COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF THE RATES OF KENTUCKY-) CASE NO. AMERICAN WATER COMPANY) 2007-00143

ORDER

Kentucky-American Water Company ("Kentucky-American") has applied for approval to adjust its rates for water service. Finding that further proceedings were necessary to investigate the reasonableness of the proposed rates, the Commission by this Order suspends the operation of the proposed rates for a period of six months and establishes a schedule for review of the proposed rates.

IT IS THEREFORE ORDERED that:

- 1. The proposed rates set forth in Kentucky-American's application are suspended up to and including November 29, 2007.
- 2. The procedural schedule set forth in the Appendix to this Order shall be followed.
- 3. All documents filed with the Commission shall comply with the provisions of the Commission's Order of May 2, 2007.
- 4. a. Responses to requests for information shall be appropriately indexed and shall include the name of the witness responsible for responding to the questions related to the information provided.
- b. Each response shall be under oath or, for representatives of a public or private corporation, a partnership, an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the

preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

- c. A party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.
- d. For any request to which a party fails to furnish all or part of the requested information, the party shall provide a written explanation of the specific grounds for its failure to furnish.
- e. The party responding to a request for information shall serve an electronic copy and a paper copy on the Commission and a paper copy on all parties of record.
- 5. When Kentucky-American is required in this proceeding to provide notice of an event or filing pursuant to statute or administrative regulation, it shall when requesting publication forward a duplicate of the notice and request to the Commission.
- 6. At any hearing in this matter, neither opening statements, summarization of direct testimony, or surrebuttal testimony shall be permitted.
- 7. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.
- 8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 11th day of May, 2007.

By the Commission

ATTEST:

Robert a Smath for the Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00143 DATED May 11, 2007

All requests for information to Kentucky-American shall be served upon Kentucky-American no later than	06/04/2007
Kentucky-American shall file with the Commission and serve upon all parties of record its responses to the requests for information no later than	06/18/2007
All supplemental requests for information to Kentucky-American shall be served upon Kentucky-American no later than	07/02/2007
Kentucky-American shall file with the Commission and serve upon all parties of record its responses to supplemental requests for information no later than	07/16/2007
Intervenor testimony, if any, shall be filed with the Commission in verified prepared form no later than	07/30/2007
All requests for information to any Intervenor shall be served upon that Intervenor no later than	08/13/2007
Intervenors shall file with the Commission and serve upon all parties of record their responses to the requests for information no later than	08/27/2007
Kentucky-American may file with the Commission the testimony of its rebuttal witnesses in written verified form no later than	09/10/2007
An informal conference will be held at the Commission's offices in Frankfort, Kentucky for the purpose of considering the possibility of settlement, the simplification of issues, and any other matters that may aid in the handling or disposition of this case, beginning at 10:00 a.m., Eastern Daylight Savings Time, on	00/14/2007
Public Hearing for the purpose of cross-examination	09/14/2007
of witnesses of Kentucky-American and Intervenors	09/18/2007
Briefs, if any, shall be filed	10/26/2007