Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



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April 23, 2014

David L. Armstrong Chairman

James W. Gardner Vice Chairman

> Linda Breathitt Commissioner

PARTIES OF RECORD

Re: Case No. 2011-00297

Forest Creek, LLC v. Jessamine-South Elkhorn Water District

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. 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 Ann Ramser, Staff Attorney, at 502/782-2585.

W/A/

Recutive Director

ALR/kar Attachment



INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case No. 2011-00297

Forest Creek, LLC v. Jessamine-South

Elkhorn Water District

Ann Ramser a FROM:

Staff Attorney

DATE: April 22, 2014

RE: Informal Conference of April 22, 2014

Pursuant to the Commission Staff's Notice of March 27, 2014, an informal conference was held in Case No. 2011-00297 on April 22, 2014. Scott Lawless, Ann Ramser, and Sam Reid from the Public Service Commission participated in person. Robert Moore, representing Forest Creek, LLC, and Bruce Smith, representing Jessamine-South Elkhorn Water District ("JSEWD"), participated by phone.

Ms. Ramser began the meeting by stating a memorandum of the informal conference would be prepared and the parties would have an opportunity to provide comments.

At the last informal conference, the parties indicated that they were close to settlement and that JSEWD had already signed a settlement agreement. Mr. Moore indicated that he spoke with his client this morning and believes that all members of the limited liability company will sign the settlement agreement within the next two weeks.

Mr. Smith indicated that he wants to settle this case but indicated that the Court of Appeals in an unpublished decision held that Jessamine County Circuit Court had jurisdiction over the contract action, stopping any action by the Public Service Commission. Jessamine-South Elkhorn Water District v. Forest Creek, LLC, 2013 WL 3480344 (Ky. App. 2013). Mr. Moore indicated that the appellate court decision was subject to interpretation, but that any settlement agreement would resolve both the circuit court case and this case.

The parties agreed to hold another telephonic informal conference on May 9, 2014 with the time of day to be determined. If the parties are not able to settle, then the issue regarding the jurisdiction of the Commission will be discussed further.

There being no further discussion, the conference was adjourned.

Parties of Record CC: