

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PUBLIC SERVICE
COMMISSION

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

**CITIZENS FOR ALTERNATIVE WATER SOLUTION'S RESPONSE IN
SUPPORT OF MOTION OF INTERVENOR LOUISVILLE WATER COMPANY
TO AMEND PROCEDURAL SCHEDULE**

Comes the Intervenor, Citizens for Alternative Water Solutions (CAWS) and files this response to the Motion of Intervenor Louisville Water Company (LWC) to Amend Procedural Schedule. CAWS supports the LWC Motion, and believes that the procedural schedule should be reset in order to allow a reasonable time for LWC to respond to the nearly 200 Data Requests it has received, and to file rebuttal testimony (with any surrebuttal that the proponent of the expert witness might desire to file).

CAWS supports the LWC Motion, and offers these reasons for granting the motion:

1. The sheer number of data requests filed by Kentucky American Water Company (KAWC), in addition to the sixty or so information requests from the Commission staff and other parties, justifies a resetting of the schedule in order to allow a reasonable time to amass the documents and provide the responses requested. For KAWC to insist on adherence to a procedural schedule that was compressed at its request while in the same breath insisting that the 134 requests it propounded be answered in such an abbreviated timeframe, would be fundamentally unfair.

2. The Commission's April 20, 2007 Order contemplated that a party might, on providing a compelling reason, request a continuance or extension of time by motion. The volume of the KAWC Data Requests alone, without the some 60 other data requests, justifies additional time. Additionally, the opportunity for LWC to file rebuttal testimony concerning the prefiled testimony from the Attorney General's office, and possible surrebuttal testimony as the Commission sees appropriate, will help highlight the differences in the analyses among the parties and will help sharpen the focus of any cross-examination of witnesses at hearing and provide a more full and fair record on which to render a decision that the Commission acknowledges is not the run-of-the-mill treatment or supply expansion, but which marks a path towards or away from regional cooperation and planning that will have significant future consequences for ratepayers.

3. The justification for a resetting of the procedural schedule is mirrored by the complete lack of any evidentiary basis for the request to compress the procedural schedule in the first instance.

In seeking an expedited procedural schedule for this case, KAWC asserted that such a schedule was "imperative" based on the Prefiled Testimony of Nick Rowe, KAWC President, who asserted that it was of "paramount importance" that the facilities be completed by late Spring 2010 because in late September and through the middle of October, 2010, Central Kentucky expects 500,000 visitors to attend the Alltech FEI World Equestrian Games at the Kentucky Horse Park.

Yet in response to Data Request 5 of CAWS First Supplemental Data Request, KAWC acknowledged that "[a]ny single special event does not change the deficit but

could make the situation worse. At this time, KAW has not received any information specifically on water demands for a special event.”

When asked for any documentation indicating anticipated demand and available treated water capacity for the event(s), KAW could not provide any documentation because to other documentation (that is to say, no documentation at all) existed concerning the anticipated demand and capacity within the KAWC system or available to it from interconnected systems. Response to Item 5, CAWS First Supplemental Data Request to KAWC; Response to Item 9, CAWS Second Supplemental Data Request.

Given the lack of objective information or documentation to support the KAWC assertion concerning the anticipated demand and available treated water capacity for the equestrian event which formed the basis of the request for an expedited schedule, and the importance and complexity of this case and of assuring that the proposed alternative is in the best of interests of central Kentucky residents and ratepayers, CAWS believes it would have been appropriate to revisit the procedural schedule even in the absence of the legitimate and appropriate motion of LWC for as reasonable resetting of the schedule.

In sum, CAWS believes that the legitimate and metered request of LWC for additional time in which to respond to the numerous data requests and in which to file rebuttal testimony should be granted.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Tom FitzGerald', written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that this Response has been filed electronically this 27th day of August, 2007 on all counsel of record and that the original and 10 copies will be filed with the Commission on the next business day, and that a true and correct copy has been served by first-class mail upon the following individuals this 27th day of August, 2007:

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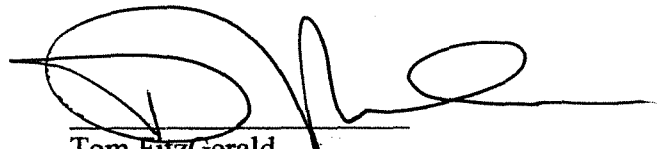
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