**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

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| APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING THE CONSTRUCTION OF WATER TRANSMISSION MAINS, BOOSTER PUMP STATION AND TWO ELEVATED STORAGE TANKS FOR THE NORTHERN DIVISION CONNECTION | ) ) ) ) ) ) ) | CASE NO. 2012-00096 |

# KENTUCKY-AMERICAN WATER COMPANY'S POST-HEARING BRIEF

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## I. INTRODUCTION

This case involves Kentucky-American Water Company's ("KAW") Application under KRS 278.020(1) for a certificate of convenience and necessity authorizing the construction of water transmission mains, a booster pump station, and two elevated storage tanks (collectively, the "Northern Division Connection") by which KAW's Northern Division customers will be served. KAW has established that public convenience and necessity require construction of the Northern Division Connection. KAW has further established that the Northern Division Connection is both reasonable and cost-effective and is neither a wasteful investment nor a duplication of facilities. Indeed, KAW has established that the Northern Division Connection is the most reasonable and least cost solution for the existing water treatment problems in KAW's Northern Division. The Northern Division Connection will ensure that KAW will be in a position to meet its obligations in providing a reliable supply of potable water to its Northern Division customers for years to come without affecting KAW's ability to serve its Central Division customers. Accordingly, and for all the reasons set forth below, the Commission should grant the requested Certificate of Public Convenience and Necessity ("CPCN") allowing construction of the Northern Division Connection.

## II. PROCEDURAL HISTORY

KAW filed its Application along with supporting exhibits on May 31, 2012. The Kentucky Public Service Commission ("Commission") accepted the Application and issued a no-deficiency letter on June 6, 2012. On June 19, 2012, the Commission issued a procedural schedule for the matter which included a deadline of July 2, 2012 for KAW to file written direct testimony of any witnesses. Accordingly, KAW filed the written direct testimony of Lance Williams on July 2, 2012.

The Commission granted full intervention in this proceeding to the Kentucky Attorney General, by and through his Office of Rate Intervention ("AG") and the Lexington-Fayette Urban County Government ("LFUCG"). Pursuant to the Commission's procedural schedule, the parties, along with Commission Staff, engaged in discovery. Neither the LFUCG nor the AG filed intervenor testimony.

The Commission held a hearing on October 16, 2012 for the purposes of receiving public comment and hearing evidence. KAW published proof of the hearing in accordance with the applicable regulations and the Commission's September 18, 2012 order. During the hearing, further discovery was requested of KAW in the form of hearing data requests. KAW filed its responses to those hearing data requests on October 26, 2012. This brief is filed pursuant to the schedule established at the conclusion of the Commission's October 16, 2012 hearing.

## III. OVERVIEW OF PROPOSED PROJECT

KAW owns and operates a water treatment plant in Owenton, Kentucky ("Owenton WTP") that provides finished water to customers in KAW's Northern Division.[1] The Owenton WTP has a number of deficiencies that KAW must address in order to continue providing safe finished water reliably.[2] The most cost-effective way of addressing those deficiencies is to construct the Northern Division Connection, which would include a water transmission main (and related facilities) connecting KAW's existing Northern Division distribution system to KAW's recently constructed Kentucky River Station II ("KRS II") treatment plant.

In Case No. 2007-00134, the Commission authorized KAW to construct KRS II at Pool 3 of the Kentucky River near the town of Monterey in Owen County. KAW completed that construction in September 2010. KRS II has a 20 million gallons per day ("MGD") rated capacity and currently supplies water to KAW's Central Division. The Northern Division Connection will provide a direct connection from KRS II to KAW's Northern Division so that Northern Division customers will be served with finished water from KRS II.

As explained in Lance Williams' Direct Testimony, KAW proposes to complete the Northern Division Connection in three phases. During Phase I, KAW will construct a 16-inch transmission main from KRS II to the north of Monterey. Phase I will require approximately 39,620 linear feet of transmission main and necessary appurtenances. When this is complete, this connection will allow service to residents that reside south of Monterey along U.S. Route 127 that are currently served by the Owenton WTP. When the entire project is complete, this

[1] KAW's Verified Application, p. 2.
[2] KAW's Verified Application, p. 2; Engineering Feasibility Study Report, pp. 1-3 (attached as Exhibit A to the Verified Application).

transmission main will supply water to the 600,000 gallon elevated storage tank KAW has proposed (discussed below).

