

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

In the Matter of:

COMPLIANCE OF KENTUCKY-AMERICAN)	
WATER COMPANY, AMERICAN WATER WORKS)	
COMPANY, RWE AKTIENGESELLSCHAFT AND)	
THAMES WATER AQUA HOLDINGS GMBH WITH)	
THE PROVISIONS OF THE ORDERS)	CASE NO. 2002-00277
APPROVING THE TRANSFER OF CONTROL OF)	
KENTUCKY-AMERICAN WATER COMPANY TO)	
RWE AKTIENGESELLSCHAFT AND THAMES)	
WATER AQUA HOLDINGS GMBH)	

ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office for Rate Intervention, and, without waving any rights, submits this Request for Information to RWE, Thames Water Aqua Holdings GmbH, American Water Works, and Kentucky-American to be answered by August 23, 2002, in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the company witness who will be prepared to answer questions concerning each request.
- (3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout that would not be self evident to a person not familiar with the printout.

(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(10) Please consider all of these requests for information or documents herein to be responded to in English.

Respectfully Submitted,

/s/ Dennis Howard II
DENNIS G. HOWARD, II
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Notice of Filing

Counsel gives notice of the filing, by hand delivery to Thomas M. Dorman, Executive Director of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601, of the original and three photocopies. Further, counsel gives notice of the uploading to the Commission's file transfer protocol site of one copy in electronic medium. The filing is in compliance with Instructions 1(a) and 3 of the Commission's 30 January 2002 Order of Procedure in Case No. 2002-0018. This action was taken on 7 August 2002.

/s/ Dennis Howard II
Assistant Attorney General

Instruction 7 Certification

Per Instruction 7 of the Commission's 30 January 2002 Order of Procedure in Case No. 2002-00018, counsel certifies that the electronic version of the filing is a true and accurate copy of the document filed in paper medium. The electronic version has been transmitted to the Commission. The other parties have been notified by electronic mail that the electronic version has been transmitted to the Commission.

/s/ Dennis Howard II
Assistant Attorney General

Certificate of Service

Counsel certifies service of this request for information. Service took place on 7 August 2002 by mailing of a true and correct photocopy of the same, first class postage prepaid, to the other parties of record. Per Instruction 9 of the Commission's 30 January 2002 Order of Procedure in Case No. 2002-00018, Kentucky-American has been served with an electronic copy of the request for information. The other parties of record are the following.

Honorable Leslie Bowman
Honorable David Barberie
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/s/ Dennis Howard II
Assistant Attorney General

ATTORNEY GENERAL'S FIRST REQUEST FOR INFORMATION

On June 19, 2002, the applicants filed testimony from Stephen Smith in the Illinois proceeding concerning this transaction (Illinois Commerce Commission Case 01-0832). In that testimony, Mr. Smith testified that Thames intends to form another holding company to actually acquire the common stock of American Water Works Company. Concerning this new holding company, please provide the following information:

1. Has this new company been formed? If not, when do you expect to form the new company?
2. What is (or will be) the name of the new company?
3. What is (or will be) the legal form of organization of the new company (e.g., business corporation, limited liability company, etc.)?
4. Where was (or will) the new company be formed and where will its headquarters be located?
5. Please provide a complete copy of the new company's articles of incorporation (or similar document that created the company) and bylaws.
6. Please provide a certificate in good standing or similar document from the state in which the new company is organized.
7. Please provide a complete listing of all entities that own or control any or all of the ownership interest in the new company.
8. Please provide a complete listing of the officers and directors, or similar officials, of the new company. This listing should include the name, business address, and the position held (if any) with any of the applicants or any affiliates of the applicants.

9. Mr. Smith's Illinois testimony refers to changes in German tax laws that led to the decision to form a new holding company to acquire American Water Works' common stock. Please provide a complete explanation of the change in laws, including the date on which such change became effective, the reasons why the change led to the formation of this new company, and the date when the decision was made to form the new company.
10. Will this new company to also own or acquire any other assets of Thames and/or RWE in the United States? If so, please list and describe each such asset. If not, please explain why not.
11. Is it anticipated that American Water Works Co. and/Kentucky-American Water Company will participate in the filing of a consolidated tax return with any entities outside of the current American Water Works system (for example, with E'town Corp. or any other entity owned by Thames and/or RWE in the United States)? If so, please list and describe each such entity and estimate the impact on Kentucky-American Water Company from expanding the group with which it will be consolidated for tax purposes. If not, please explain why not.
12. Please provide an estimate of the impact in U.S. Dollars to Thames GmbH, RWE, and Kentucky-American Water Company.
13. Will any of the costs associated with forming or operating the new company be borne by, or passed down to, American Water Works Co. or any of its subsidiaries? If so, please specifically describe, and estimate the amount of, each such cost. If not, please explain why not.
14. If the new company will not be wholly owned by Thames and/or RWE, please list all other entities that will own and/or control any portion of the new company and explain the reasons for the involvement of such other entities.

