

Dear Ms. Pinkston :

Your comments have been received and will be placed into the case file for the commission's consideration as it deliberates in this matter. For your reference, the case number in this matter is 2007-00134. Please reference this number in any future correspondence with the PSC.

Thank you for your interest.

Andrew Melnykovich
Director of Communications
Kentucky Public Service Commission
(502) 564-3940 x 208

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From: PSC - Public Information Officer
Sent: Thursday, November 15, 2007 12:31 PM
To: Melnykovich, Andrew (PSC)
Subject: FW: Kentucky American Water Pipeline Proposal

From: Pinkston, Fran (Finance Administration)
Sent: Thursday, November 15, 2007 12:31:11 PM
To: PSC - Public Information Officer
Subject: Kentucky American Water Pipeline Proposal
Auto forwarded by a Rule

My name is Fran Pinkston and I live at 3393 Jones Lane, which is on the Elkhorn Creek at the historic Switzer Covered Bridge. I own the property where KAW proposes to cross the Elkhorn.

My home is a log cabin constructed in 1792 according to the State Historian. It began as a saw mill, with the timber cut on site to construct the original cabin. It later became a grist mill, then many years later a private residence. It was known as the Old Switzer Cabin, where the family after whom the community is named lived. It has been added on to in the 1800's the 1900's and remodeled in this century, but the original structure still stands and is the heart of my home.

The mill was powered by Jones Lane Branch, which runs across the front of my property and within the proposed 90 foot construction easement, and whose stacked stone walls will be severely impacted by the proposed pipeline.

Every weekend, when the weather is warm, my family and friends spend the days sitting or floating in the creek, with the covered bridge in sight. We float in the very spot where they proposed to place the pipeline. The quiet enjoyment of my property will be disrupted or destroyed for years to come if this proposed plan is approved. Even today, KAW has their contractors performing geo-technical drilling at the end of my driveway, although they have never approached me or obtained permission to enter my property.

Yes, I oppose this plan. I don't want them to destroy the beauty and quiet of my home and property, but I oppose the plan for broader reasons.

The construction of this 30.6 mile pipeline through Scott, Franklin and Owen Counties is an expensive, unsightly scar in some of the most beautiful areas of central Kentucky, and is simply bad public policy. The current estimate of \$165 million, is far too expensive for a short-term patch to the water supply problem. KAW admits that this will have to be supplemented within 10 years and an additional pipeline to extend from pool 3 to the Ohio River to the north. The cost for that portion of the project has yet to be disclosed and the ratepayers will be obligated, regardless of cost to continue, because in times of severe drought or environmental catastrophe, the Kentucky River will not have the necessary volume to provide for central Kentucky's demand for water, which KAW readily admits, and which necessitates the line to the Ohio.

The much more feasible and available solution for the long term demand is to extend the pipeline from the Louisville Water Company in Shelbyville for an estimated \$56 million.

One of the criterion the PSC examines in these requests is necessity. It is clearly not necessary to construct the plant at pool 3 when there is already an underutilized plant on the Ohio River, and a public utility that is willing and able to provide the capacity, with a tie-in available less than 50 miles away.

KAW paid 7.6 billion dollars for American Water Works in 2003, which was approximately 3 times the book value. Now it is for sale, and they are driven to increase the value of their infrastructure at whatever cost to boost their profit. They are guaranteed a double digit return on their investment.

We were asked at the Franklin County Fiscal Court meeting where the resolution opposing this pipeline was introduced, "Neighbor, can you give your brother a drink?"

Each one of us would gladly say "Yes!" Every person has the right to clean and affordable water. That right should not be controlled by a multinational corporation. It should be safeguarded by the public, and guided by sound public policy. The cost of providing water should not be tied to RWE's share price or KAW's profit. It should be tied to protecting the needs of the consumers, to provide a safe, long term solution to the citizens of central Kentucky.