

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED REVISIONS TO THE FILED RATE )  
SCHEDULES OF KENTUCKY-AMERICAN WATER ) CASE NO. 2001-440  
COMPANY TO PERMIT THE ASSESSMENT OF AN )  
ASSET PROTECTION CHARGE )

ORDER

Kentucky-American Water Company ("Kentucky-American") has proposed revisions to its filed rate schedules to permit the assessment of an Asset Protection Charge. The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), has moved to intervene in this proceeding and for dismissal of the filing. Having considered the proposed charge and being otherwise sufficiently advised, the Commission finds that, pursuant to KRS 278.190, further proceedings are necessary to determine the reasonableness of the proposed charge and that the proposed charge should be suspended for a period of 5 months. We further find that KRS 367.150(8) authorizes the AG's intervention in this matter.

IT IS THEREFORE ORDERED that:

1. The proposed Asset Protection Charge is suspended up to and including May 27, 2002.
2. The AG's Motion to Intervene is granted.
3. The AG is made a party to this proceeding.

4. Kentucky-American shall, no later than January 21, 2002, file its response to the AG's Objection and Motion to Dismiss. The AG shall have until January 31, 2002 to file a reply to Kentucky-American's response.

5. Kentucky-American and the AG shall, no later than January 21, 2002, file with the Commission written memoranda addressing the following issues:

a. Are the provisions of the proposal concerning the Asset Protection Charge that require all Commission proceedings regarding the proposed charge to be confidential in violation of the Kentucky Open Meetings Act, KRS 61.800-.850, and thus void as a matter of law?

b. Are the provisions of the proposal concerning the Asset Protection Charge that require all filings and evidence regarding the proposed charge to be considered confidential in violation of the Kentucky Open Records Act, KRS 61.871-.884, and thus void as a matter of law?

c. Does the Kentucky Open Records Act permit the Commission to afford confidential treatment to information related to the protection of a public utility's assets where the disclosure of such information might threaten the physical security of such assets?

6. Kentucky-American and the AG shall have until January 31, 2002 to file with the Commission a reply to the memoranda filed in compliance with Ordering Paragraph 5 of this Order.

Done at Frankfort, Kentucky, this 19<sup>th</sup> day of December, 2001.

By the Commission

ATTEST:

  
Executive Director