

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

**THE JOINT PETITION OF KENTUCKY-)
AMERICAN WATER COMPANY,)
THAMES WATER AQUA HOLDINGS) CASE NO. 2002-00317
GmbH, RWE AKTIENGESELLSCHAFT,)
THAMES WATER AQUA US HOLDINGS,)
INC., APOLLO ACQUISITION COMPANY)
AND AMERICAN WATER WORKS CO. INC.,)
FOR APPROVAL OF A CHANGE IN)
CONTROL OF KENTUCKY-AMERICAN)
WATER COMPANY)**

**Response of the Lexington-Fayette Urban County Government
to the Informal Conference Staff Memorandum Dated September 11, 2002**

Comes the Lexington-Fayette Urban County Government (the “LFUCG”), through counsel, and files this its response to the Informal Conference Staff Memorandum dated September 11, 2002 (the “Memorandum”), which was filed to the record in this action. The memorandum does not accurately state the position of the LFUCG with respect to the time frame for this proceeding.

More specifically, the memorandum states “All participants agreed that, absent any unexpected event, the Commission should establish a schedule to complete its review of the application within 60 days of the filing of the Applicants’ application.” At the conference, the LFUCG and other participants were informed by the Commission Staff that the Commission intended to review this application and issue a decision within the initial 60 day period provided by statute. Discussions of a procedural schedule were based on this desire of the Commission to complete the proceeding within that time

frame, and not on the agreement of LFUCG that the Commission should establish a 60 day schedule.

The LFUCG believes that this is unrealistic and will force the Commission into making this a limited scope proceeding. KRS 278.020 expressly provides for additional time if necessary, and the Commission's chief concern should be the full development of the record in this proceeding, and not an arbitrary time constraint.

Respectfully submitted,

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: /s/ Anthony G. Martin
Anthony G. Martin
P. O. Box 1812
Lexington, KY 40588
(859) 268-1451

BY: /s/ David J. Barberie
David J. Barberie
Corporate Counsel
Department of Law
200 East Main Street
Lexington, Kentucky 40507
(859) 258-3500

ATTORNEYS FOR LEXINGTON-
FAYETTE URBAN COUNTY

NOTICE AND CERTIFICATION

Counsel gives notice the original and three copies of this document have been filed by United States Mail, first class postage prepaid to Thomas M. Dorman, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40611, and by uploading the filing to the file transfer protocol site designated by the Executive Director. The undersigned counsel hereby certifies that the electronic version is a true and accurate copy of the documents filed in paper, the electronic version has been transferred to the Commission, and the Commission and other parties have been notified by electronic mail that the electronic version has been transmitted to the Commission. Undersigned counsel also certifies that a copy of the foregoing motion was served by first class U.S. Mail delivery, postage prepaid, on the following, all on this the 17th day of September 2002:

William H. Bowker
Deputy Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

Gerald E. Wuetcher
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

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

Lindsey Ingram, Esq.
And Robert M. Watt, III, Esq.
Stoll, Keenon & Park
300 West Vine Street, Suite 2100
Lexington, KY 40507-1801

Jack Hughes
124 West Todd Street
Frankfort, KY 40601

Hon. Dennis G. Howard II
and
Hon. David E. Spenard
Attorney General's Office
Utility and Rate Intervention Division
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Foster Ockerman, Jr., Esq.
Martin, Ockerman & Brabant
200 North Upper Street
Lexington, KY 40507

ATTORNEY FOR LEXINGTON-
FAYETTE URBAN COUNTY
GOVERNMENT