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Governor

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Energy and Environment Cabinet



Commonwealth of Kentucky  
**Public Service Commission**  
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David L. Armstrong  
Chairman

James Gardner  
Vice-Chairman

Linda Breathitt  
Commissioner

January 22, 2013

## PARTIES OF RECORD

Re: Case No. 2013-00018

Attached is a memorandum being filed in the case file of the case referenced above. If you wish to make any 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 call Jim Livers of the Commission staff at (502)782-2655.

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:** File: Case No. 2013-00018

**FROM:** Jim Livers, Team Leader

**DATE:** January 22, 2013

**RE:** Cumberland Valley Electric, Inc. - Application of Cumberland Valley Electric, Inc. for Authorization to Borrow \$2,892,121 from CoBank and to Execute Necessary Notes and to Repay Cooperative Finance Corporation Notes in the Same Amount

A telephonic Informal Conference ("IC") was held in the above referenced case on January 22, 2013. A copy of the attendance list is attached to this memorandum.

The purpose of the IC was to discuss Cumberland Valley Electric, Inc.'s ("CVE") request for expedited treatment of its application and other issues surrounding the proposed financing application. CVE filed its application on January 14, 2013, requesting expedited approval in order to close on its proposed financing by March 4, 2013. In response to Staff's questions concerning the timing of the issuance of a final order in this matter, CVE responded that, if an order could be issued by February 20, 2013, it could complete the closing of the financing in a timely manner.

Commission Staff also sought clarification regarding Paragraph 8 of the Application concerning the terms of the payoff for the Cooperative Finance Corporation loans. CVE stated that the expected payoff for those loans would be very close the \$2,892,121 requested in the application and that in no event would the loan amount exceed that requested in the application. CVE also stated that if the payoff amount should exceed the amount requested, the excess would be paid out of general funds.

Commission Staff requested a net present value computation from CVE. CVE agreed to file an appropriate response on or before January 25, 2013.

There being no further questions or need for further questions, the IC was adjourned.

Attachment: Attendance Sheet

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                       |   |            |
|---------------------------------------|---|------------|
| APPLICATION OF CUMBERLAND VALLEY      | ) |            |
| ELECTRIC, INC. FOR AUTHORIZATION TO   | ) |            |
| BORROW \$2,892,121 FROM COBANK AND TO | ) | CASE NO.   |
| EXECUTE NECESSARY NOTES TO PREPAY     | ) | 2013-00018 |
| COOPERATIVE FINANCE CORPORATION       | ) |            |
| NOTES IN THE SAME AMOUNT              | ) |            |

January 22, 2013

Please sign in:

NAME

REPRESENTING

Quang D. Nguyen

PSC

Leah Faulkner

PSC - FA

Ann Ann Cole

PSC - Legal

Tim LIVERS

PSC - FA

Fereydoon Gorjian

PSC - Engineering

Barbara Elliott

Cumberland Valley

Robert Toliver

Cumberland Valley

via phone