During Phase II, KAW will continue installing 16-inch transmission main north along U.S. Route 127. From Monterey, the main will continue into Owenton and will connect into the Owenton system in three locations: first, into an existing line near the intersection of Kentucky State Route 845 and U.S. Route 127; second, into an existing line on U.S. Route 127 near the intersection of U.S. Route 127 and Kentucky State Route 22; and, third, into an existing line on Kentucky State Route 22 near Thomner Trailer Park Road. Completion of this second phase will require the installation of an estimated 44,945 linear feet of transmission main and necessary appurtenances.

In Phase III, which is the final phase, KAW will construct two elevated storage tanks and a booster pump station. One storage tank will be constructed on the northern side of Monterey and will have a capacity of 300,000 gallons. The second tank, which is referred to above, will be located outside of Owenton and will have a capacity of 600,000 gallons. The booster pump station will be rated for 2 MGD, and will have the ability to pump directly from the new 300,000 gallon tank to the new 16-inch transmission main.

KAW filed the plans and specifications for the project as Exhibit B to its Application. KAW has also obtained all necessary permits[3] and real property rights[4] that will be necessary for the Northern Division Connection. In fact, because less than five percent of the proposed

[3] See Exhibit C to KAW's Application and KAW's September 28, 2012 Supplement to Exhibit C.

[4] See KAW's September 28, 2012 Supplemental Responses to Item 67 of Commission Staff's First Set of Information Requests and Item 6 of the Attorney General's First Set of Information Requests. Hereafter, KAW's discovery responses are referred to as "questioner X-Y." For example, "AG 1-2" refers to Item No. 2 of the Attorney General's First Set of Information Requests.

pipeline requires easements obtained from private landowners, only fourteen private easements are required, all of which have been obtained.[5]

## IV. ARGUMENT

### A. KAW'S REQUEST FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY SHOULD BE GRANTED.

The statutory requirement for certificates of public convenience and necessity is contained in KRS 278.020(1), which states:

> No person, partnership, public or private corporation, or any combination thereof shall . . . begin the construction of any plant, equipment, property or facility for furnishing to the public any of the services enumerated in KRS 278.010 . . . until that person has obtained from the Public Service Commission a certificate that public convenience and necessity require the service or construction. . . .

Kentucky's highest court has construed "public convenience and necessity" to mean: (1) there is a need for the proposed facility or service; and (2) the new facility or service will not create wasteful duplication.[6]

A finding of "need" is supported where there has been a showing of "a substantial inadequacy of existing service" due to a deficiency of service facilities beyond what could be supplied by normal improvements in the ordinary course of business.[7] "Substantial inadequacy of existing service" is not required to be a currently-existing deficiency, but rather may be a deficiency expected a number of years into the future "in view of the long range planning necessary in the public utility field."[8] The prevention of "wasteful duplication" has been interpreted to mean not only a physical multiplicity of facilities, but also an avoidance of

[5] Id.
[6] Kentucky Utilities Co. v. Public Service Commission, 252 S.W.2d 885, 890 (Ky. 1952).
[7] Id.
[8] Kentucky Utilities Co. v. Public Service Commission, 390 S.W.2d 168, 171 (Ky. 1965).

"excessive investment in relation to productivity or efficiency."[9] In considering the efficiency of a proposed project, the Commission is not restricted to making a close comparison of the rates that would result from various options.[10] In other words, although cost is a factor, it is not the only factor to be considered. As long as the project is reasonable and feasible, it meets that standard set forth in 278.020(1).[11] The standard has been succinctly described as follows:

> As we view it, if the . . . proposal is feasible (capable of supplying adequate service at reasonable rates) and will not result in wasteful duplication, the Public Service Commission is authorized to grant a certificate . . . .[12]

**B. THE FACILITIES ARE NEEDED.**

The record in this case is replete with proof that the Owenton WTP has significant problems that must be addressed. In other words, a solution is needed. Given the lack of any intervenor testimony, it appears that the question of "need" is unopposed. As a public utility in the Commonwealth of Kentucky and regulated by the Commission, KAW must comply with the following regulations:

