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## **INVESTMENTS IN INFRASTRUCTURE POSITION CENTRAL KENTUCKY FOR SUCCESS**

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The recent rate increase request submitted by Kentucky American Water to the state Public Service Commission has prompted far-reaching community discussions. The Herald-Leader has devoted considerable editorial space to its own unique history of the public discussion of our water supply that spanned more than two decades. This community conversation eventually produced the Central Kentucky Water Supply Solution, our region's new treatment plant and distribution system that will secure our drinking water supply needs for the next 20 to 30 years. It has been a long and challenging road, but thanks to focused leadership, Central Kentucky is in an enviable position when it comes to our water infrastructure compared to many other communities throughout the United States.

It is easy to take our drinking water, storm water and waste water systems for granted. As the old adage goes, out of sight, out of mind; but these systems provide the single most critical public health function and are essential for economic development and new jobs. On average, most U.S. households spend less than 1 percent of their income on drinking water, an amount that pales in comparison to what we spend on cable television and cell phones. Yet the U.S. Environmental Protection Agency estimates that there is a \$540 billion difference between what the nation is currently spending on water infrastructure and the actual investment requirements for maintaining and renewing the infrastructure over the next 20 years. In addition, the U.S. Conference of Mayors estimates that municipalities across the nation have a \$5 trillion water and wastewater need.

The issue is gaining significant national attention. Last year, Kentucky American Water hosted a public viewing and panel discussion at the Kentucky Theatre of the documentary, "Liquid Assets: The Story of Our Water Infrastructure." This remarkable film, produced by Penn State Public Broadcasting, tells the story of essential water infrastructure systems, some of which have been in the ground for more than 100 years.

In its recent "Toxic Waters" series, the New York Times offers a comprehensive review of the nation's water infrastructure. According to the Times' analysis of U.S. EPA data, a significant water line bursts on average every two minutes somewhere in the country. Cities of all sizes are facing critical drinking water supply shortages. Atlanta recently came within three months of running completely dry and implemented severe water use restrictions to avert a community-wide crisis. Experts from water utilities, public and private, explain that because many communities have neglected water systems for decades, current water rates do not generate enough revenue to cover necessary maintenance, repair and replacement. Communities throughout the country are, or soon will be, facing increased rates.





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Page 2

In recent years, the Lexington-Fayette Urban County Government has addressed decades of neglect of Lexington's sewer and storm water system after the EPA forced the city to come into compliance with the federal Clean Water Act. LFUCG approximately doubled its sewer rates between May 2008 and July 2009 to finance much-needed expansions and enhancements of its waste water system. In January, the LFUCG began levying an additional fee, the water quality management fee, to address Lexington's inadequate storm water system. These sewer fees appear on most of our Fayette County customers' bills each month, as applicable, in addition to the charges from Kentucky American Water for water service.

As the "Liquid Assets" documentary and the "Toxic Waters" series clearly illustrate, this situation is not unique to Lexington and Central Kentucky. What sets our community apart is that we have taken a national leadership role when it comes to making necessary investments in these critical infrastructure systems. Cities that cannot offer adequate water supplies will see their economic base suffer and will be unable to attract new jobs.

Thriving cities require the presence of a reliable water infrastructure. Adequately addressing a community's long-term best interests requires long-term thinking, the kind of thinking that comes at a significant political cost in today's world of instantaneous, 24-hour news cycles. This kind of focused leadership has Lexington well-positioned for decades of new prosperity thanks to recent investments in our drinking water, waste water and storm water systems.

