

SCHEDULE L

NARRATIVE RATIONALE FOR TARIFF CHANGES

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2007-00143

Forecasted Test Period: FOR THE TWELVE MONTHS ENDED: NOVEMBER 2008

Base Period: FOR THE TWELVE MONTHS ENDED: JULY 2007

<u>Schedule</u>	<u>Description</u>
L	Narrative Rationale for Tariff Changes

For electronic version, see KAW_APP_EX37L_043007 pdf

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2007-00143
NARRATIVE RATIONALE FOR TARIFF CHANGES

DATA: _____ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _X_ ORIGINAL _____ UPDATED ___ REVISED

WITNESS RESPONSIBLE: L. Bridwell / M. Miller

SCHEDULE L
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Line No.	Reference	Type of Rate or Regulation	Explanation of Change/Rationale for Change
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6			The Company is proposing to increase its rates based on Mr. Paul Herbert's cost of service study for all metered tariffs, plus public and private fire protection. The Company directed Mr. Herbert to develop the cost of service study for single tariff pricing for all districts. Please refer to Mr. Michael a. Miller's Direct Testimony for a detailed discussion of these proposed tariff changes.
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11			In this proceeding, the Company is proposing to adjust its Tapping Fee tariff. Please refer to the testimony of Ms. Linda Bridwell.
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The Company is proposing an increase to activation fee of \$2.00 for activating service, the actual cost for providing this service. Please refer to the testimony of Mr. Michael A. Miller.

The Company is proposing an increase to reconnection fee of \$2.00 for reconnecting a service, the actual cost for providing this service. Please refer to the testimony of Mr. Michael A. Miller.