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September 28, 2023

VIA ELECTRONIC FILING

Linda C. Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
Frankfort, KY 40601

Re: Kentucky American Water Qualified Infrastructure Program Year 2 Balancing Adjustment, Case No. 2023-00300

Dear Ms. Bridwell:

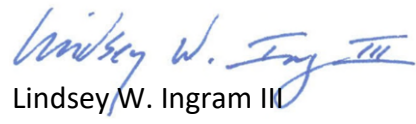
In accordance with Kentucky-American Water Company's ("KAW") Tariff Sheet No. 49 for KAW's Qualified Infrastructure Program ("QIP"), KAW is required to file a "balancing adjustment" annually to true up QIP estimated costs with actual costs. Enclosed please find the direct testimony of KAW's Jeffrey Newcomb describing the balancing adjustment for QIP Year 3 which was the period July 1, 2022 to June 30, 2023.

Exhibit 1 to his testimony shows the calculation for the balancing adjustment and includes supporting documentation describing, on a project-by-project basis, the reasons for differences between estimated and actual costs.

Exhibit 2 to his testimony contains the proposed tariff sheets reflecting the balancing adjustment. Existing Tariff Sheet No. 49 allows for the trued-up amount to be effective 180 days after the end of the QIP period. Since the last day of QIP Year 3 was June 30, 2022, the effective date of the trued-up amount could be December 27, 2022. However, as explained in Mr. Newcomb's testimony, the proposed effective date is February 6, 2024 which coincides with the first date for new base rates in KAW's pending rate case (Case No. 2023-00191).

I hereby certify that this electronic filing is a true and accurate copy of the original document in paper medium; that the electronic filing has been transmitted to the Commission on September 28, 2023; and that no party has been excused from participation by electronic means.

Very truly yours,


Lindsey W. Ingram III

Enclosures