

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)
WATER DISTRICT FOR APPROVAL OF)
CONSTRUCTION AND ISSUANCE OF A)
CERTIFICATE OF PUBLIC CONVENIENCE) CASE NO. 2008-00119
AND NECESSITY FOR THE PURCHASE)
AND INSTALLATION OF AUTOMATED)
METER READING EQUIPMENT)

O R D E R

The Commission, on its own motion, HEREBY ORDERS that:

1. The procedural schedule, attached hereto as Appendix A, shall be followed in this case.
2. Northern Kentucky Water District ("NKWD") shall respond to the requests for information, attached hereto as Appendix B, within the time period set out in Appendix A of this Order.
3. a. Responses to requests for information shall be appropriately bound, tabbed, and indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record and 6 copies to the Commission.
b. Each response shall be under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and

accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

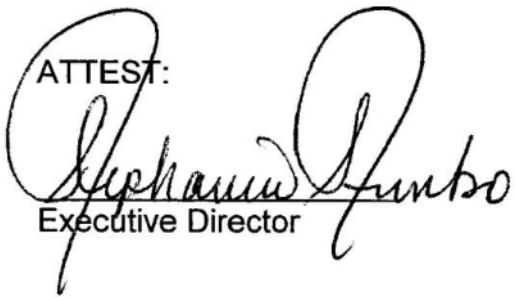
d. For any requests to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

4. The Commission does not look favorably upon motions for continuance. Consequently, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

Done at Frankfort, Kentucky, this 30th day of April, 2008.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00119 DATED APRIL 30, 2008

NKWD shall file with the Commission and serve
upon all parties of record responses to
Commission Staff's data requests set forth in
Appendix B no later than 05/08/08

Intervenors and Commission Staff may serve
supplemental data requests upon NKWD no
later than 05/16/08

NKWD shall file with the Commission and serve
upon all parties of record responses to the
supplemental data requests no later than 05/28/08

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00119 DATED APRIL 30, 2008

1. Provide a narrative explanation of NKWD's decision to implement an automated meter reading ("AMR") system. Include in the explanation all factors leading to NKWD's decision, including financial, safety, reliability, and operational reasons.
2. List the members of the NKWD AMR Selection Committee.
3. Refer to NKWD's application, Exhibit C bid tabs.
 - a. State the reason for selecting the Badger Orion AMR System instead of other systems.
 - b. Explain why the Itron Systems' lower bid was not considered.
 - c. Explain the meaning of Itron Systems' "conditional price."
 - d. Explain the meaning of Neptune Systems' "conditional price."
4. Provide additional details of the expected cost of NKWD's AMR meter replacement program. Include a breakdown between costs for labor and materials. Also include the cost of the required annual inspections of customers' meters. Provide all workpapers supporting the calculations.
5. Has NKWD performed a cost justification analysis of the proposed AMR system?
 - a. If yes, provide the results of the analysis and all assumptions used.
 - b. If no, explain why not.

6. a. Explain whether NKWD expects the AMR meter replacement program to cause an increase in rates sooner than would be required if the AMR program were not implemented.

b. If the need for a rate increase will be escalated by the AMR meter replacement program, describe how the program will cause the escalation of need.