COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF THE RATES OF KENTUCKY-) CASE NO. 2004-00103 AMERICAN WATER COMPANY)

<u>ORDER</u>

Kentucky-American Water Company ("Kentucky-American") has applied for approval to adjust its rates for water service. Finding that further proceedings were necessary to investigate the reasonableness of the proposed rates, the Commission by this Order suspends the operation of the proposed rates for a period of six months.

IT IS THEREFORE ORDERED that:

1. The proposed rates set forth in Kentucky-American's application are suspended up to and including November 29, 2004.

2. The procedural schedule set forth in the Appendix to this Order shall be followed.

3. All documents filed with the Commission shall comply with the provisions of the Commission's Order of May 27, 2004.

4. a. All requests for information and responses thereto shall be appropriately indexed.

b. All responses to requests for information shall include the name of the witness who will be responsible for responding to the questions related to the information provided.

c. 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.

d. The party responding to a request for information shall serve an electronic copy and a paper copy on the Commission and a paper copy on all parties of record.

5. Kentucky-American shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, it shall forward a duplicate of the notice and request to the Commission.

6. At any hearing in this matter, neither opening statements, summarization of direct testimony, or surrebuttal testimony shall be permitted.

7. 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.

8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 28th day of May, 2004.

By the Commission

ATTEST:

Executive Director

Case No. 2004-00103

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00103 DATED May 28, 2004.

All requests for information to Kentucky-American shall be served upon Kentucky-American no later than	. 06/11/2004
Kentucky-American shall file with the Commission and serve upon all parties of record its responses to the requests for information no later than	. 06/25/2004
All supplemental requests for information to Kentucky-American shall be served upon Kentucky-American no later than	. 07/09/2004
Kentucky-American shall file with the Commission and serve upon all parties of record its responses to supplemental requests for information no later than	. 07/23/2004
Intervenor testimony, if any, shall be filed with the Commission in verified prepared form no later than	. 08/06/2004
All requests for information to any Intervenor shall be served upon that Intervenor no later than	. 08/20/2004
Intervenors shall file with the Commission and serve upon all parties of record their responses to the requests for information no later than	. 09/03/2004
Kentucky-American may file with the Commission the testimony of its rebuttal witnesses in written verified form no later than	. 09/17/2004
Last day for Kentucky-American to publish notice of hearing date	. 10/05/2004
Public Hearing is to begin at 9:00 a.m., Eastern Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Kentucky-American and the Intervenors	. 10/12/2004
Parties may file written briefs with the Commission no later than	. 11/15/2004