COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT PETITION OF KENTUCKY-)
AMERICAN WATER COMPANY, THAMES)
WATER AQUA HOLDINGS GMBH, RWE)
AKTIENGELLSCHAFT, THAMES WATER)
AQUA US HOLDINGS, INC., AND AMERICAN) CASE NO. 2006-00197
WATER WORKS COMPANY, INC. FOR)
APPROVAL OF A CHANGE IN CONTROL OF)
KENTUCKY-AMERICAN WATER COMPANY)

REPORT OF DIVESTITURE COSTS

Pursuant to Condition No. 22 of the Kentucky Public Service Commission's April 16, 2007 Order in this matter, Petitioners report that the divestiture costs as of December 31, 2008 were \$131,861,211.

Respectfully submitted,

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CERTIFICATION

This is to certify that a true and accurate copy of the foregoing has been electronically transmitted to the Public Service Commission on February 16, 2009; that the Public Service Commission and other parties participating by electronic means have been notified of such electronic transmission; that, on February 17, 2009, the original and one (1) copy in paper medium will be hand-delivered to the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; and that on February 17, 2009, one (1) copy in paper medium will be served upon the following via U.S. Mail:

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