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
AQUA OB HOLDHUD, HUC, AUD AMERICAN) 01101 100 2000 001) 1
WATER WORKS COMPANY, INC. FOR)
)

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 for the period

ending June 30, 2007 are \$16,940,116.

Respectfully submitted,

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Mulsey 4 In TH By:

Attorneys for RWE Aktiengesellschaft, Thames Water Aqua Holdings GmbH, Thames Water Aqua US Holdings, Inc., American Water Works Company, Inc., and Kentucky-American Water Company

CERTIFICATION

This is to certify that a true and accurate copy of the foregoing has been electronically transmitted to the Public Service Commission on August 15, 2007; that the Public Service Commission and other parties participating by electronic means have been notified of such electronic transmission; that, on August 15, 2007, 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 August 15, 2007, one (1) copy in paper medium will be served upon the following via U.S. Mail:

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Attorneys for Joint Petitioners