



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

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

David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda K. Breathitt  
Commissioner

September 6, 2013

Jennifer B. Hans, Esq.  
Gregory T. Dutton, Esq.  
Office of Utility & Rate Intervention  
1024 Capital Center Drive  
Suite 200  
Frankfort, Kentucky 40601-8204

David S. Samford, Esq.  
Allyson Honaker, Esq.  
Goss Samford, PLLC  
2365 Harrodsburg Road, Suite B325  
Lexington, Kentucky 40504

M. Todd Osterloh, Esq.  
Sturgill, Turner, Barker & Moloney, PLLC  
333 West Vine Street  
Suite 1400  
Lexington, Kentucky 40507

Re: Fern Lake Company  
Case No. 2013-00172

Ladies and Gentlemen:

The enclosed memorandum has been filed in the record of the above-referenced case. Any comments regarding this memorandum's contents should be submitted to the Commission within five days of receipt of this letter. Any questions regarding this memorandum should be directed to Gerald Wuetcher, Executive Advisor/Attorney, at (502) 782-2590.

Sincerely,

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

Jeff Derouen  
Executive Director

gw  
Enclosure

**INTRA-AGENCY MEMORANDUM**

**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case No. 2013-00172  
Fern Lake Company

**FROM:** Gerald E. Wuetcher **GEW**  
Executive Advisor/Attorney

**DATE:** September 6, 2013

**RE:** Conference Call of September 5, 2013

Pursuant to agreement of the parties and Commission Staff, a conference call was conducted in Case No. 2013-00172 on September 5, 2013. Participating in the conference call were:

Mark Frost	-	Commission Staff
Jason Green	-	Commission Staff
Scott Lawless	-	Commission Staff
Ann Ramser	-	Commission Staff
Gerald Wuetcher	-	Commission Staff
Ariel Turnbull	-	Commission Staff
Allyson Honaker	-	Fern Lake Company
David Samford	-	Fern Lake Company
Gregory Dutton	-	Office of Attorney General
Jennifer Hans	-	Office of Attorney General
Todd Osterloh	-	Water Service Company Kentucky

Beginning the conference, Mr. Wuetcher stated that Commission Staff would prepare minutes of the conference for the case record, that a copy of the minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes.

Mr. Wuetcher discussed procedure for the scheduled hearing. All parties indicated that they wished to reserve the right to make a brief opening statement. The parties agreed that statements would be made in the following order:

Fern Lake Company  
Office of Attorney General  
Water Service Corporation

The parties further agreed that the order of presentation of evidence and of cross-examination would be as follows:

Fern Lake Company  
Office of Attorney General  
Water Service Corporation  
Commission Staff

Mr. Samford indicated that Fern Lake would call Sal Gaudiano and Shelly Lewis to testify. He further stated that Thomas Lewis would be available for questions from Commission Staff. He stated that Gary Asher would not be available for the hearing but would answer written questions submitted after the close of hearing. In response to a inquiry from Ms. Hans, Mr. Samford indicated that Fern Lake Company would accept questions from all parties, not merely Commission Staff, but he requested that a reasonable time period be established for the submission of written questions and, if possible, that the parties indicate by the close of hearing whether they had any written questions for Mr. Asher. Mr. Samford advised that Fern Lake Company's order of witnesses had not yet been prepared,

Mr. Wuetcher indicated that Commission Staff would call Mark Frost and Jason Green as witnesses. Mr. Frost and Mr. Green were responsible for the preparation of the Commission Staff Report. Mr. Wuetcher further indicated that Commission Staff would have questions for Mr. Lewis. A copy of Mr. Wuetcher's previous request to Fern Lake Company to have Mr. Lewis and Mr. Asher available for the scheduled hearing is attached.

The parties and Commission Staff discussed the possibility of stipulating certain facts in this proceeding. After lengthy discussion, Commission Staff agreed to circulate a proposed stipulation by electronic mail for the parties' review.

The conference call then concluded.

Attachment

cc: Parties of Record

**From:** [Wuetcher, Jerry \(PSC\)](#)  
**To:** [Samford, David](#)  
**Cc:** [Dutton, Gregory \(KYOAG\)](#); [Todd Osterloh \(tosterloh@sturgillturner.com\)](#); "[Allyson@gosssamfordlaw.com](#)"; [Hans, Jennifer \(KYOAG\)](#); [Ramser, Ann \(PSC\)](#)  
**Subject:** Case No. 2013-00172: Fern Lake Company  
**Date:** Friday, August 30, 2013 11:42:04 AM

---

Mr. Samford:

As discussed at the informal conference of 8/26/2013, Commission Staff requests that Fern Lake Company provide the following information:

1. Any reports from any governmental agency other than the PSC or DOW involving the inspection of the Fern Lake Dam since 2005. (Through a request made pursuant to the Open Records Act, Commission Staff has obtained a copy of DOW's inspection reports and will file those records into the main case record.)
2. The amount of rate case expense that Fern Lake Company seeks recovery through the proposed rate adjustment and all invoices and records that evidence those expenses.
3. The W-2 form that Appolo filed for the 2012 year for employees Joshua Lewis, Thomas Lewis, and Shelley Lewis (with personal identity numbers redacted).

Commission Staff would like to schedule a conference call for the afternoon of 9/5/2013. Accordingly, it requests that the requested materials be provided NLT COB 9/4/2013. Electronic mail submission is acceptable.

Commission Staff requests that the following persons be available to testify at the scheduled hearing: Thomas Lewis, Shelly Lewis; Sal Gaudiano, and Gary Asher. If Mr. Asher is unavailable because of travel commitments, Commission Staff reserves the right to submit written questions to him after the close of the hearing.

If you have questions, please contact me.

Respectfully,

Gerald E. Wuetcher  
Executive Advisor/Attorney  
Public Service Commission of Kentucky  
[gerald.wuetcher@ky.gov](mailto:gerald.wuetcher@ky.gov)  
Office: (502) 564-3940  
Direct: (502) 782-2590  
Cell: (502) 229-6500