

RESOLUTION NO. 295 -2013

A RESOLUTION EXPRESSING THE URBAN COUNTY GOVERNMENT'S OPPOSITION TO THE RATE INCREASE REQUESTED BY KENTUCKY-AMERICAN WATER COMPANY IN PUBLIC SERVICE COMMISSION RATE CASE NO. 2012-00520 AND DIRECTING THE CLERK TO NOTIFY THE PUBLIC SERVICE COMMISSION.

WHEREAS, the ratepayers of Kentucky-American Water Company, most of whom are located in Lexington-Fayette County, Kentucky, are already experiencing significant economic adversity and distress; and

WHEREAS, the water company has requested a rate increase of more than fourteen percent (14%)(or almost \$12 million per year) in Case No. 2012-00520, which is in addition to the significant rate increases it has been granted in its last several rates cases before the Public Service Commission; and

WHEREAS, the Lexington-Fayette Urban County Government pays the vast majority of the water company's tariffs for public fire hydrants, which are proposed to increase as part of this rate case by more than 19%, at a cost to the government of more than \$600,00.00 per year; and

WHEREAS, the Urban County Government believes that the rate relief requested by the water company is excessive and is not fair, just or reasonable;

WHEREAS, the Urban County Council wishes to convey its position on the proposed rate increase to the general public and the Public Service Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the Preamble to this Resolution be incorporated by reference as if fully set out herein.

Section 2 - That the Lexington-Fayette Urban County Government is opposed to the rate increase requested by Kentucky-American Water Company in Public Service Case No. 2012-00520, Adjustment of Rates of Kentucky-American Water Company, and believes that it is excessive and is not fair, just or reasonable.

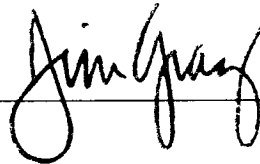
Section 3 - That the Clerk of the Lexington-Fayette Urban County Council, be and hereby is directed to send a copy of this Resolution to Jeff Derouen, Executive

Director of the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602-0615.

Section 4 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: June 6, 2013

MAYOR

A handwritten signature in black ink, appearing to read "Jim Gray", written over a horizontal line.

ATTEST:

A handwritten signature in black ink, appearing to read "Susan Lamb", written over a horizontal line.

CLERK OF URBAN COUNTY COUNCIL
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Lexington-Fayette Urban County Government
OFFICE OF THE COUNCIL CLERK

Jim Gray
Mayor

Susan Lamb
Council Clerk

June 10, 2013

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard, P. O. Box 615
Frankfort, KY 40602-0615

Dear Mr. Derouen:

I have been directed by the Lexington-Fayette Urban County Council to send you a copy of Resolution No. 295-2013, which was passed at a meeting of the Council held on June 6, 2013.

The Resolution expressing the Urban County Government's opposition to the rate increase requested by Kentucky-American Water Company in Public Service Commission Rate Case No. 2012-00520.

Your immediate attention to this matter is greatly appreciated.

Sincerely,

Susan Lamb, MMC
Clerk of the Urban County Council

Enclosure