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Commonwealth of Kentucky  
**Public Service Commission**  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

September 12, 2012

Honorable Lindsey W Ingram, III  
STOLL KEENON OGDEN PLLC  
300 West Vine Street  
Suite 2100  
Lexington, KY 40507-1801

RE: Case No. 2012-00393  
Kentucky-American Water Company  
(Financing)

The Commission staff has reviewed the application in the above case and finds that it meets the minimum filing requirements and has been accepted for filing.

The application was electronically received on August 31, 2012. A paper copy of the application was received on September 5, 2012. Due to technical problems with the Public Service Commission's E-Filing, the application was not submitted through that system, but by electronic mail and subsequently upload by Commission Staff into the Public Service Commission's E-Filing System. In view of the technical problems that prevented Kentucky-American Water Company's use of the Public Service Commission's E-Filing System, the submission of the application through alternative means is deemed consistent with the Public Service Commission's Order of August 31, 2012 and is considered filed as of that date.

Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Linda Faulkner".

Linda Faulkner  
Filings Division Director

LF/rs

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

**FILED**

**AUG 31 2012**

**PUBLIC SERVICE  
COMMISSION**

IN THE MATTER OF: )  
)  
APPLICATION OF KENTUCKY-AMERICAN ) CASE NO. 2012-00393  
WATER COMPANY FOR ISSUANCE OF )  
INDEBTEDNESS AND CONTINUED )  
PARTICIPATION WITH AMERICAN WATER )  
CAPITAL CORP. )

APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY

Pursuant to KRS 278.300, Kentucky-American Water Company (“Kentucky American Water”) submits this Application for authorization to issue indebtedness and for continued participation in the borrowing program with American Water Capital Corp. (“AWCC”) and states as follows:

1. Kentucky American Water is a corporation organized and existing under the laws of the Commonwealth of Kentucky with its principal office and place of business at 2300 Richmond Road, Lexington, Kentucky 40502.

2. Kentucky American Water is a wholly-owned subsidiary of American Water Works Company, Inc. (“American Water”) and is engaged in the distribution and sale of water in its Central Division, consisting of Bourbon, Clark, Fayette, Harrison, Jessamine, Scott and Woodford Counties and its Northern Division consisting of Gallatin, Owen and Grant Counties. It currently owns, operates and maintains potable water production, treatment, storage, transmission and distribution systems for the purpose of furnishing potable water for residential, commercial, industrial and governmental users in its service territory having an original cost of