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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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 KENTUCKY RIVER STATION II, ASSOCIATED)
FACILITIES AND TRANSMISSION MAIN)

CASE NO.
2007-00134

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT'S EMERGENCY MOTION TO AMEND PROCEDURAL SCHEDULE**

Comes now the Lexington-Fayette Urban County Government (the "LFUCG"), by counsel, and moves the Public Service Commission to amend the existing procedural schedule in this case to provide for an appropriate additional period of time as soon as possible.

On January 10, 2008, by a vote of 13-0, the Council of the Lexington-Fayette Urban County Government adopted Resolution No. 8-2008, a certified copy of which is attached hereto as Exhibit No. 1, and incorporated herein by reference (the "Resolution").

For the reasons articulated in the Resolution, the LFUCG respectfully requests that the Commission amend the existing procedural schedule in this case, including but not limited to the existing January 16, 2008, deadline for the filing of briefs and the receipt of additional public comments, to provide for an appropriate additional period of time. Because of the existing procedural schedule, the LFUCG further requests that the Commission expedite its ruling on this matter.

Respectfully submitted,

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

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CERTIFICATE OF SERVICE

I hereby certify that an original and eight (8) copies of this document was served by hand-delivery, to the Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40602-0615; furthermore, it was served by mailing a copy by first class U.S. Mail delivery, postage prepaid, on the following, all on this the 11th day of January 2008:

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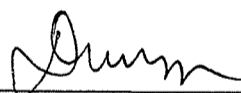
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URBAN COUNTY GOVERNMENT

DJB/00149759

A RESOLUTION ENCOURAGING LOUISVILLE WATER COMPANY OR ANY OTHER PARTY TO SUBMIT COMPREHENSIVE FINAL SOLUTIONS TO THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AND THE PUBLIC SERVICE COMMISSION WITHIN THIRTY DAYS, AND ENCOURAGING THE PUBLIC SERVICE COMMISSION TO DELAY ITS DECISION IN CASE NO. 2007-00134 FOR THIRTY DAYS IN ORDER TO REVIEW SUCH FINAL PROPOSALS, AND FURTHER ENCOURAGING THE COMMISSION TO ISSUE ITS FINAL DECISION ON A TIMELY BASIS.

WHEREAS, Central Kentucky has developed an increasing concern about its water supply in the last twenty years, despite usage restrictions from time to time; and

WHEREAS, an application to address this water supply has been submitted by Kentucky American Water Company, and the application is now before the Kentucky Public Service Commission; and

WHEREAS, Louisville Water Company has offered a proposal that includes a connection to the Louisville Water Company by a shared pipeline with Shelbyville and Frankfort; and

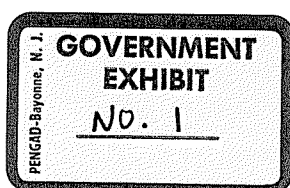
WHEREAS, the Public Service Commission has taken unprecedented action to delay its decision and inquire of all intervening parties, including Lexington's Government, as to facts and positions regarding this significant project; and

WHEREAS, the Lexington-Fayette Urban County Government has been an active member of the Bluegrass Water Supply Commission since its inception, and in that role has encouraged the most cost-effective solution to our water issue, including public-private financing and ownership of any new infrastructure; and

WHEREAS, the Lexington-Fayette Urban Government recognizes the substantial time and resources undertaken to solve this problem by many parties, including the Bluegrass Water Supply Commission, Kentucky American Water Company, the Public Service Commission, the Kentucky River Authority, and the Kentucky Attorney General's office; and

WHEREAS, it is in the interest of assuring our citizens that all cost effective options to satisfy our current and long-term water supply issues, including an alternative water supply, are thoroughly and exhaustively examined.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:



Section 1 - That the Lexington-Fayette Urban County Government encourages the Louisville Water Company or any other party offering a responsible solution to present their most thorough, comprehensive, and final proposals to the Lexington-Fayette Urban County Council and to the Public Service Commission within thirty (30) days of this resolution.

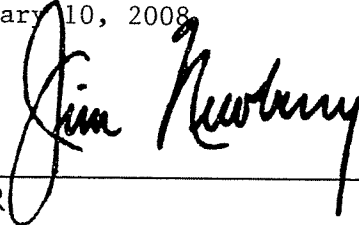
Section 2 - That the Lexington-Fayette Urban County Government encourages the Public Service Commission to delay its decision in Case No. 2007-00134 for thirty (30) days until such time as the Lexington-Fayette Urban County Government and the Public Service Commission can receive and review any such final proposals;

Section 3 - That the Lexington-Fayette Urban County Government encourages the Public Service Commission to engage its statutory duty to issue a final decision on a timely basis.

Section 4 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: January 10, 2008

MAYOR



ATTEST:


CLERK OF URBAN COUNTY COUNCIL

PUBLISHED: January 16, 2008

CERTIFICATION

I, Susan Lamb, Clerk of the Urban County Council, do hereby certify that the foregoing is a true and correct copy of Resolution No. 8-2008, passed at a meeting of the Lexington-Fayette Urban County Council held on January 10, 2008.

Given under my hand and Seal of the Lexington-Fayette Urban County Government this 11th day of January, 2008.


Clerk of the Urban County Council