15. Please update all portions of the application, testimony, and responses to discovery requests in Case number 2002-00018 that are changed as a result of the creation of this new holding company.
16. Does Thames Water Aqua Holdings GmbH have a certificate from the Kentucky Secretary of State to do business in the Commonwealth?
17. Does RWE have a certificate from the Kentucky Secretary of State to do business in the Commonwealth?
18. Does American Water Works Company have a certificate from the Kentucky Secretary of State to do business in the Commonwealth?
19. Will the new corporation file for a certificate from the Secretary of State to do business in the Commonwealth?
20. What will be the source of funding for operations of the company?
21. During the hearing in case number 2002-00018, Mr. Roy Mundy testified that Kentucky-American was transitioning to a national call center, correct? (Reference TE., Vol. II, page 32.)
22. Has that transition been completed?
23. If so, what was the date of the completion?
24. If the transition has been completed, please describe in detail the following:
 - a. The number of employees, both prior to the transition and current, physically located at Kentucky-American's locations to handle Kentucky-American's customer's service issues.
 - i. The hours during which Kentucky-American's customers can contact Kentucky-American with inquiries and speak with a person.

- ii. The number of phone calls which Kentucky-American can simultaneously receive and respond to with a person and the number which can be responded to by electronic means, such as a voice recording.
 - iii. The number of phone calls which Kentucky-American can receive within one minute, one hour, and one day.
 - iv. The number of phone calls which Kentucky-American can respond to in one minute, one hour, and one day.
 - b. The number of employees, both prior to the transition and current, located at the national call center exclusively dedicated to handle Kentucky-American's customer's service issues.
 - i. The hours during which Kentucky-American's customers can contact the call center regarding Kentucky-American with inquiries and speak with a person.
 - ii. The number of phone calls concerning Kentucky- American which the call center can simultaneously receive and respond to with a person and the number which can be responded to by electronic means, such as a voice recording.
 - iii. The number of phone calls concerning Kentucky-American which the call center can receive within one minute, one hour, and one day.
 - iv. The number of phone calls concerning Kentucky- American which the call center can respond to in one minute, one hour, and one day.
25. If the transition has not been completed, please describe in detail the status of the

transition, including:

- a. The number of employees, both prior to the transition and current, physically located at Kentucky-American's locations to handle Kentucky-American's customer's service issues.
 - i. The hours during which Kentucky-American's customers can contact Kentucky-American with inquiries and speak with a person,
 - ii. The number of phone calls which Kentucky-American can simultaneously receive and respond to with a person and the number which can be responded to by electronic means, such as a voice recording.
 - iii. The number of phone calls which Kentucky-American can receive within one minute, one hour, and one day.
 - iv. The number of phone calls which Kentucky-American can respond to in one minute, one hour, and one day.
- b. The number of employees, both prior to the transition and current, located at the national call center exclusively dedicated to handle Kentucky-American's customer's service issues.
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the number which can be responded to by electronic means, such as a voice recording.

- iii. The number of phone calls concerning Kentucky-American which the call center can receive within one minute, one hour, and one day.
- iv. The number of phone calls concerning Kentucky-American which the call center can respond to in one minute, one hour, and one day.

26. On Wednesday, July 31, 2002, Kentucky-American experienced an interruption in its water service.

- a. Is Kentucky-American required to follow any specific procedures in notifying the public of an interruption in service or a health advisory issue?
- b. If yes, what are those?
- c. If yes, did Kentucky-American follow same?

27. With regard to Kentucky-American notification to the public of the system interruption and the safety advisory, please answer the following:

- a. The time of the original notification, including the media used, means by which it was delivered (in person or press release), person who delivered it, and the content of the message;
- b. The time(s) of any subsequent notifications, including the media used, means by which it was delivered (in person or press release), person who delivered it, number of times it was presented to the public by each medium used, the frequency of its presentation to the public, and the content of the message;
- c. If the content of the release changed from its original presentation, please provide the original version and each subsequent version.

28. Following the system interruption on July 31, 2002, did Kentucky-American experience an interruption in telephone service? If yes, please answer or provide the following:

- a. The reason for interruption;
- b. The number of interruptions and their durations;
- c. Attempts made by Kentucky-American to remedy the telephone interruption; and
- d. The existence and use of any contingency plan to address the telephone interruption.

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