Kentucky River as its principal source of supply, but raised several questions as to the feasibility and adequacy of this choice. It contended that a Kentucky River solution was contingent upon a series of decisions of several different governmental and private entities and their subsequent implementation. It further asserted that it could not "unilaterally implement a project to increase the supply of the Kentucky River."<sup>1</sup>

In the intervening years, Kentucky-American in conjunction with several other entities have studied various proposals to resolve its water supply deficit. On March 14, 2006,<sup>2</sup> Kentucky-American announced its intention to construct a water treatment facility in the area of Pool 3 of the Kentucky River and a transmission main to

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<sup>1</sup> Report to Public Service Commission: Efforts to Ensure Adequate Sources of Supply to Meet Customer Demand Through 2020 (Mar. 19, 2001) at 30.

<sup>2</sup> Memorandum from Gerald Wuetcher, Assistant General Counsel, Public Service Commission, to Case File No. 2001-00117 (April 27, 2006) at 3.

transport water from this treatment facility into its main distribution system. On March 30, 2007, Kentucky-American applied for a Certificate of Public Convenience and Necessity for such a treatment facility and transmission main.<sup>3</sup>

The Commission has established a new docket to review Kentucky-American's application for a Certificate of Public Convenience and Necessity. Many of the issues that the Commission first sought to explore in this proceeding, such as the extent of Kentucky-American's current supply deficit and the feasibility and adequacy of the potential solutions to such deficit will be examined in the new docket. Moreover, unlike the current investigation, the new docket will have a specific and concrete proposal to consider. The Commission finds that this new proceeding renders the continuation of the current investigation unnecessary and that this investigation should be closed.

IT IS THEREFORE ORDERED that this case is closed and shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 19<sup>th</sup> day of April, 2007.

By the Commission

ATTEST:



Executive Director

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<sup>3</sup> Case No. 2007-00134, The Application of Kentucky-American Water Company for a Certificate of Public Convenience and Necessity Authorizing the Construction of Kentucky River Station II, Associated Facilities and Transmission Main (Ky. PSC tendered Mar. 30, 2007).