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Environmental and Public
Protection Cabinet

Timothy J. LeDonne
Commissioner
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Commonwealth of Kentucky
Public Service Commission
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September 7, 2007

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Re: Case No. 2007-00134
Kentucky-American Water Company

Gentlemen:

On July 17, 2007, Commission Staff requested certain documents from Louisville Water Company pursuant to the Kentucky Open Records Act. On July 31, 2007, Louisville Water Company filed its response to this request. On August 27, 2007, Louisville Water Company supplemented its initial response. This supplemental response, a copy of which is enclosed has been filed in the record of the above-referenced case.

Parties of Record
September 7, 2007
Page 2

Any party that wishes to object to the inclusion of this supplemental response in the case record should file a written objection with the Commission within 10 days of the date of this letter.

Any questions regarding this letter should be directed to Gerald Wuetcher, Assistant General Counsel, at (502) 564-3940, Extension 259.

Sincerely,

A handwritten signature in black ink that reads "Robert A. Amato". The signature is written in a cursive style with a long horizontal flourish at the end.

Robert A. Amato
Deputy Executive Director

Enclosure



LOUISVILLE WATER COMPANY

550 SOUTH THIRD STREET • LOUISVILLE, KENTUCKY 40202

TEL 502-569-3600

WWW.LOUISVILLEWATER.COM

August 24, 2007

RECEIVED

AUG 27 2007

**PUBLIC SERVICE
COMMISSION**

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

C. Kent Hatfield
STOLL KEENON OGDEN
2000 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202-2828

Re: Open Records Request

Dear Ms. O'Donnell and Mr. Hatfield:

Enclosed please find a document concerning a presentation made by Louisville Water Company to the Oldham County Water District on April 11, 2007. This documentation was inadvertently left out of Louisville Water Company's initial response to the PSC's Open Records Request dated July 17, 2007.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Barbara K. Dickens".

Barbara K. Dickens
Vice President, General Counsel
& Corporate Secretary

BKD/bjs
Enclosures

DRAFT

Louisville Water Company

**Presentation to
Oldham County Water District**

April 11, 2007

DRAFT

Benefits of Partnering with LWC

- Reliable, high quality and low cost water supply.
- Abundant capacity available to meet current and future needs
- Several financing scenarios available.
- Timeliness to construct.
- Standard wholesale rate and cost of service rate methodology approved by KY Public Service Commission.
- Project attractive for state grants and low interest loans.

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Wholesale Supply Options

Option	Capacity	Description	Standard ¹ Wholesale Rate/1,000 gallons	Total Cost	Minimum Purchase for LWC to Fund Improvements
1	1.5 MGD	6,400 feet of 12 inch main	\$1.71	\$670,000	0.5 MGD
2	4.0 MGD	Option 1 plus a booster pump station and various LWC system 12 inch grid ties	\$1.71	\$1.6 M	1.5 MGD
3	7.0 MGD	A 20 inch transmission main (36,500 feet)	\$1.71	\$6.3 M	3.0 MGD

¹ Assumes point-of-delivery at master meter and peaking at 2:1 or less.

All wholesale contracts require Board of Water Works approval.

DRAFT

Benefits of Wholesale Supply Option

- Solution can be designed to be phased in to meet future growth demands.
- Phased in approach allows flexibility in OCWD future business and facility planning.
- Portion of capital investment for OCWD system improvements could possibly be deferred or reduced.
- Long term contract duration of 40-50 years allows LWC investment.
- LWC can provide conversion of water to free chlorine and or pumping to OCWD pressure requirements at additional cost.

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Emergency Supply Options

- Potential Connection Points
 - Hwy. 146
 - Hwy. 22
 - Hwy. 42 – Goshen

- Capacity Desired?

- Potential Funding Options
 - LWC funds initial cost, OCWD funds repayment through surcharge and or minimum purchase.
 - LWC funds initial cost, OCWD repays through monthly service charge.
 - Grants and low interest loans.

DRAFT

Contacts

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