COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

CASE NO. 2007-00134

<u>ORDER</u>

Lexington-Fayette Urban County Government ("LFUCG") has filed an emergency motion to amend the existing procedural schedule in this matter to permit the parties an additional 30 days from its resolution of January 10, 2008 in which to develop additional evidence regarding alternative means of expanding Kentucky-American Water Company's ("Kentucky-American") water supply. Citizens for Alternative Water Solutions ("CAWS") has moved to have the time available to develop additional evidence extended to a period of no less than 60 days.

Having considered the motion and the responses thereto and finding that the parties should be permitted a <u>limited</u> period of time in which to develop any new evidence, the Commission HEREBY ORDERS that:

1. LFUCG's emergency motion to amend the existing procedural schedule to permit the parties 30 days from its resolution of January 10, 2008 to develop additional evidence regarding alternative means of expanding Kentucky-American's water supply is granted.

2. CAWS's motion to amend the existing procedural schedule to permit the parties at least 60 days of additional time to develop additional evidence regarding alternative means of expanding Kentucky-American's water supply is denied.

3. All parties shall have until February 11, 2008 to file with the Commission any new evidence regarding alternative means of expanding Kentucky-American's water supply that may aid the Commission in its evaluation of Kentucky-American's application. Such evidence shall be in the form of verified written testimony. Evidence that is not in this form shall not be accepted.

4. Should a party submit additional evidence, all remaining parties shall have until February 25, 2008 to request a hearing. Any such hearing shall be for the limited purpose of considering this evidence and affording those parties the opportunity to cross-examine those persons who have presented written testimony and to present verbal rebuttal evidence.

5. If the Commission receives a written request for hearing from a party in this matter on or before February 25, 2008, such hearing shall begin at 9:00 a.m., Eastern Standard Time, on March 5, 2008, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

6. Should the Commission hold a hearing, the parties shall comply with the following:.

a. Each party may make opening and closing statements. Such statements, if made shall be no longer than 10 minutes each.

b. Direct examination of witnesses who have submitted written testimony on or before February 11, 2008, shall be generally limited to the authentication and adoption of that written testimony.

c. Parties who intend to present rebuttal testimony at the scheduled hearing shall, no later than February 29, 2008, file with the Commission and serve all

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other parties a list of the witnesses whom they intend to call and briefly describe the nature of their testimony.

7. If the Commission does not receive any written requests for hearing by February 25, 2008, the parties shall submit written briefs in this matter no later than March 11, 2008. In the event a hearing is held in this matter, each party to this proceeding shall file a written brief with the Commission no later than March 20, 2008 on the issues presented in this matter. At a minimum, this brief shall address the issues set forth in Appendix E to the Commission's Order of December 21, 2007.

8. The record of this proceeding shall stand submitted when the time for submission of written briefs has run.

9. Any provision of a previous Order of this Commission that conflicts with the provisions of this Order is hereby vacated.

Done at Frankfort, Kentucky, this 16th day of January, 2008.

By the Commission

Commissioner Clark abstains.

ATTEST:

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