> (1) 807 KAR 5:066, Section 3(2)(c) – "In absence of comparable requirements of the Natural Resources Cabinet, water supplied by any utility shall be: (c) From a source reasonably adequate to provide a continuous supply of water."
>
> (2) 807 KAR 5:066, Section 4(1) – "Emergency interruptions. Each utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its consumers and the general public."
>
> (3) 807 KAR 5:066, Section 10(4) – "Water supply requirements. The quantity of water delivered to the utility's distribution system from all source facilities shall be sufficient to

[9] Kentucky Utilities Co., 252 S.W.2d at 890.
[10] South Central Rural Telephone v. Public Service Commission, 453 S.W.2d 257, 259 (Ky. 1970).
[11] Kentucky Utilities Co., 390 S.W.2d at 172 – 173.
[12] Kentucky Utilities Co., 390 S.W.2d at 175.

> supply adequately, dependably and safely the total reasonable requirements of its customers under maximum consumption."

In Lance Williams' Direct Testimony in this case, he provided a comprehensive description of the Owenton WTP and its problems.[13] KAW purchased the Owenton WTP in 2005. It has a design capacity of 1.44 MGD, but has averaged approximately .83 MGD from 2006 to present.[14] One of the primary problems with the Owenton WTP is its lack of redundancy.[15] The facility operates with a single treatment process train that utilizes a clarifier in transferring raw water through the sedimentation process. This single train process presents both a redundancy problem and a reliability problem because it prevents KAW from maintaining safe operations if the treatment process is in any way disrupted. The treatment process can be disrupted in a number of ways, such as from a heavy rain event, a mechanical issue, or other equipment failure.[16] If the clarifier fails, because the Owenton WTP utilizes a single treatment process train, the plant is incapable of producing finished water. Moreover, the existence of a single train means that when KAW has to perform maintenance or repairs, it must rely on limited storage capacity to provide water until the treatment process can be restarted.[17]

The Owenton WTP also has undersized chemical storage facilities. This requires KAW to purchase chemicals in smaller quantities which can be inefficient and more expensive than purchasing in larger quantities.[18] Also, the lack of adequate chemical storage facilities presents an environmental risk problem due to the fact that certain chemicals must be stored off-site and hauled to the Owenton WTP on an as-needed basis.[19] The Owenton WTP also suffers from the

[13] Williams Direct Testimony, pp. 2-7.
[14] Id., p. 2.
[15] Id., p. 3.
[16] Id.
[17] Id., p.4
[18] Id.
[19] Id.

fact that it only has two filters, both of which must be operational for the plant to produce water. If one filter is out of service for maintenance or repairs, the plant is often unable to satisfy normal production demands and stored capacity must be utilized.[20]

The processing of residuals is another problem at the Owenton WTP.[21] As part of the treatment process, the plant utilizes a traditional sand filtration system to remove particulates from the water. The particulates captured as part of the filtering process are known as residuals. Currently, residuals and filter backwash water are piped to a basin on an adjacent property. There are two problems with this method. First, the walls of the basin itself are deteriorating. Second, KAW is very limited in its ability to remove sludge from the basin. These two problems must be resolved in order for KAW to continue to comply with applicable regulations.[22]

The primary source of raw water for the Owenton WTP is another problem.[23] Severn Creek, which eventually flows into the Kentucky River, is the primary source of water for the Owenton WTP. Even before KAW acquired the plant, the Division of Water identified an issue with the location of the raw water intake on Severn Creek. The concern pertains to the high organic content of the raw water that results from the intake's proximity to Pool 2 in the Kentucky River and the very low flow of Severn Creek during the warmer months. The stagnating water and high organic content brings about very poor water quality.[24] To date, KAW has been able to reduce the level of organic content in the finished water to suitable levels,

[20] Id.
[21] Id., p. 5.
[22] Id.
[23] Id., p. 6; Commission Staff 1-58.
[24] Id.

thus delaying the need to relocate the intake, but with the advent of more stringent water quality standards, KAW does not believe it will be able to do so without relocating the intake.[25]

