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PUBLIC SERVICE COMMISSION

October 30, 2024

Chair Angie C. Hatton Commissioner Mary Pat Regan Commissioner John Will Stacy Executive Director Linda Bridwell Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

Re: PSC Case 2024-00202 - Farmdale Water District

Dear Chair Hatton, Commissioners Regan and Stacy, and Executive Director Bridwell,

Kentucky American Water (KAW) was served with the Public Service Commission's September 4, 2024, Order in PSC Case 2024-00202 and was identified in that Order as a potential solution for Farmdale Water District. We spoke to Farmdale Water District General Manager, Chris Ralph, on September 6, 2024, to confirm our interest in meeting with Farmdale.

KAW met in person on October 4, 2024, with the Farmdale Water District board of commissioners and Mr. Ralph to affirm its interest in potentially acquiring the Farmdale system. That discussion included an overview of the many benefits KAW would be able to provide to Farmdale customers.

KAW notes that the above-referenced order refers to KRS 74.361(1) as establishing the General Assembly's finding that a reduction of the number of water districts is in the public interest. In addition to the statute, KRS 224A.300(1) (related to the Kentucky Infrastructure Authority) establishes the General Assembly's finding that regionalization and consolidation of water and wastewater systems should be encouraged in order to maximize resources and provide secure water and wastewater treatment for Kentuckians. The efficiencies to be gained through thoughtful, strategic acquisitions are an important and necessary part of effectively providing safe, reliable, and affordable water infrastructure in the Commonwealth now and in the future. KAW believes a possible acquisition by KAW of Farmdale Water District is an opportunity that would be consistent with the General Assembly's findings and understands that any acquisition involving KAW would need Commission approval pursuant to KRS 278.020.

KAW has been serving customers in Kentucky for nearly 140 years. We appreciate the opportunity to submit this letter as part of public comment for Case 2024-00202 and to be considered for potentially serving Farmdale Water District customers in the future.

Sincerely,

Kathingn Nash

Kathryn Nash President

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