

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

RECEIVED

JAN 15 2008

PUBLIC SERVICE
COMMISSION

In the Matter of:

| | | |
|--|---|---------------------|
| Application of Kentucky-American Water |) | |
| Company, a/k/a Kentucky American Water |) | |
| For Certificate of Convenience and Public |) | |
| Necessity Authorizing Construction of |) | Case No. 2007-00134 |
| Kentucky River Station II ("KRS II"), |) | |
| Associated Facilities, and Transmission Line |) | |

**CITIZENS FOR ALTERNATIVE WATER SOLUTIONS
RESPONSE IN SUPPORT OF MOTION BY LEXINGTON – FAYETTE URBAN
COUNTY GOVERNMENT TO AMEND EXISTING PROCEDURAL SCHEDULE**

Comes the Intervenor Citizens for Alternative Water Solutions (CAWS), and in response to the January 11, 2008 Commission order directing that responses to the "Emergency Motion to Amend Procedural Schedule" filed by Lexington-Fayette Urban County Government be filed no later than January 15, 2008, states as follows:

1. CAWS supports the request to amend the procedural schedule to provide "for an appropriate additional period of time" in which LFUCG may receive "through, comprehensive, and final proposals" from the Louisville Water Company and any other party offering a "responsible solution" to central Kentucky's water treatment and water supply needs.

As this Commission has noted in a prior Order entered in this matter, this case "has significant implications to KAWC ratepayers and to all of central Kentucky." In apparent response to the Commission's most recent Order, the governing body representing the majority of KAWC's customers appears of late to be more actively engaging in deliberation and discussion regarding the most cost-effective and appropriate strategy to address long-term water needs of the community. When that governing body indicates that it desires to be presented with

a “final” proposal on a viable long-term alternative, and asks for a brief period of time in which to receive and review such proposals, it is appropriate to allow a reasonable time both to receive and to allow LFUCG to independently evaluate such a proposal.

2. While the LFUCG Council resolution requests only a thirty-day delay in the “decision in Case No. 2007-00134” so that “the Lexington-Fayette Urban County Government and the Public Service Commission can receive and review any such final proposals”, the Emergency Motion requests an amendment of the briefing schedule for “an appropriate additional period of time” in which Lexington can receive and review such proposals. CAWS believes that a period of sixty (60) days is the *minimum* appropriate additional period – thirty (30) days in which the final proposals requested in the Council Resolution can be submitted, and a like period in which the community can evaluate the proposals and in which the Council can engage in deliberate and thorough review of the available strategies to address the reasonable water treatment and supply needs of the community as this Commission has encouraged.

For the reasons stated herein, CAWS supports the request made in the Emergency Motion and requests that it be granted, and an “appropriate additional period of time” of not less than sixty (60) days be added to the procedural schedule.

Respectfully submitted,



Tom FitzGerald
Kentucky Resources Council, Inc.
P.O. Box 1070
Frankfort, Kentucky 40602
(502) 875-2428

Counsel for Citizens for Alternative Water
Solutions, Inc. (CAWS)

CERTIFICATE OF SERVICE

I hereby certify that the original and 10 copies have been filed with the Commission and that a true and correct copy has been served by first-class mail (and electronically) upon the following individuals this 15th day of January, 2008:

Hon. A.W. Turner Jr.
Kentucky-American Water Company
2300 Richmond Road
Lexington, KY 40502

Hon. Lindsey Ingram Jr.
Hon. Lindsey Ingram, III
Stoll Keenon Ogden PLLC
300 West Vine Street Suite 2100
Lexington, Kentucky 40507

Hon. David E. Spenard
Assistant Attorney General
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601

Hon. David J. Barberie
Lexington-Fayette Urban County Government
Department of Law
200 East Main Street
Lexington, Kentucky 40507

Hon. David Boehm
Boehm, Kurtz and Lowry
36 East Seventh Street, Suite 2110
Cincinnati OH 45202

Hon. Jerry Wuetcher
Beth O'Donnell, Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

Hon. Damon R. Talley
P.O. Box 150
Hodgenville, Kentucky 42748

Hon. Barbara K. Dickens
Louisville Water Company
550 South Third Street
Louisville, KY 40202

Hon. John E. Selent
Hon. Edward T. Depp
DINSMORE & SHOHL LLP
1400 PNC Plaza
500 West Jefferson Street
Louisville, Kentucky 40202

Hon. John Hughes
124 W. Todd Street
Frankfort, Kentucky 40601

A handwritten signature in black ink, appearing to read 'Tom FitzGerald', with a long horizontal flourish extending to the right.

Tom FitzGerald