

**KENTUCKY-AMERICAN WATER COMPANY
THAMES WATER AQUA HOLDINGS GmbH**

Case No. 2002-00018

**Responses to Attorney General's Initial
Requests for Information dated February 22, 2002**

Item No. 64

Witness: James McGivern

64. Please provide the Attorney General with an update on the status of the applications and notices to be filed in the United States concerning the proposed acquisition.

RESPONSE:

64. We believe that approval is required in twelve states. Those states are Arizona, California, Illinois, Kentucky, Maryland, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Virginia and West Virginia. In five states, only advisory letter filings are required. Those states are Hawaii, Iowa, Missouri, Tennessee, and Texas. We do not believe that filings will be necessary in Georgia, Indiana and Michigan.

The status of the requests for approval is as follows:

- Arizona: Petition filed on December 17, 2001. Evidentiary hearings were held on August 8, 2002; an order is expected during October, 2002.
- California: Application filed on January 28, 2002. Evidentiary hearings were held in late July and early August; an order is expected before the end of 2002.
- Hawaii: An order approving the transaction was issued by the Hawaii Commission on April 17, 2002.
- Illinois: Application filed on December 21, 2001. Hearings were concluded at the end of July, 2002. On September 17, 2002, the ALJ issued a Proposed Order, recommending approval of the transaction. A final order is expected during October or November of 2002.
- Iowa: The counsel for the Iowa Utilities Board has advised us that Board approval of our transaction is not required.

- Kentucky: Petition filed on January 31, 2002. Approval granted May 30, 2002.
- Maryland: Petition filed on December 20, 2001. An order is expected during October, 2002.
- Missouri: Following the Office of Public Counsel's motion seeking commission review of the transaction, by Order dated December 23, 2001 the Missouri Public Service Commission ruled that approval is not required.
- New Jersey: Petition filed on December 21, 2001. Hearings were concluded during August 2002. An order is expected before the end of 2002.
- New Mexico: Application was filed on December 20, 2001. A Final Order approving the transaction was issued by the New Mexico Public Regulation Commission on August 20, 2002.
- New York: Petition filed on December 20, 2001. An Order is expected before the end of 2002.
- Ohio: Notice of Transfer of Ownership and Request for Declaration that Approval of the Transfer is not Required was filed on December 13, 2001. By Order dated January 24, 2002, the Public Utility Commission of Ohio ruled that approval is not required.
- Pennsylvania: Application filed on December 14, 2001. An Order approving the transaction was adopted by the Pennsylvania Public Utility Commission on August 29, 2002.
- Tennessee: Advisory letter sent on December 12, 2001. On January 8, 2002 the Tennessee Regulatory Authority approved the transaction.
- Texas: Advisory letter sent on December 12, 2001. By Order dated January 22, 2002 the Texas Natural Resource Conservation Commission ruled that approval is not required.
- Virginia: Petition filed on December 19, 2001. An Order Granting Approval was issued by the Virginia State Corporation Commission on April 4, 2002.
- W. Virginia: Petition filed on December 20, 2001. Evidentiary hearings were held on July 25 and 26. A Commission Order is expected before the end of September.

Each state has a different timeframe in which they must rule or approve the transaction. Some states have absolutely no time limits, other states have a two-month period, and some states have a year to review the transaction.

Under the Hart-Scott-Rodino ("HSR") Act and the rules promulgated thereunder by the Federal Trade Commission ("FTC"), the transaction may not be completed until the parties file a notification and report form under the HSR Act and the applicable waiting period has expired or been terminated. The waiting period expired on July 5, 2002 and the parties are now free to close.