COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE)FEASIBILITY AND ADVISABILITY OF)KENTUCKY-AMERICAN WATER)COMPANY'S PROPOSED SOLUTION TO)ITS WATER SUPPLY DEFICIT)

RESPONSE OF BLUEGRASS WATER SUPPLY CONSORTIUM TO INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS PROPOUNDED BY KENTUCKY-AMERICAN WATER COMPANY

Comes the Bluegrass Water Supply Consortium (the "BWSC") and for its Response to the Interrogatories and Request for Production of Documents propounded by the Kentucky-American Water Company (the "KAWC"), states as shown on the following pages:

This 14th day of February, 2002.

Respectfully submitted, DAMON R. TALLEY, P.S.C.

/s/ Damon R. Talley DAMON R. TALLEY 112 NORTH LINCOLN BLVD P. O. BOX 150 HODGENVILLE, KY 42748 (270) 358-3187 FAX (270) 358-9560

INSTRUCTION 10 CERTIFICATION

Per Instruction 10 of the Commission's May 15, 2001, procedural Order, the undersigned counsel certifies that the electronic version of this document is a true and accurate copy of the document filed in paper medium, except for the attachments which were omitted because they were too bulky to transfer to electronic medium; the electronic version of this document has been transmitted to the Commission; and the Commission and other parties have been notified by electronic mail that the electronic version of this document has been transmitted to the Commission.

DAMON R. TALLEY, P.S.C.

BY: <u>/s/ Damon R. Talley</u> DAMON R. TALLEY

CERTIFICATE OF SERVICE

This is to certify that a true copy of the foregoing document has been served by first class U.S. Mail, postage prepaid, this 14th day of February, 2002, to the following:

Hon. Lindsey W. Ingram, Jr. Stoll, Keenon & Park, LLP 300 West Vine Street, Suite 2100 Lexington, KY 40507-1801

Roy W. Mundy Kentucky-American Water Co. 2300 Richmond Road Lexington, KY 40502

Hon. David Edward Spenard Assistant Attorney General 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601-8204

Theresa L. Holmes David J. Barberie Lexington-Fayette Urban County Government Department of Law 200 East Main Street Lexington, KY 40507

Hon. Phillip J. Shepherd 307 West Main Street P.O. Box 782 Frankfort, KY 40602

Hon. Joe F. Childers 201 West Short Street, Suite 310 Lexington, KY 40507

/s/ Damon R. Talley DAMON R. TALLEY, P.S.C. 1. Provide a copy of the minutes of all meetings of the Consortium.

RESPONSE: A copy of all the minutes of the Consortium and its Technical Group are attached.

WITNESS: Don R. Hassall, P.E. Assistant Executive Director Bluegrass Area Development District 2. Provide a copy of all documents in the possession of the Consortium generated or received by it pursuant to its efforts to generate "a comprehensive, regional study of the treated water needs of Central Kentucky" as set forth in paragraph 9 of the Consortium's Motion for Intervention herein.

RESPONSE: Attached is a leaflet entitled "Questions and Answers About the Bluegrass Water Supply Consortium" dated July 2001. This leaflet provides an overview of the purposes and goals of the Consortium.

Also attached is a compilation of the existing and projected water demands for seven (7) Central Kentucky water utilities.

Other documents will be generated during the regional study. These documents will be provided to the Commission and to all parties to this proceeding as they become available.

WITNESS: Don R. Hassall, P.E.

3. Have there been any members of the Consortium who are not presently members? If so, please list them.

RESPONSE: Yes. The City of Paris is not an active participant at this time.

WITNESS: Don R. Hassall, P.E.