

Dear Mr. and Ms. Starr:

Your comments have been received and will be placed into the case file for the commission's consideration as it deliberates in this matter. For your reference, the case number in this matter is 2008-00427. Please reference this number in any future correspondence with the PSC.  
Thank you for your interest.

*Andrew Melnykovich*  
Director of Communications  
Kentucky Public Service Commission  
502-564-3940 x208

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**From:** PSC - Public Information Officer  
**Sent:** Monday, November 03, 2008 10:35 PM  
**To:** Melnykovich, Andrew (PSC)  
**Subject:** FW: Kentucky American Water Company Rate Adjustment Request

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**From:** Ellis Starr[SMTP: E-MAIL ADDRESS REDACTED]  
**Sent:** Monday, November 03, 2008 10:34:25 PM  
**To:** PSC - Public Information Officer  
**Subject:** Kentucky American Water Company Rate Adjustment Request  
**Auto forwarded by a Rule**

We are in receipt of Kentucky American Water Company's request for adjustment of rates effective November 30, 2008.

We find the request to be unfair, unjust, and exorbitant. If this rate adjustment were a rate of interest, it would easily fall under the definition of usurious.

We object to the rate adjustment request in its entirety and ask that this rate adjustment request be denied.

NO matter the need for a means of delivering a consistent water supply to the residents of Fayette County, the costs of this project should be borne by the provider, Kentucky American Water Company, almost in its entirety. Only because this is a utility are they allowed to even consider front loading their costs of business on their customers. This must not be allowed.

For example, if Wal-Mart were to invest \$162 million in building a distribution facility, it would not seek to ask its customers IN ADVANCE for the funds to do so. It would borrow in the marketplace and would do so knowing it would earn the costs associated with the building of the distribution facility back as a normal course of business.

Kentucky American Water Company has the wherewithal to borrow for its needs in building whatever facilities it needs to build, and to ask for "reasonable" increases over time to cover costs it incurs that are ordinary and necessary, BUT NOT to recover the costs of building the pipeline and distribution plants needed to bring water to Fayette County.

Simply put, 'IF WE (a majority of the citizens of Fayette County) WANTED TO GIVE A PUBLIC CORPORATION OR AGENCY THE RIGHT TO RAISE TAXES AND FEES AS IT SEES FIT" we could have voted for a Lexington-Fayette Urban County Government consisting of a mayor and council to continue the takeover of Kentucky American Water Company, so that Kentucky American Water Company became a public entity.

WE (a majority of the citizens of Fayette County) in fact DID NOT vote for a council and mayor that would take over KAWC, because we wanted the company to remain private, and to operate as a private company should, even one that serves the public interest by providing water.

As such, KAWC should act as a private enterprise should act and should not seek to have its customers PAY IT IN ADVANCE for the costs of its growth.

We respectfully request that you deny Kentucky American Water Company's exorbitant rate adjustment request.

Sincerely,  
Ellis and Catherine Starr  
1984 Blackhorse Lane  
Lexington, KY 40503  
(859) REDACTED