COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING THE CONSTRUCTION OF KENTUCKY RIVER STATION II, ASSOCIATED FACILITIES AND TRANSMISSION MAIN

CASE NO. 2007-00134

<u>ORDER</u>

Several parties to this proceeding having requested an evidentiary hearing as permitted by the Commission's Order of January 16, 2008 and the Commission finding that rules regarding the conduct of such hearing are necessary to ensure that evidence is presented in an orderly and efficient manner, the Commission, on its own motion, HEREBY ORDERS that:

1. A hearing shall be held in this matter, beginning at 9:00 a.m., Eastern Standard Time, on March 5, 2008, at the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the limited purpose of considering additional evidence on alternative means of expanding Kentucky-American Water Company's ("Kentucky-American") water supply that may aid the Commission in its evaluation of Kentucky-American's application and affording parties the opportunity to cross-examine those persons who have presented written testimony and to present verbal rebuttal evidence.

2. Each party to this proceeding shall have the option of making an opening statement. Such statement shall not be more than five minutes in length and shall be confined to addressing the additional evidence that has been presented and its relevance.

3. No closing statements shall be made.

4. Parties who have submitted additional evidence in the form of written testimony on or about February 11, 2008 shall present their evidence in the following order:

- a. Louisville Water Company
- b. Citizens for Alternative Water Solutions

5. Direct examination of the witnesses of parties who submitted additional testimony on or before February 11, 2008 shall be limited to the authentication and adoption of that written testimony.

- 6. Presentation of rebuttal testimony shall be in the following order:
 - a. Lexington-Fayette Urban County Government
 - b. Kentucky River Authority
 - c. Kentucky Industrial Utility Customers
 - d Bluegrass Water Supply Commission
 - e. Attorney General
 - f. Kentucky-American Water Company
- 7. Cross-examination of all witnesses shall be conducted in the following

order:

- a. Kentucky-American Water Company
- b. Louisville Water Company
- c. Attorney General
- d. Bluegrass Water Supply Commission
- e. Citizens for Alternative Water Solutions

- f. Kentucky Industrial Utility Customers
- g. Kentucky River Authority
- h. Lexington-Fayette Urban County Government
- i. Commission Staff

8. Any preliminary motions shall be made in writing and filed with the Commission no later than 12:00 p.m., Eastern Standard Time, on March 4, 2008.

9. Parties may submit written briefs in this matter no later than March 20, 2008 on the issues and evidence presented in this matter. At a minimum, this brief shall address the issues set forth in Appendix E to the Commission's Order of December 21, 2007.

10. All provisions of the Commission's Order of January 16, 2008 in conflict with this Order are vacated.

Done at Frankfort, Kentucky, this 27th day of February, 2008.

By the Commission Commissioner Clark Abstains.

ATTEST:



Case No. 2007-00134