The cumulative impact of the limitations discussed above (and also in Mr. Williams' testimony and the Feasibility Study) is that there is a need, as required by CPCN law, that must be solved so that KAW can provide its Northern Division customers with quality water. The issues identified above are not trivial; to the contrary, these represent some of the most central components of providing finished water: having a redundant treatment process; the capability to store necessary chemicals; the storage of water; and processing residuals in a safe and environmentally conscious manner.[26]

Although KAW has been able to manage the problems associated with the Owenton WTP, the present conditions by which water is provided to the Northern Division create an unacceptable level of risk with regard to both the quality of water and the Company's ability to satisfy normal demand.[27] Many Northern Division customers are aware of the issues with the Owenton WTP and are supportive of the Company's request in this proceeding, as evidenced by the resolution of support passed by the City of Owenton on June 5, 2012 and filed as part of the record in this proceeding on June 8, 2012.

### C. THE NORTHERN DIVISION CONNECTION WILL NOT RESULT IN A WASTEFUL INVESTMENT OR DUPLICATION OF FACILITIES, AND, THEREFORE, IS REASONABLE UNDER EXISTING AND FORESEEABLE CIRCUMSTANCES.

Given the problems at the Owenton WTP, KAW has determined that the Northern Division Connection is the best solution to meet the established need. In making that

[25] Id.
[26] Id., pp. 6-7.
[27] The problems at the Owenton WTP are exacerbated by the looming and more stringent water quality standards that will become effective for the Northern Division in October 2013. (See Williams Direct Testimony, p. 6; Feasibility Study, p. 3; and AG 1-8).

determination, KAW conducted the Engineering Feasibility Study ("Feasibility Study") that was attached as Exhibit A to the Application in this matter. That study identified two options to solve the problem: (1) the Northern Division Connection; or (2) continued use of Owenton WTP but with making the upgrades and improvements necessary to address the inadequacies of the Owenton WTP.[28] KAW determined that both alternatives would solve the need, so KAW then had to determine which alternative would be most cost-effective, and, therefore, the best solution for KAW customers.

In its analysis and consistent with CPCN law, KAW considered both the capital expense and the ongoing operation and maintenance expense that would be incurred with each alternative. KAW has planned, designed and solicited bids for completing the Northern Division Connection. Based on those bids, the total estimated cost of the Northern Division Connection is $14,104,868.[29]

KAW also sought and received estimates for making the necessary upgrades to the Owenton WTP. The total estimated capital cost of those upgrades is $11,400,000, broken down as follows: $2.1 million for chemical bulk storage improvements; $1.2 million for pretreatment reliability improvements; $1.8 million for residuals handling improvements; $1.7 million for filter reliability improvements; $600,000 for emergency power reliability improvements; $300,000 for SCADA[30] improvements; $1.4 million for raw water intake improvements; and $2.3 million for a new storage tank.[31]

Thus, based on capital costs alone, upgrading the Owenton WTP is less expensive. However, KAW and its customers will derive significant operation and maintenance ("O&M")

[28] Williams Testimony, p. 7.
[29] Williams Testimony, p. 11.
[30] "SCADA" refers to supervisory control and data acquisition capabilities necessary to monitor and control plant operations.
[31] See Feasibility Study. P. 5 and PSC 1-17 which includes April 4, 2012 cost estimates from Strand Associates, Inc.

expense savings if the Northern Division Connection is made and the Owenton WTP is decommissioned.[32] In fact, as set forth in KAW's October 26, 2012 response to Hearing Data Request No. 12, the cumulative ratemaking impact savings through 2035 of completing the Northern Division Connection compared to improving the Owenton WTP is over $15 million dollars – a savings that will *more than pay for* the capital cost of the Northern Division Connection. Indeed, KAW concluded in the Feasibility Study that O&M savings in the very first year of operating the Northern Division Connection would exceed $600,000.[33] Without question, the Commission has and should consider O&M savings as part of "all relevant factors"[34] in assessing whether a requested CPCN should be granted. Indeed, in Case No. 2007-00134 (in which the Commission granted a CPCN for the construction of KRS II), the Commission conducted its own net present value analysis which included many future operating costs for items such as payroll, security, purchased power, chemicals, insurance and property taxes.[35] The Northern Division Connection is clearly the least-cost solution.

### D. KAW'S CENTRAL DIVISION CUSTOMERS ARE NOT AT RISK OF REDUCED WATER SUPPLY AND WILL SHARE IN THE COST SAVINGS ACHIEVED BY THE NORTHERN DIVISION CONNECTION.

