RECEIVED

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

DEC 1 4 2010

PUBLIC SERVICE

COMMISSION

IN THE MATTER OF:)
)
THE APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR A CERTIFICATE OF) CASE NO. 2007-00134
CONVENIENCE AND NECESSITY AUTHORIZING)
THE CONSTRUCTION OF KENTUCKY RIVER)
STATION II, ASSOCIATED FACILITIES AND)
TRANSMISSION MAIN	,)

ORDERING PARAGRAPHS 4 AND 5 REPORT

In accordance with Ordering Paragraph 4 of the Commission's April 25, 2008 Order, Kentucky-American Water Company ("KAW") provides the attached documentation of the total costs of the project authorized in this matter classified into appropriate plant accounts under the Uniform System of Accounts as of November 30, 2010. Although the project was certified as "substantially complete" as of October 15, 2010, it has not yet been certified as finally complete. Thus, the attached cost information is not final.

In accordance with Ordering Paragraph 5 of the Commission's April 25, 2008 Order which requires KAW to file a copy of the "as-built" drawings, KAW has filed contemporaneously herewith a Petition for Confidential Treatment of those drawings. Enclosed with that Petition are drawings of: (1) Kentucky River Station II; (2) the water transmission main; and (3) the booster station. Because the project is not finally complete, the drawings depict those facilities as of substantial completion. Finally, the certified statements required by Ordering Paragraph 5 are attached.

Respectfully submitted,

STOLL KEENON OGDEN PLLC 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507-1801 Telephone: (859) 231-3000

BY: Windsey Wingram III
Attorneys for Kentucky-American Water Company

CERTIFICATE OF SERVICE

This is to certify that the original and ten (10) copies of the foregoing have been filed with the Public Service Commission this the 14th day of December, 2010, and a copy mailed to:

David E. Spenard, Esq.
Dennis G. Howard II, Esq.
Assistant Attorneys General
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204

Tom FitzGerald, Esq. Kentucky Resources Council, Inc. P.O. Box 1070 Frankfort, KY 40602

Damon R. Talley, Esq. 112 N. Lincoln Blvd. P.O. Box 150 Hodgenville, KY 42748-0150

John E. Selent, Esq. Edward T. Depp, Esq. Dinsmore & Shohl LLP 1400 PNC Plaza 500 West Jefferson St. Louisville, KY 40202 David Barberie, Esq.
Leslye M. Bowman, Esq.
Lexington-Fayette Urban County Gov't.
Department of Law
200 East Main Street
Lexington, KY 40507

David F. Boehm, Esq. Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202

John N. Hughes, Esq. 124 W. Todd Street Frankfort, KY 40601

Barbara K. Dickens, Esq. Louisville Water Company 550 South Third Street Louisville, KY 40202

STOLL KEENON OGDEN, PLLC

By Midsy W. To To

Case No. 2007-00134 KRS II at Hardin's Landing 30-Nov-10

Water Utility Plant Accounts	0.1	0.2	0.3	6.0	0.5	
	Intangible Plant	Source of Supply	Water Treatment	Transmission and Distribution Plant	General Dlant	۲- اه
301 Organization	\$0.00	XX	×	XX	XX	0.00
302 Franchises	\$0.00		×	×	×	0.00
303 Land and Land Rights	×	\$741,890.04	\$732,052.25	\$3,546,008.90	\$0.00	0.00
304 Structures and Improvements	×	\$14,078,426.86	\$35,507,744.34	\$5,390,253.84	\$0.00	5,019,951.20
305 Collecting and Impounding Reservoirs	×	\$0.00	×	×	×	54,976,425.04
306 Lake, River and Other Intakes	×	\$5,149,236.53	×	×	×	0.00
307 Wells and Springs	×	\$0.00	×	×	×	5,149,236.53
308 Infiltration Galleries and Tunnels	×	\$0.00	×	×	×	00:00
309 Supply Mains	×	\$3,275,740.88	×	×	×	0.00
310 Power Generation Equipment	×	\$1,970,274.42	×	×	×	3,275,740.88
311 Pumping Equipment	×	\$1,111,352.80	\$1,772,763.41	\$963,605.15	×	1,970,274.42
320 Water Treatment Equipment	×	×	\$17,163,724.29	×	×	3,847,721.36
330 Distribution Reservoirs and Standpipes	×	×	×	\$2,083,125.19	×	17,163,724.29
331 Transmission and Distribution Mains	×	×	×	\$67,948,773.63	×	2,083,125.19
333 Services	×	×	×	\$0.00	×	67,948,773.63
334 Meters and Meter Installations	×	×	×	\$0.00	×	0.00
335 Hydrants	×	×	×	\$59,732.11	×	0.00
336 Backflow Prevention Devices	×	×	×	\$0.00	×	59,732.11
339 Other Plant and Miscellaneous Equipment	\$0.00	\$0.00	\$0.00	\$0.00	×	0.00
340 Office Furniture and Equipment	×	×	×	×	\$133,086.81	0.00
341 Transportation Equipment	×	×	×	×	\$80,165.73	133,086.81
342 Stores Equipment	×	×	×	×	\$88,994.01	80,165.73
343 Tools, Shop and Garage Equipment	×	×	×	×	\$20,504.04	88,994.01
344 Laboratory Equipment	×	×	×	×	\$571,121.32	20,504.04
345 Power Operated Equipment	×	×	×	×	\$50,356.32	571,121.32
346 Communication Equipment	×	×	×	×	\$730,475.93	50,356.32
347 Miscellaneous Equipment	×	×	×	×	\$1,440.07	730,475.93
348 Other Tangible Plant	×	×	×	×	\$0.00	1,440.07
Sub-Total	0.00	26,326,921.53	55,176,284.29	79,991,498.82	1,676,144.23	163,170,848.88
						163,170,848.88



