Ernie Fletcher Governor

Teresa J. Hill, Secretary Environmental and Public Protection Cabinet

Timothy J. LeDonne Commissioner Department of Public Protection



Commonwealth of Kentucky **Public Service Commission** 211 Sower Blvd. P.O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky gov

October 8,2007

Mark David Goss Chairman

> John W. Clay Vice Chairman

Caroline Pitt Clark Commissioner

TO: PARTIES OF RECORD

RE: Case No. 2007-00092 Water Service Corporation of Kentucky

Enclosed is a memorandum that has been filed in the record of the above-referenced case. Any comments regarding the content of this memorandum should be submitted to the Commission within five days of receipt of this letter. Questions regarding this matter should be directed to Robert Cowan at 502/564-3940, Extension 247.

Sincerel Beth Q'Donnell **Executive Director**

vh/ Enclosure



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INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2007-00092

FROM: J. Robert Cowan, Staff Attorney JRC

DATE: October 4, 2007

RE: Water Service Corporation of Kentucky Alleged Violation of KRS 278.160

On September 27, 2007, an informal conference was convened in this matter. The names of those persons who participated in the conference are listed on the attached sign-in sheet.

The conference focused on whether Water Service had violated KRS 278.160. Essentially, in Case No. 2005-00325,¹ it came to the Commission's attention that Water Service had been charging certain flat fees for fire protection service. The fees appear to have been removed from Water Service's filed tariffs in August 1992, but were not included in Water Service's filed tariffs when Water Service filed its application in Case No. 2005-00325. The participants were unable to agree upon the manner in which the fees were removed from the filed tariffs.

After discussion, Water Service asked Commission Staff if a settlement offer would be considered. The participants felt that, as a matter of administrative economy, it could be preferable for Water Service to present a settlement offer to the Commission prior to requesting a hearing. Water Service indicated that it would attempt to submit its proposal within approximately 30 days.

The conference was then adjourned.

¹ Case No. 2005-00325, Application of Water Service Corporation of Kentucky For an Adjustment of Rates.

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WATER SERVICE CORPORATION OF KENTUCKY

CASE NO. 2007-00092

ALLEGED VIOLATION OF KRS 278.160

September 27, 2007 Informal Conference

Please sign in: NAME 20 1015 5002 MILIAMS ANN onall 2-55 Gin 0 eid am spert Cowan

REPRESENTING

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