As discovery occurred in this case, the AG, LFUCG and Commission Staff asked questions on the issue of whether supplying the Northern Division from KRS II would have a detrimental impact on water availability to KAW's Central Division customers. KAW demonstrated that it will not. In Case No. 2007-00134, the Commission authorized KAW to

[32] If the Northern Division Connection is made, KAW will no longer use the Owenton WTP for water treatment. At this time, KAW has not determined whether it will demolish those facilities, but it will do whatever is the most advantageous for KAW customers. (October 16, 2012 Linda Bridwell Hearing Testimony; 15:59:22). Of course, any costs associated with decommissioning may be addressed in a future KAW general rate case.
[33] Feasibility Study, Appendix F.
[34] *In the Matter of: The Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct a 138 KV Transmission Line in Rowan County, Kentucky*, Case No. 2005, 00089, August 19, 2005 Order, p. 6.
[35] Case No. 2007-00134, April 25, 2008 Order, pp. 51-75.

construct KRS II which has a rated capacity of 20 MGD. KAW demonstrated in Case No. 2007-00134 that KRS II and Pool 3 of the Kentucky River would meet the long-term needs of the Central Division.

Since KRS II became operational in 2010, KAW has had the opportunity to become very familiar with its capabilities. KAW has learned exactly what it expected when it designed a 20 MGD facility – that, in fact, KRS II is capable of producing 24 MGD if necessary based on observed pumping and filtration capacity.[36] Even under the hottest and driest of scenarios, the maximum day demand expected from the Northern Division in 2025 is just over 2 million gallons.[37] Thus, KAW has learned that KRS II can actually produce 2 million gallons more than the additional water the Northern Division would demand under maximum demand conditions in 2025.[38] To date, the maximum day demand has been 1.176 million gallons.[39]

With regard to a drought period, because of the relatively small customer base in the Northern Division,[40] decommissioning the Owenton WTP would only increase demand on the rest of the system by a mere two percent.[41] In fact, KRS II has five filters and with all filters in service, KRS II could produce 25 MGD.[42] The pumps at KRS II are also sized to reliably produce 24 MGD.[43] These are examples of the redundancy and resulting reliability built into KRS II lacking at the Owenton WTP. Finally, as demonstrated in Case No. 2007-00134, KRS II was designed in a way so that additional 5 MGD increments to overall capacity can be added relatively easily if the need arises.

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[36] LFUCG 1-3.
[37] AG 1-22; Commission Staff 1-27.
[38] See KAW's discovery responses at: AG 1-7, 1-22, 1-29, Commission Staff 1-11, 1-14, AG 2-42, and LFUCG 1-3 and 1-5.
[39] Commission Staff 1-6.
[40] As of May 2012, there were 3,862 service connections in KAW's Northern Division. (Commission Staff 1-33.)
[41] LFUCG 1-3.
[42] Id.
[43] Id.

In addition to the fact that the availability of water to the Central Division will not be affected, Central Division customers will actually benefit from the cost savings achieved by the Northern Division Connection because of KAW's single tariff rate design. At the time of KAW's 2004 rate case, KAW had separate tariffs for its Central and Northern Division customers. In that case, KAW indicated that it intended to move to a single-tariff or "unified" rate structure in its next rate case. The Commission agreed that such a move would be consistent with generally accepted principles of sound rate design.[44]

After Case No. 2004-00103, KAW acquired the Owenton system. In Case No. 2005-00206, in which the Commission addressed KAW's acquisition of the Owenton system, the Commission again recognized and encouraged a shift to single-tariff rate design when it stated, "the Commission places KAWC on notice that KAWC's next application for a general rate adjustment should contain a proposal for a single rate schedule applicable to all KAWC customers . . .").[45] Given those Commission directives, in KAW's subsequent general rate case (Case No. 2007-00143), it proposed a single-tariff structure. The parties to that case proposed an agreed resolution of the case to the Commission. The proposed agreed resolution included the move to a single-tariff structure,[46] and the Commission approved the agreed resolution, including the single-tariff structure.[47] That same single-tariff structure remains in place today and KAW continues to agree with the Commission that it is consistent with sound rate design. Thus, *all* KAW customers, regardless of division, will have the same rate impact of any solution to the Owenton WTP problem. Therefore, the savings achieved by the Northern Division Connection will likewise be passed along to Central Division customers. Of course, this also means that

[44] See February 28, 2005 Order in Case No. 2004-00103, pp. 75-76.
[45] July 22, 2005 Order in Case No. 2005-00206, p. 6.
[46] November 29, 2007 Order in Case No 2007-00143, Exhibit B, p. 2.
[47] November 29, 2007 Order in Case No. 2007-00143.

