



Steven L. Beshear
Governor

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Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

May 29, 2014

PARTIES OF RECORD

Re: Case No. 2014-00136

Attached is a copy of a memorandum which is being filed in the records of the above-referenced cases. If you have any comments you would like to make regarding the contents of the memorandum please do so within five days of receipt of this letter. If you have any questions, please contact Jonathan Beyer Staff Attorney, at 502/564-3940.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

Attachments

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File – Case No. 2014-00136

FROM: Jonathan Beyer, Staff Attorney

DATE: May 29, 2014

RE: Public meeting of May 14, 2014

A public meeting was held on May 14, 2014 in the above referenced case regarding the request of Lovelaceville Water Company (“Lovelaceville”) to abandon its facilities. A list of public attendees is attached to this memorandum.

Andrew Melnykovych, Director of Communications for the Kentucky Public Service Commission, gave a presentation on the requirements and process for the abandonment of a regulated utility pursuant to KRS 278.021 and KRS 278.020(5). Mr. Melnykovych explained the typical reasons for abandonment, which may include financial difficulties. He presented an overview of the situation facing Lovelaceville, specifically discussing the utility’s unstable financial condition and inability to secure customer meters. He further explained that the Public Service Commission would conduct an investigation into the requested abandonment, potentially hold a hearing, explore options to continue the utility’s operation and ultimately issue an order adjudicating the request. Mr. Melnykovych noted that all avenues of continuing the water system’s operation and viability would be explored, to include transfer to a new owner, forming a water association or establishing a water district.

Mr. Melnykovych answered numerous public questions and comments regarding a water association and explained that because a water association is a non-profit entity, it would potentially have access to grants and low-interest loans, for which Lovelaceville, as a for-profit entity, is not currently able to apply. He noted that access to such loans and grants would potentially aid in bolstering Lovelaceville’s ailing system. Mr. Eric Young, Lovelaceville’s owner/operator, also answered questions regarding the utility’s condition and potential options for continuing service.

Finally, Mr. Melnykovych stated that as a last resort, the system would be shut down after customers had notice and a reasonable opportunity to make other arrangements for procuring a water source.

PUBLIC MEETING - SIGN-IN SHEET

Lovellaceville Water Co. – Case No. 2014-00136

Lovellaceville – May 12, 2014

PLEASE PRINT LEGIBLY

Name	Address
1 Paul & Barbara McLowen	
2 Bruce Partin	
3 Roger & Marilyn Parker	P.O. Box 501 Lovellaceville Ky 42
4 Roy Green	P.O. Box 75 Lovellaceville, Ky
5 John Bann	
6 Susie Rucker	PO Box 707 Lovellaceville Ky 42060
7 Anita Fontaw	P.O. BOX 8434 Paducah, Ky 42002
8 Carlene Johnson	752 Cunningham Rd Kevil KY 42053
9 Billy Bob Crice	Lovellaceville
10 Joe Oliver	Monkey's Eyebrow

PUBLIC MEETING - SIGN-IN SHEET

Lovellaceville Water Co. – Case No. 2014-00136

Lovellaceville – May 12, 2014

PLEASE PRINT LEGIBLY

Name	Address
1 Jerry & Debra Raines	P.O. Box 98 Lovellaceville, Ky. 42060
2 John & Dorothy Watters	P.O. Box 112 Lovellaceville, Ky. 42060
3 Kenneth & Lisa Rundles	P.O. Box 303 Lovellaceville, Ky. 42060
4 G. J. MORRIS	P.O. Box 55 " " "
5 Charles Labman	P.O. Box 42
6 Carolyn & Sister Audree	Box 114 Lovellaceville, Ky.
7 Dianna Allen	P.O. Box 67 Lovellaceville Ky 42060
8 Phillip MORRIS	P.O. Box 43 " "
9 Phyllip Morris	" " " " "
10 Hollen Woblen	PO Box 54 Lovellaceville, KY 42060

PUBLIC MEETING - SIGN-IN SHEET

Lovellaceville Water Co. – Case No. 2014-00136

Lovellaceville – May 12, 2014

PLEASE PRINT LEGIBLY

Name	Address
1 Joe Dyerley	916 Cunningham Rd Kevid KY 42053
2 Kenneth Bristoe	9210 Harris Rd Paducah 42001
3 Tammy Freeman	257 Hamburg Rd Kevid Ky 42053
4 VAN CRICE	PO-Box 301 Lovellaceville KY 42060
5	
6	
7	
8	
9	
10	

PUBLIC MEETING - SIGN-IN SHEET

Lovellaceville Water Co. – Case No. 2014-00136

Lovellaceville – May 12, 2014

PLEASE PRINT LEGIBLY

Name

Address

- 1 Benny HAWES 129 BALLAD ST Lovellaceville Ky
- 2 Martin Flournoy 1700 Buchanan Road HEVIL Ky 42053
- 3 Deron Wooley 1177 Cunningham Lovellaceville Ky 42060
- 4 Caey McIntosh 1106 Cunningham Lovellaceville Ky 42053
- 5 Shannon McLeary Ky Division of Water, Paducah
- 6 _____
- 7 _____
- 8 _____
- 9 _____
- 10 _____