

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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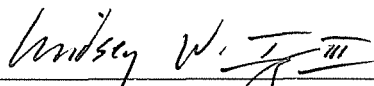
IN THE MATTER OF:)
)
THE APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR A CERTIFICATE OF) CASE NO. 2007-00134
CONVENIENCE AND NECESSITY AUTHORIZING)
THE CONSTRUCTION OF KENTUCKY RIVER)
STATION II, ASSOCIATED FACILITIES AND)
TRANSMISSION MAIN)

ORDERING PARAGRAPH 12 REPORT

In accordance with Ordering Paragraph 12 of the Commission's April 25, 2008 Order,
Kentucky-American Water Company provides the attached project progress report.

Respectfully submitted,

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BY: 
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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 1st day of July, 2011, and a copy mailed to:

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STOLL KEENON OGDEN, PLLC

By Wendy W. J. III

Report Period: April 1 - April 30, 2011

Water Treatment Plant:						
Final punchlist items ongoing.						
	Month (3)	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434232)
Actual	\$4,261	\$337,119	\$78,972,477	\$77,416,006	102.01%	

Pipeline:						
Contract completed. Reseeding and rework being completed.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434227)
Actual	\$5,131	(\$38,038)	\$63,661,850	\$63,711,087	99.92%	

Booster Station:						
Final punchlist items ongoing.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434231)
Actual	(\$30,959)	(\$64,360)	\$10,792,366	\$10,131,679	106.52%	

Total Project:						
Overall the project is 99.9% complete and is on schedule and on budget. Final punchlist and warranty work is being completed.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	
Actual	(\$21,567)	\$232,827	\$163,621,017	\$163,885,837	99.84%	
Budget	\$40,472	\$88,674	\$163,774,511	\$163,885,837	99.93%	
Variance	(\$62,039)	\$144,153	(\$153,495)			

- 1) Financial results are as of March 31, 2011.
- 2) Financial information on individual portions of the project are revised beginning in January 2010 from previous progress reports which reflected only the construction budget, and now include projected soft costs for each individual portion. The individual component financial information above does not include land, tax-exempt interest charges, and preliminary supply development charges which were (\$0) for the month, (\$1,894) for the YTD, \$12,264,967 for the total project and \$12,627,065 for the Total Budget.
- 3) Negative monthly charges are the result of the reversal of an accounting accrual from the previous month.

Report Period: May 1 - May 31, 2011

Water Treatment Plant:						
Final punchlist items ongoing.						
	Month (3)	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434232)
Actual	\$17,315	\$354,434	\$78,989,792	\$77,416,006	102.03%	

Pipeline:						
Contract completed. Reseeding and rework being completed.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434227)
Actual	(\$1,641)	(\$39,679)	\$63,660,209	\$63,711,087	99.92%	

Booster Station:						
Final punchlist items ongoing.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434231)
Actual	\$627	(\$63,733)	\$10,792,993	\$10,131,679	106.53%	

Total Project:						
Overall the project is 99.9% complete and is on schedule and on budget. Final punchlist and warranty work is being completed.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	
Actual	\$16,301	\$249,128	\$163,621,017	\$163,885,837	99.84%	
Budget	\$40,472	\$129,146	\$163,774,511	\$163,885,837	99.93%	
Variance	(\$24,171)	\$119,982	(\$153,495)			

1) Financial results are as of April 30, 2011.

2) Financial information on individual portions of the project are revised beginning in January 2010 from previous progress reports which reflected only the construction budget, and now include projected soft costs for each individual portion. The individual component financial information above does not include land, tax-exempt interest charges, and preliminary supply development charges which were (\$0) for the month, (\$1,894) for the YTD, \$12,264,967 for the total project and \$12,627,065 for the Total Budget.

3) Negative monthly charges are the result of the reversal of an accounting accrual from the previous month.

Report Period: June 1 - June 30, 2011

Water Treatment Plant:						
Final punchlist items ongoing. Final payments accrued in previous months.						
	Month (3)	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434232)
Actual	\$0	\$354,434	\$78,989,792	\$77,416,006	102.03%	

Pipeline:						
Contract completed. Reseeding and rework being completed.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434227)
Actual	\$0	(\$39,679)	\$63,660,209	\$63,711,087	99.92%	

Booster Station:						
Final punchlist items ongoing. Final payments accrued in previous months.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	(Work Order 434231)
Actual	\$0	(\$63,733)	\$10,792,993	\$10,131,679	106.53%	

Total Project:						
Overall the project is 99.9% complete and is on schedule and on budget. Final punchlist and warranty work is being completed. Final payments accrued in previous months.						
	Month	YTD	Total Project	Total Budget(2)	Percent Complete	
Actual	\$0	\$249,128	\$163,621,017	\$163,885,837	99.84%	
Budget	\$40,472	\$169,618	\$163,774,511	\$163,885,837	99.93%	
Variance	(\$40,472)	\$79,510	(\$153,495)			

1) Financial results are as of May 31, 2011.

2) Financial information on individual portions of the project are revised beginning in January 2010 from previous progress reports which reflected only the construction budget, and now include projected soft costs for each individual portion. The individual component financial information above does not include land, tax-exempt interest charges, and preliminary supply development charges which were (\$0) for the month, (\$1,894) for the YTD, \$12,264,967 for the total project and \$12,627,065 for the Total Budget.

3) Negative monthly charges are the result of the reversal of an accounting accrual from the previous month.