Northern Division customers have been paying for the cost of KRS II since it was first included in KAW's rate base, which is yet another reason why those customers should now share in the advantages of being supplied from KRS II.

### E. THE AVAILABILITY OF RAW WATER FROM THE KENTUCKY RIVER IS NOT A FACTOR IN CONSIDERING THE NORTHERN DIVISION CONNECTION.

In response to a question from the AG in discovery asking whether KAW had submitted its Northern Division Connection proposal to the Kentucky River Authority[48] ("KRA"), KAW responded that it had not because doing so is not required.[49] In addition to the fact that no statute or regulation requires the KRA to comment on the proposed project in this proceeding or otherwise, KAW did not submit its proposal to the KRA because – for several reasons – the Northern Division Connection has no appreciable impact on the Kentucky River or its watershed. First, the amount of raw water required is small – average day demand for the Owenton WTP is approximately .83 MGD.[50] Second, moving the raw water intake for Northern Division customers will have no volumetric effect on total water withdrawn from the Kentucky River watershed. To explain, the Owenton WTP is supplied primarily with raw water from a tributary of the Kentucky River (Severn Creek) and secondarily from a small impoundment known as Thomas Lake.[51] In fact, Thomas Lake impounds a tributary to Severn Creek. Severn Creek flows into the Kentucky River at Pool 2. If the Northern Division Connection is made, the raw water supply for Northern Division customers will be shifted from Severn Creek and Thomas Lake to Pool 3 of the Kentucky River. However, because Severn Creek flows into the Kentucky

[48] The Kentucky River Authority is authorized to oversee the locks and dams on the Kentucky River and to develop a water resource plan for the Kentucky River. KRS 151.720(1)&(11). Neither of those tasks is affected by the requested CPCN in this case.
[49] AG 1-13.
[50] Feasibility Study, p. 1.
[51] Feasibility Study, p. 1.

River, the net amount of raw water withdrawn from the Kentucky River or its tributaries will be unchanged.[52] Because there are no water providers who withdraw water below Pool 3 of the Kentucky River,[53] the shift from Severn Creek to Pool 3 has neither an effect on Kentucky River raw water supply nor any other water purveyor. Accordingly, the Northern Division Connection raises no issue of any relevance to the KRA.

## V. CONCLUSION

KAW has met all the requirements set forth in KRS 278.020(1) to obtain a certificate of convenience and necessity for the construction of the Northern Division Connection. It has demonstrated a need for the project. It has also demonstrated that the project is reasonable in both scope and cost. In fact, KAW has demonstrated that the Northern Division Connection is the best and least-cost solution to meeting the demonstrated need. Accordingly, KAW respectfully requests an order from the Commission authorizing construction of the Northern Division Connection and finding that the public convenience and necessity require such construction.

[52] October 16, 2012 Linda Bridwell Hearing Testimony; 15:54:18.
[53] October 16, 2012 Linda Bridwell Hearing Testimony; 15:51:50.

Date: November 15, 2012

Respectfully submitted,

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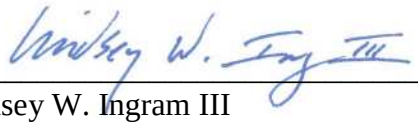
By: 

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## CERTIFICATE OF COMPLIANCE

In accordance with Ordering Paragraph No. 10 of the Commission's March 20, 2012 Order, this certifies that Kentucky-American Water Company's November 15, 2012 electronic filing is a true and accurate copy of the documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on November 15, 2012; that there are currently no parties that the Commission has excused from participating by electronic means in this proceeding; and that an original and one copy of the filing in paper medium will be hand delivered to the Commission on November 16, 2012.

By: _____
Attorney for Kentucky-American Water Company

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