



STOLL
KEENON
OGDEN
P L L C

300 WEST VINE STREET
SUITE 2100
LEXINGTON, KY 40507-1801
MAIN: (859) 231-3000
FAX: (859) 253-1093

LINDSEY W. INGRAM III
DIRECT DIAL: (859) 231-3982
DIRECT FAX: (859) 246-3672
L.Ingram@skofirm.com

August 27, 2014

***HAND DELIVERED and
ELECTRONICALLY FILED***

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Re: Case No. 2014-00258

Dear Mr. Derouen:

On behalf of Kentucky American Water (“KAW”), I write to request the Commission’s consideration of cost implications related to the timing of the issuance of a final decision in the above-referenced matter.

As set forth in KAW’s July 31, 2014 Application, supporting exhibits and Direct Testimony and if the Commission issues the requested Certificate of Public Convenience and Necessity (“CPCN”), the construction of a new Richmond Road Station Filter Building would involve various construction materials and timing considerations. KAW has inquired whether project cost savings would be possible if KAW is in a position to issue a Notice to Proceed to its contractor(s) in January 2015. KAW has learned that due to expected increases in cement prices, reinforcing steel, stainless steel, and ductile iron pipe, KAW’s issuance of a Notice to Proceed in January 2015 instead of later in 2015 could achieve significant savings. Likewise, if KAW can issue a Notice to Proceed in January 2015, KAW contractors may be able to adjust the staffing and timing of concrete pouring in a way that will achieve additional cost savings. All told, such construction cost savings could result in a material savings to KAW customers.

Although KAW is aware of and respects the Commission’s considerable workload at this time, KAW is obligated to and strives to achieve project savings for the benefit of KAW customers whenever it can. To that end, KAW believes that if it is in a position to issue a Notice to Proceed to its contractors(s) in January 2015, KAW customers will benefit. Therefore, KAW requests that if the Commission issues a CPCN in this matter, it make all reasonable efforts to do so by January 1, 2015.

Jeff Derouen
August 27, 2014
Page 2

I certify that I have electronically filed this letter via the Commission's electronic filing procedures on August 27, 2014; that a paper copy of this filing will be delivered to the Commission within two business days of the electronic filing; that the electronically filed document is a true representation of the paper copy that will be delivered to the Commission; that no party has been excused from electronic participation in this case; and that, even though no entity has requested intervention in this matter, e-mail notification of this filing will be provided to the Office of the Attorney General.

As always, should you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,

Stoll Keenon Ogden PLLC

A handwritten signature in blue ink that reads "Lindsey W. Ingram III". The signature is written in a cursive style with a large, stylized "L" and "I".

Lindsey W. Ingram III