

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:** )  
 )  
**THE APPLICATION OF KENTUCKY-AMERICAN ) CASE NO. 2010-00036**  
**WATER COMPANY FOR AN ADJUSTMENT OF )**  
**RATES ON AND AFTER MARCH 28, 2010 )**

**ORDERING PARAGRAPH 13 REPORT**

In accordance with Ordering Paragraph 13(b) of the Commission’s December 14, 2010 Order in this matter, Kentucky-American Water Company (“KAW”) reports that the collaborative effort to identify and study potential regulatory and legislative solutions to enhance and improve the affordability of water service for low-income customers was initiated in January 2011 and continues. An initial meeting among the parties to this matter occurred on February 9, 2011 and a subsequent meeting occurred on March 29, 2011. The parties have discussed potential regulatory and legislative mechanisms to enhance and improve the affordability of water service for low-income customers.

The consensus of the group is that a legislative effort will be a worthwhile effort and should be pursued. The parties have considered legislative efforts that have occurred in states in which KAW’s sister companies do business and have considered Kentucky’s legislation that provides assistance to low-income electricity and gas customers. The parties have circulated and are working on proposed legislation.

A meeting was held on September 1, 2011, in an effort to finalize the proposed legislation. The parties have circulated additional edits to the proposed legislation and continue to work on a final draft. At the September 1, 2011 meeting the parties also discussed plans for

maximizing the chances that the proposed legislation will become law, aspects of which will include education about the legislation and its benefits.

The consensus of the group is that there are some additional potential regulatory and legislative solutions that merit study. The parties agree that the final written report on the group's effort will include a discussion that conveys the effort made to identify and study these solutions as well as any corresponding recommendations.

Respectfully submitted,

RICHARD W. BERTELSON, III  
CORPORATE COUNSEL  
KENTUCKY-AMERICAN WATER COMPANY  
2300 Richmond Road  
Lexington, Kentucky 40502  
[Richard.Bertelson@amwater.com](mailto:Richard.Bertelson@amwater.com)

and

STOLL KEENON OGDEN PLLC  
300 West Vine Street, Suite 2100  
Lexington, Kentucky 40507-1801  
Telephone: (859) 231-3000  
[L.Ingram@skofirm.com](mailto:L.Ingram@skofirm.com)



BY: \_\_\_\_\_  
Richard W. Bertelson, III, Corporate Counsel  
Kentucky-American Water Company

**CERTIFICATE**

In accordance with Ordering Paragraph No. 6 of the Commission's February 16, 2010 Order, this is to certify that Kentucky-American Water Company's September 30, 2011 electronic filing is a true and accurate copy of the documents to be filed in paper medium; that the electronic filing has been transmitted to the Commission on September 30, 2011; that an original and one copy of the filing will be delivered to the Commission on October 3, 2011; and, that, on September 30, 2011, electronic mail notification of the electronic filing will be provided to the Commission and the following:

David Edward Spenard  
Office of the Attorney General  
1024 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601  
[david.spenard@ag.ky.gov](mailto:david.spenard@ag.ky.gov)  
[dennis.howard@ag.ky.gov](mailto:dennis.howard@ag.ky.gov)  
[heather.kash@ag.ky.gov](mailto:heather.kash@ag.ky.gov)

Iris G. Skidmore  
Bates and Skidmore  
415 West Main Street, Suite 2  
Frankfort, Kentucky 40601  
[batesandskidmore@gmail.com](mailto:batesandskidmore@gmail.com)

David J. Barberie  
Leslye M. Bowman  
LFUCG Department of Law  
200 East Main Street  
Lexington, Kentucky 40507  
[dbarberi@lfucg.com](mailto:dbarberi@lfucg.com)  
[lbowman@lfucg.com](mailto:lbowman@lfucg.com)

KENTUCKY-AMERICAN WATER COMPANY  
STOLL KEENON OGDEN PLLC



BY: \_\_\_\_\_  
Richard W. Bertelson, III, Corporate Counsel  
Kentucky-American Water Company