



Edward T. Depp  
502-540-2347  
tip.depp@dinslaw.com

February 25, 2008

RECEIVED

FEB 25 2008

PUBLIC SERVICE  
COMMISSION

Via Hand Delivery

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

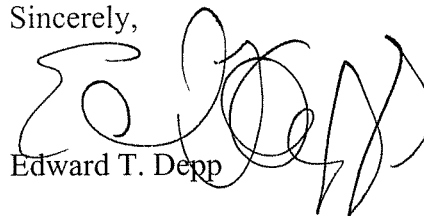
**Re: *Application of Kentucky-American Water Company, a/k/a Kentucky American Water for Certificate of Convenience and Public Necessity Authorizing Construction of Kentucky River Station II ("KRS II"), Associated Facilities, and Transmission Line; Case No. 2007-00134.***

Dear Ms. O'Donnell:

Pursuant to the order of the Public Service Commission of the Commonwealth of Kentucky dated January 16, 2008, we have enclosed for filing an original and ten (10) copies each of Louisville Water Company's request for a hearing.

Thank you, and if you have any questions, please call me.

Sincerely,



Edward T. Depp

JES/ki

Enclosures

cc: All Parties of Record (w/encl.)  
Barbara K. Dickens (w/encl.)  
John E. Selent, Esq. (w/o encl.)

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1400 PNC Plaza, 500 West Jefferson Street Louisville, KY 40202  
502.540.2300 502.585.2207 fax www.dinslaw.com

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

FEB 25 2008

PUBLIC SERVICE  
COMMISSION

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

**LOUISVILLE WATER COMPANY'S REQUEST FOR A HEARING**

Louisville Water Company ("LWC"), by counsel, and pursuant to the January 16, 2008 Order (the "Order") of the Public Service Commission of Kentucky (the "Commission"), hereby requests that the Commission schedule a hearing in this matter for 9:00 a.m. E.S.T. on March 5, 2008.

Paragraph 4 of the Order provides, "Should a party submit additional evidence, all remaining parties shall have until February 25, 2008 to request a hearing. Any such hearing shall be for the limited purpose of considering this evidence and affording those parties the opportunity to cross-examine those persons who have presented written testimony and to present verbal rebuttal evidence." (*Id.*)

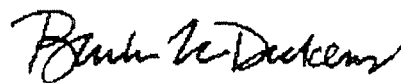
On February 11, 2008, Citizens for Alternative Water Solutions ("CAWS") filed the written testimony of Martin B. Solomon, Ph.D. LWC desires to cross-examine Dr. Solomon with respect to his conclusions regarding the magnitude and urgency of KAWC's alleged need for the Pool 3 proposal, as well as his conclusions regarding the anticipated costs of that proposal in comparison to alternative solutions such as the Louisville Pipeline. Dr. Solomon's resume also reveals that he has extensive experience in economics and business and that he is the author of an article entitled, "The

Effects of Uncertainty in Investment Decisions."<sup>1</sup> Given Dr. Solomon's expertise in economics and the effects of uncertainty upon investment decisions, LWC would like to examine Dr. Solomon's opinions regarding the uncertainties existing in KAWC's Pool 3 proposal, as well as the LWC Pipeline Proposal and all other alternative proposals. In light of the apparent and continuing disagreement among the experts in this case, LWC believes that the information elicited during the cross-examination of Dr. Solomon will prove helpful to the Commission and all parties involved in this proceeding as the reasonable alternative solutions to Central Kentucky's water supply deficit are evaluated.

LWC further notes that two members of the Lexington-Fayette Urban County Government Council ("LFUCG Council") have written, in their individual capacities, to the Commission requesting that KAWC's Pool 3 proposal be denied or postponed until information about alternative solutions can be thoughtfully considered. (See February 13, 2008 Letter from Linda Gorton to Commissioners Goss, Clay, and Clark; see also February 13, 2008 Letter from David B. Stevens to Commissioners Goss, Clay, and Clark.) By conducting this hearing, it is possible that the Commission and the parties will develop sufficient evidence to allow LFUCG to officially take a position in this matter.

For the foregoing reasons, Louisville Water Company respectfully requests that the Commission grant its request for a hearing.

Respectfully submitted,



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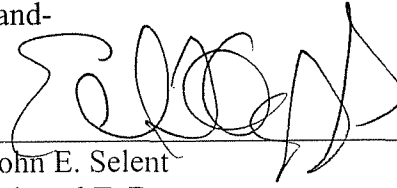
Barbara K. Dickens  
Vice President and General Counsel

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<sup>1</sup> Published in the journal *Management Science* in April 1966.

Louisville Water Company  
550 South Third Street  
Louisville, KY 40202

-and-

A handwritten signature in black ink, appearing to read "John E. Selent", written over a horizontal line.

John E. Selent

Edward T. Depp

**DINSMORE & SHOHL LLP**

1400 PNC Plaza

500 West Jefferson Street

Louisville, KY 40202

tel: (502) 540-2300

fax: (502) 585-2207

*Counsel to Louisville Water Company*

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served by was served via first-class United States mail, sufficient postage prepaid, on the following individuals this 25<sup>th</sup> day of February, 2008:

David Jeffrey Barberie  
Corporate Counsel  
Lexington-Fayette Urban County Government  
Department of Law  
200 East Main Street  
Lexington, KY 40507

David F. Boehm  
Attorney at Law  
Boehm, Kurtz & Lowry  
36 East Seventh Street  
2110 CBLD Building  
Cincinnati, OH 45202

Thomas J. FitzGerald  
Counsel & Director  
Kentucky Resources Council, Inc.  
Post Office Box 1070  
Frankfort, KY 40602

Lindsey W. Ingram, III  
Attorney at Law  
Stoll Keenon Ogden PLLC  
300 West Vine Street  
Suite 2100  
Lexington, KY 40507-1801

Kentucky River Authority  
70 Wilkinson Boulevard  
Frankfort, KY 40601

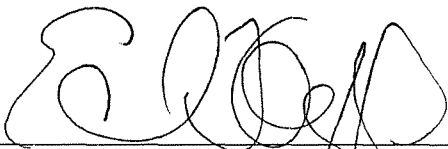
Michael L. Kurtz  
Attorney at Law  
Boehm, Kurtz & Lowry  
36 East Seventh Street  
2110 CBLD Building  
Cincinnati, OH 45202

David Edward Spenard  
Assistant Attorney General  
Office of the Attorney General Utility & Rate  
1024 Capital Center Drive  
Suite 200  
Frankfort, KY 40601-8204

Damon R. Talley  
Attorney at Law  
P.O. Box 150  
Hodgenville, KY 42748-0150

A.W. Turner, Jr.  
Attorney at Law  
Kentucky-American Water Company aka Kentucky American Water  
2300 Richmond Road  
Lexington, KY 40502

John N. Hughes  
124 West Todd Street  
Frankfort, KY 40601



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*Counsel to Louisville Water Company*