ENGINEERS

Waterfront Plaza Suite 710 325 West Main Street Louisville, KY 40202 Phone: 502-583-7020 Fax: 502-583-7026

Office Locations

Madison, WI Joliet, IL Louisville, KY Lexington, KY Mobile, AL Columbus, IN Columbus, OH Indianapolis, IN Milwaukee, WI Cincinnati, OH Phoenix, AZ

www.strand.com

December 10, 2010

Michael Galavotti, P.E. Kentucky American Water 2300 Richmond Road Lexington, Kentucky 40502

Re: Franklin County 20 MGD Booster Pump Station and Tank

Record Drawings Certification

Dear Mr. Galavotti:

We hereby state to the best of our knowledge and belief that the referenced project was completed in accordance with the plans and specifications.

Enclosed is a full-size original of the record drawings for this project as required by the Kentucky Public Service Commission. Additionally, two full-size and four half-size copies of the record drawings are enclosed for your use.

Sincerely,

STRAND ASSOCIATES, INC.

Mark C. Askin, P.E.

cc: File



December 10, 2010

Mr. Michael Galavotti, P.E. Senior Engineer Kentucky American Water 2300 Richmond Road Lexington, KY 40502

RE: Construction Certification
High Service Mains for New WTP on Pool 3
Kentucky American Water (KAW)

Dear Michael,

Please accept this letter as a certification that construction has been completed in accordance with the plans and specifications as recorded in the attached "As-built Drawings".

HDR is requesting that KAW acknowledge receipt of these documents by signing below and returning 1 copy of this letter. If you have any questions regarding this issue, please feel free to call me at (859) 223-3755.

Kindest regards,

Brent A. Tippey, P.E.

Vice President/ Water Manager

Attachments

Acknowledgement of Receipt of Drawings

Individual

2/13/10 Date



December 13, 2010

GANNETT FLEMING, INC. P.O. Box 67100 Harrisburg, PA 17106-7100 Location: 207 Senate Avenue Camp Hill, PA 17011

Office: (717) 763-7211 Fax: (717) 763-1808 www.gannettfleming.com

Michael Galavotti Kentucky American Water Company 2300 Richmond Road Lexington, KY 40502-1308

RE: "As-Built" Drawings for the

Kentucky River Pool 3 WTP

Dear Michael:

In accordance with your e-mail instructions, we are forwarding one (1) signed and seal copy of the "As-Built Drawings for the Kentucky River Pool 3 Water Treatment Plant. These are provided for your use in complying with Kentucky Public Service Commission Ordering Paragraph No. 5, that Kentucky American Water Company shall file with the Commission a copy of the "As-built" Drawings after the project is Substantially Complete.

As your Consulting Engineer and Resident Observer on this project, Gannett Fleming, Inc. certifies the construction has been satisfactorily completed in accordance with the Contract Drawings and Specifications.

If you have any questions concerning this letter and the attached Drawings, please contact me at this office.

Very truly yours,

GANNETT FLEMING, INC. Environmental Resources Division

GENE C. KOONTZ, P.E. Senior Vice President

