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OCT 23 2007

PUBLIC SERVICE  
COMMISSION

**ATTORNEY AT LAW**

October 15, 2007

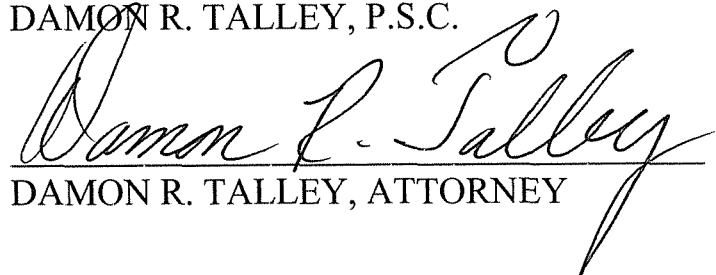
Ms. Beth O'Donnell  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

RE: Case No. 2007-00134  
Kentucky-American Water Company

Dear Ms. O'Donnell:

Enclosed for filing are the original and ten (10) copies of the Bluegrass Water Supply Commission's Response to the Motion of Louisville Water Company to Schedule Informal Conference(s).

Yours truly,  
DAMON R. TALLEY, P.S.C.

  
DAMON R. TALLEY, ATTORNEY

DRT/ms

Enclosures

cc: All Parties of Record

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OCT 23 2007

PUBLIC SERVICE  
COMMISSION

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY-AMERICAN )  
WATER COMPANY FOR A CERTIFICATE OF )  
CONVENIENCE AND NECESSITY )  
AUTHORIZING THE CONSTRUCTION OF ) CASE No. 2007-00134  
KENTUCKY RIVER STATION II, ASSOCIATED )  
FACILITIES AND TRANSMISSION MAIN )  
)

**BLUEGRASS WATER SUPPLY COMMISSION'S  
RESPONSE TO LOUISVILLE WATER COMPANY'S MOTION  
TO SCHEDULE INFORMAL CONFERENCE(S)**

The BLUEGRASS WATER SUPPLY COMMISSION (the "BWSC"), by Counsel, responds to the Louisville Water Company's (the "LWC") Motion to Schedule Informal Conference(s) as follows:

1. **Additional Informal Conference Prior to Hearing.** BWSC has no objection to that portion of LWC's Motion requesting an additional Informal Conference prior to the Hearing. In light of the outstanding discovery requests that are scheduled to be answered by LWC on October 29, 2007, an additional Informal Conference prior to the Hearing might enable the parties and the Commission to better identify and simplify the issues in this case. Thus, an additional Informal Conference could streamline the Hearing. If the Commission decides to schedule

an additional Informal Conference, it should be held prior to the Informal Conference presently scheduled for November 20, 2007. BWSC strenuously opposes any amendment to the existing Procedural Schedule that would cause a postponement of the Hearing scheduled for November 26, 2007.

2. **Post Hearing Informal Conference.** 807 KAR 5:001, Section 4(4) does not authorize an Informal Conference between the parties and the Commission Staff following the completion of the Hearing. Thus, that portion of LWC's Motion requesting an Informal Conference after the Hearing should be denied.

3. **Administrative Mediation.** BWSC opposes the portion of LWC's Motion requesting administrative mediation. Time is of the essence in this matter. BWSC views LWC's suggestion for administrative mediation as another effort to postpone the Hearing in this case.

4. **Participation by Experts.** BWSC opposes lengthy presentations by the parties' experts and opposes active participation by those experts at the Informal Conference. The purpose of an Informal Conference is to facilitate settlement discussions, simplify issues, and resolve procedural matters prior to the Hearing.


5. **Participation by Commissioners.** In paragraph 6 of its Motion, LWC requests the Commissioners to participate in the Informal Conference(s). Once again, this request is contrary to 807 KAR 5:001 Section 4(4). Furthermore, the presence of one or more of the Commissioners who will ultimately decide this

matter, could stifle open and frank discussion by the parties. Therefore, BWSC opposes the portion of LWC's Motion requesting the Commissioners' attendance at the Informal Conference.

**Wherefore**, for the foregoing reasons, the BWSC respectfully requests the Commission to rule on LWC's Motion for additional Informal Conference(s) in a manner consistent with this Response. Furthermore, BWSC urges the Commission to refrain from taking any action that could cause the Hearing to be delayed.

This 22<sup>nd</sup> day of October, 2007.

Respectfully submitted,  
DAMON R. TALLEY, P.S.C.

  
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ATTORNEY FOR BWSC

**CERTIFICATE OF SERVICE**

This is to certify that a true copy of the foregoing document has been served by first class U.S. Mail, postage prepaid, this 22<sup>nd</sup> day of October, 2007, to the following:

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