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October 1, 2012

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415 W. Main Street, Ste 2
Frankfort, Kentucky 40601

Re: Case No. 2012-00155
Kentucky-American Water Co.

Ladies and Gentlemen:

The enclosed documents have been filed in the record of the above-referenced case. Any objections to this action should be submitted to the Commission within five days of receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

gw
Enclosures

From: [Ingram III, Lindsey](#)
To: [Wuetcher, Jerry \(PSC\)](#)
Cc: [Spenard, David \(KYOAG\)](#); dbarberi@lfucg.com; batesandskidmore@gmail.com
Subject: RE: Case No. 2012-00155: Kentucky-American Water Co.
Date: Friday, September 28, 2012 3:52:21 PM
Attachments: [9-26-12 Low Income Assistance Question Case 2012-00155.xlsx](#)

Jerry:

In response to your September 26, 2012 letter in the above-referenced matter, KAW states the following.

KAW is unaware of the number of individuals who would qualify for the exemption so a comprehensive prediction is difficult. However, KAW can provide some information based on the information it does have relating to donations it makes. The agencies that have been involved in pledge assistance historically and that might be impacted by the waivers were identified in response to Commission Staff's supplemental information request, Item No. 5, dated July 26, 2012. These included: Community Action Council, Adult Tenant Services, Black Church Coalition, and Christian and Community Services. Community Action Council handles the "Help to Others" water payment assistance funds, which have recently totaled \$60,000 per year, as donated by Kentucky American. Kentucky American also has donated \$1,000 per year to the Black Church Coalition to support their program. Kentucky American does not track how much assistance has been received from other agencies, although Kentucky American has historically received a relatively minor amount. The known historical \$61,000 would potentially result in \$3,050 in waived late fees, or less than 1% of the estimated late fees of \$669,467.30. Please see the attached workpaper.

I trust this satisfies your request. If it does not or if you have any questions, please do not hesitate to let me know.

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L.ingram@skofirm.com

From: Wuetcher, Jerry (PSC) [mailto:JWuetcher@ky.gov]
Sent: Wednesday, September 26, 2012 4:45 PM
To: Ingram III, Lindsey
Cc: Spenard, David (KYOAG); dbarberi@lfucg.com; batesandskidmore@gmail.com
Subject: Case No. 2012-00155: Kentucky-American Water Co.

Mr. Ingram:

Attached is a request for some additional information related to the proposed late payment fee. A copy of the request will be filed in the Case Record and well as sent to all parties of record. Commission Staff respectfully requests a response by 10/1/2012. A response by electronic mail is sufficient. I will take all steps to ensure that it is filed in the case record.

Thanks for your assistance in this matter.

Respectfully,

Gerald E. Wuetcher
Executive Advisor/Attorney
Public Service Commission of Kentucky
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Cell: (502) 229-6500

Kentucky American Water
 Response to 9/26/2012 Question from PSC Regarding Case 2012-00155
 Impact of Low Income Assistance Pledge Waiver on Late Fees

Line #	Item	Total Revenue		
1	Proposed Late Fee Estimated Revenue (per Exhibit 5)			\$ 669,467.30
2				
3	Agency	Amount	Late Fee %	Potential Impact
4	Community Action Council "Help to Others" Funds	\$ 60,000.00	5%	\$ 3,000.00
5	Black Church Coalition	\$1,000.00	5%	\$ 50.00
6	Late Fee Revenue Lost to Low Income Assistance			\$ 3,050.00
7				
8	Net Late Fee Revenue (Line 1 - Line 6)			\$ 666,417.30
9				
10	RatioLost to Low Income Assistance (Line 6 / Line 1)			0.0046
11				