



Mayor Jim Newberry

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Department of Law

May 4, 2007

Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

MAY - 7 2007

PUBLIC SERVICE
COMMISSION

Re: Case No. 2007-00134
(Application of Kentucky-American Water Company, Inc.)

Dear Ms. O'Donnell:

Please find enclosed herewith for filing an original and 8 copies of the Lexington-Fayette Urban County Government's Initial Requests for Information in the referenced matter. Please contact me should you have any questions pertaining to the same.

Yours truly,

David J. Barberie
Corporate Counsel

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HORSE CAPITAL OF THE WORLD

200 East Main Street Lexington, KY 40507 (859) 258-3500 Fax: (859)258-3538 www.lfucg.com

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY - 7 2007

PUBLIC SERVICE
COMMISSION

IN THE MATTER OF:

THE APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR A CERTIFICATE OF)
CONVENIENCE AND NECESSITY AUTHORIZING)
NEW CONSTRUCTION OF KENTUCKY RIVER)
STATION II, ASSOCIATED FACILITIES AND)
TRANSMISSION MAIN)

CASE NO.
2007-00134

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT'S INITIAL REQUESTS FOR INFORMATION**

Comes now the Lexington-Fayette Urban County Government (the "LFUCG"), by counsel and pursuant to the Public Service Commission's Scheduling Order of April 20, 2007 and submits its Initial Requests for Information to Kentucky-American Water Company, Inc. ("KAWC") to be answered in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the company witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from counsel for the LFUCG.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout that would not be self evident to a person not familiar with the printout.

(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify counsel for the LFUCG as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

INITIAL REQUESTS FOR INFORMATION

1. Does the proposed facility provide for any additional water usage needs beyond the proposed 25 MGD initial capacity, and in what ways (i.e., Louisville supplementation)?

2. Explain in detail the meaning of the terms "moderate restrictions" or "moderate demand management" in the testimony of Linda Bridwell? What restrictions or management do these include?

3. Assuming the application is approved, does KAWC anticipate a need to revise or eliminate any aspect of its proposed drought tariff (PSC Case No. 2004-00103)?

4. What is the basis for the representation that new regulations will eliminate the 45 MGD temporary withdrawal permit (Bridwell Testimony, page 30)?

5. What constitutes "unaccounted" for water in Table 1 of the Bridwell Testimony? If there is more than one basis for your answer, please break out the quantity of each component to the best of your ability.

6. With respect to the assumptions that KAWC has made with respect to its application, was there any reliance on, or accounting for "water credits" (i.e., amounts that are discharged back into the Kentucky River Basin)? Please provide a detailed explanation.

7. Does KAWC seek to recover any of the costs involved with the proposed treatment plant and related facilities other than through the filing of a rate case? If so, please explain in detail.

a. What is the anticipated rate impact if the application is approved?

Respectfully submitted,

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: 

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URBAN COUNTY

CERTIFICATE OF SERVICE

I hereby certify that an original and eight (8) copies of these requests were served by first class U.S. Mail delivery, postage prepaid, to Beth O'Donnell, Executive Director, Public Service Commission, P.O. Box 615, 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 9th day of May 2007:

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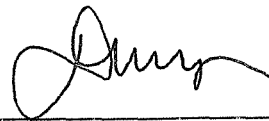
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