

RECEIVED

AUG 02 2016

PUBLIC SERVICE
COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

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

AMENDED ORDERING PARAGRAPH 9 REPORT

Kentucky-American Water Company's ("KAW") August 1, 2016 Ordering Paragraph 9 report attached a two-page non-revenue water status report containing an inaccuracy. On the second page of that report, KAW's 12-month rolling non-revenue water percentage was reported to be 20.9%. That number is incorrect. The correct number is 16.6% as provided in the attached corrected report.

Respectfully submitted,

Lindsey W. Ingram III
STOLL KEENON OGDEN PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801
Telephone: (859) 231-3000



Counsel for Kentucky-American Water Company

CERTIFICATE OF SERVICE

This is to certify that the original and ten (10) copies of the foregoing have been filed with the Public Service Commission this the 2nd day of August, 2016 and a copy mailed to:

Gregory T. Dutton, Esq.
Assistant Attorney General
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

David Barberie, Esq.
Leslye M. Bowman, Esq.
Lexington-Fayette Urban County Gov't.
Department of Law
200 East Main Street
Lexington, KY 40507

Tom FitzGerald, Esq.
Kentucky Resources Council, Inc.
P.O. Box 1070
Frankfort, KY 40602

David F. Boehm, Esq.
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202

Damon R. Talley, Esq.
112 N. Lincoln Blvd.
P.O. Box 150
Hodgenville, KY 42748-0150

John N. Hughes, Esq.
124 W. Todd Street
Frankfort, KY 40601

John E. Selent, Esq.
Edward T. Depp, Esq.
Dinsmore & Shohl LLP
101 South Fifth Street, Suite 2500
Louisville, KY 40202

Barbara K. Dickens, Esq.
Louisville Water Company
550 South Third Street
Louisville, KY 40202


Counsel for Kentucky-American Water Company

NRW Status Report

1 August 2016

The Gannett Fleming (GF) study on Non Revenue Water (NRW) for Kentucky American Water (KAW) was supplied to the PSC in early September 2009. KAW has assembled a task force that includes a cross section of KAW personnel from various disciplines and job duties to assess each recommendation, and determine how to best integrate the recommendation into KAW operations.

The report's Executive Summary identifies 6 tasks and makes recommendations related to each. Only the tasks with pending actions in October 2010 are referenced in this report.

Under Task 1, GF recommended four actions. Four of the four recommended main replacement projects are complete.

Under Task 4, GF has recommended two metering studies that may offer value in ensuring metering accuracy. KAW conducted a detailed meter demand study to ensure that all large meters with bypass settings are metered at the bypass. As standard operating practice, Kentucky American Water will continue to monitor large meters as recommended in GF executive summary task 4.

Under Task 5, the GF study made three recommendations. The first and third recommendation, were addressed in prior reports and are complete. The second recommendation deals with property owners who do not address known

leaks on private services. KAW continues to work with customers to address these issues.

Under Task 6, GF offers three recommendations, all involving adoption of the IWA/AWWA tracking methodology. KAW is already implementing both of the first two and continues to move forward on the third. The company's 12 month rolling NRW is 16.6 % at June 30, 2016, as compared to 13.7% at the time of the GF study.

The IWA/AWWA methodology offers transparency into the various components of non-revenue water that may supplement information provided on the current PSC water loss reports.