

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF:

**COMPLIANCE OF KENTUCKY-AMERICAN)
WATER COMPANY, AMERICAN WATER WORKS)
COMPANY, RWE AKTIENGESELLSCHAFT AND)
THAMES WATER AQUA HOLDINGS GMBH WITH)
THE PROVISIONS OF THE ORDERS)
APPROVING THE TRANSFER OF CONTROL OF)
KENTUCKY-AMERICAN WATER COMPANY TO)
RWE AKTIENGESELLSCHAFT AND THAMES)
WATER AQUA HOLDINGS GMBH)**

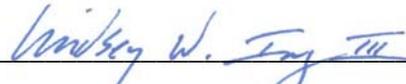
**CASE NO.
2002-00277**

NOTICE OF CONDITION 48 RESPONSE

Come Thames Water Aqua Holdings GmbH, RWE Aktiengesellschaft, American Water Works Company, Inc., Thames Water Aqua U.S. Holdings, Inc. and Kentucky-American Water Company, and pursuant to Condition 48 of the Commission's Order dated December 20, 2002, in Case No. 2002-00317, and file the attached report of 2008 Acquisition Activity for the American Water System. As shown, the combined additional customer count is 6,663. None of the acquisitions, individually or in total, materially impact any costs to Kentucky American Water. However, whatever impact the addition of customers may have on Kentucky American Water will be reflected through the provisions of the approved contract between Kentucky American Water and American Water Works Service Company, which provides for allocation of common costs among all water companies receiving services from the Service Company based on the number of customers served by each company.

Respectfully submitted,

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BY: 

Counsel for Kentucky-American Water Company,
Thames Water Aqua Holdings GmbH, Thames
Water Aqua US Holdings, Inc., RWE AG and
American Water Works Company, Inc.

CERTIFICATION

This is to certify that the electronic version of this pleading is a true and accurate copy of the pleading filed in paper medium; that the Petitioners have notified the Commission and the parties in Case No. 2002-00317 by electronic mail on March 31, 2009 that the electronic version of this pleading has been transmitted to the Commission, and that a paper copy has been served by mail upon:

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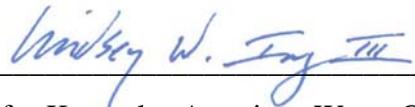
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and that the original and three paper copies have been filed with the Public Service Commission on the 1st day of April, 2009.

BY: 

Counsel for Kentucky-American Water Company,
Thames Water Aqua Holdings GmbH, Thames
Water Aqua US Holdings, Inc., RWE AG and
American Water Works Company, Inc.

American Water Works
History of Completed Acquisitions

Company	Acquisition	Stock (S)/ Assets (A)	Date Closed	Customers	Population
MO-AM	Paradise Valley	A	5/20/08	175	440
PA-AM	Mountain Top	A	6/2/08	75	180
PA-AM	Claysville-Donnegal JMA (Water)	A	7/31/08	550	1,265
PA-AM	Claysville-Donnegal JMA (WW)	A	7/31/08	500	1,150
NJ-AM	Pottersville (Valley Road WW)	A	8/28/08	103	309
PA-AM	Three Lane Utilities	A	9/10/08	177	400
WV-AM	Fayetteville (Water)	A	9/30/08	1,861	4,500
WV-AM	Fayetteville (Wastewater)	A	9/30/08	1,082	2,900
PA-AM	Clarion Area Authority	A	10/30/08	2,100	6,600
MO-AM	North Jefferson City	A	12/29/08	40	80
Total for 2008 CLOSED			10	6,663	17,824