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David L. Armstrong
Chairman

James Gardner
Vice-Chairman

Charles R. Borders
Commissioner

September 14, 2011

PARTIES OF RECORD

Re: Case No. 2011-00042

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. If you would like to make comments regarding the contents of this informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Jeff Shaw of the Commission staff at 502/564-3940, extension 237.


Sincerely,

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

Jeff Derouen
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File - Case No. 2011-00042
FROM: Jeff Shaw 
DATE: September 14, 2011
RE: Informal Conference of September 13, 2011

On September 13, 2011, an informal conference ("IC") was held in this matter at the request of AEP Kentucky Transmission Company, Inc. ("AEP-KY Transco"). The IC was attended by representatives of AEP-KY Transco, the Attorney General of the Commonwealth of Kentucky ("AG"), Kentucky Industrial Utility Customers, Inc. ("KIUC") and Commission Staff ("Staff"). The attendance list for the IC is attached hereto.

AEP-KY Transco had requested an IC for the purpose of discussing the need for a supplemental procedural schedule and the possibility of trying to reach a settlement in this proceeding.¹ A recent settlement agreement filed with the Indiana Utility Regulatory Commission ("IURC") by AEP-KY Transco's Indiana affiliate, AEP Indiana Transmission Company, Inc. and the Indiana Office of Utility Consumer Counsel in a proceeding before the IURC comparable to this proceeding was distributed by AEP-KY Transco to facilitate discussion of a potential framework for a settlement in this matter.

The parties and Staff discussed various terms included in the Indiana settlement agreement as well as issues pertaining to AEP-KY Transco's pending application. KIUC and the AG indicated they would be interested in seeing a draft of a potential settlement agreement in this case, as offered by AEP-KY Transco. KIUC and Staff also posed questions to AEP-KY Transco regarding the short-term and long-term affects on the customers of Kentucky Power Company of its creation and recognition as a utility.

AEP-KY Transco responded to several questions and stated that it would provide additional responses and the draft settlement agreement within 10 days from the date of the IC. With that understanding, the IC was adjourned.

Attachment

¹ Subsequent to the filing of the IC request by AEP-KY Transco, the Commission issued an order scheduling a hearing on October 19, 2011.

AEP Transco Case No. 2011-042

9/13/11

RICHARD RAFF	PSC - LEGAL
KARIE WOHNHAJ	KPC
MARK R. Overstreet	STUD? HARBOR for KPC
DAVID F. BOEHM	KIVC
William H. Bowker	KY PSC
John Rogness	PSC - FA
Daryl Newby	PSC - F/A
JEFF SHAW	PSC - FA
JEFF JOHNSON	PSC
Laury Cook	OAG