

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

O R D E R

Louisville Water Company (“LWC”) has moved for the scheduling of an informal conference in this matter for the parties’ experts to discuss the relative merits of the various proposals to supply water to central Kentucky. Kentucky-American Water Company and Bluegrass Water Supply Commission have submitted responses to the motion. We deny the motion.

While the Commission has historically encouraged discussions between parties to resolve factual issues and certainly encourages the parties in this proceeding to engage in frank and civil discussions regarding the water supply options for central Kentucky, we find the current proceeding is not well adapted for “administrative mediation.” Only one proposal is before the Commission. LWC has not made an application to this Commission for the construction of facilities nor does it have a direct and immediate interest in Kentucky-American’s proposal.¹

¹ In contrast, Kentucky-American’s customers have a direct interest as the cost of any facilities for which a certificate is granted will be reflected in their future rates for water service. Similarly, the issuance of a certificate will affect those persons whose property lies along the route of the proposed transmission main. While such interest may not establish a right of intervention in this proceeding, it certainly would suggest an interest amenable to mediation and negotiation. LWC has neither. We granted LWC leave to intervene in this proceeding because its intervention could assist the Commission in developing facts and issues.

As to LWC's suggestion that these proceedings would be assisted through a discussion of the parties' expert witnesses, we note that extensive discovery has already been conducted. Further discussions under the auspices of the Commission are unlikely to reveal information that has not already been disclosed through the discovery process.

To the extent that the parties wish to engage in discussions, the Commission stands ready to provide a location for them. We will not, however, require the parties to engage in discussions when we find very limited enthusiasm for such discussions.

IT IS THEREFORE ORDERED that LWC's Motion to Schedule Informal Conference(s) is denied.

Done at Frankfort, Kentucky, this 26th day of November, 2007.

By the Commission

Commissioner Clark Abstains.

ATTEST



Executive Director