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April 7, 2015

PARTIES OF RECORD

Re: Case No. 2014-00342

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 David Spenard, Commission Counsel, at 502/782-2580.

Sincerely,


Jeff Derouen
Executive Director

Enclosures

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2014-00342
FROM: David Spenard, Staff Attorney *DSB*
DATE: April 7, 2015
RE: Informal Conference of April 2, 2015

Pursuant to the Commission's Order of March 6, 2015, an informal conference was held in this matter on April 2, to discuss the status of and issues in this case. Attending the conference were:

David Edward Spenard	-	Commission Staff
Ann Ramser	-	Commission Staff
Mark Frost	-	Commission Staff
George W. Wakim	-	Commission Staff
Jack Hughes	-	Mountain Water District
Dan Stratton	-	Mountain Water District
Roy B. Sawyer	-	Mountain Water District
Michael Spears	-	Mountain Water District
Kevin Howard	-	Mountain Water District
Jennifer Black Hans	-	Office of the Attorney General
Angela Goad	-	Office of the Attorney General
Stefanie Kingsley	-	Office of the Attorney General

At the start of the conference, Mr. Spenard 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. Spenard stated that the views of Commission Staff were not binding on the Commissioners, and he provided a brief procedural history of the case.

Mountain Water District ("Mountain") identified the following witnesses who will testify at the evidentiary hearing: Roy Sawyer; Michael Spears; and Kevin Howard. Mountain stated that Grondall Potter, Utility Management Group Project Manager, and Bob Meyer, Utility Management Group Chief Financial Officer, have provided responses on behalf of Mountain to data requests in this proceeding. Mountain stated that Mr. Potter and Mr. Meyer will be present at the evidentiary hearing.

Commission Staff noted that pursuant to the Commission's December 23, 2014 Order, neither opening statements, summarization of direct testimony, or surrebuttal testimony shall be permitted at the evidentiary hearing. Mountain, as the applicant, will go first and present its witnesses for cross-examination. The order of cross-examination will be the Kentucky Office of the Attorney General ("OAG") followed by Commission Staff. Commission Staff noted that the Commissioners may also ask questions during the hearing. The OAG stated that it does not have a witness. Commission Staff reminded Mountain that pursuant to the Commission's March 12, 2015 Order, the notice of the hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov."

Commission Staff stated that Mountain's responses to certain requests for information were incomplete or require revision. Commission Staff discussed Item 24 from Commission Staff's Second Request for Information ("Staff's Second Request"). Commission Staff also discussed the following items from Commission Staff's Third Request for Information ("Staff's Third Request"): Item 1; Item 4; Item 5; Item 6; Item 7; Item 11; Item 13; Item 14; Item 15; Item 18; and Item 20. The OAG indicated that it had concerns with Mountain's responses to some of the OAG requests for information, and the OAG stated that it would discuss its concerns with Mountain. Mountain agreed that it would file into the record the information sought by Commission Staff and the OAG on or before April 30, 2015.

Mountain and the OAG each stated that they had no motions outstanding and anticipate that they will be ready to proceed at the evidentiary hearing.

Commission Staff noted that Mountain is seeking an approximate \$3.0 million loan from the Kentucky Infrastructure Authority ("KIA"). Mountain confirmed that it is seeking a loan for a wastewater project and that it will need to file a certificate for convenience and public necessity and an application for financing.

There being no further business, the informal conference adjourned.

Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MOUNTAIN WATER DISTRICT FOR)
AN ADJUSTMENT OF WATER AND SEWER RATES)
SUPPORTED BY A HISTORICAL TEST YEAR) CASE NO. 2014-00342
)

SIGN IN

April 2, 2015

PERSON

REPRESENTING

<i>David Edward Spencer</i>	<i>PSC staff</i>
<i>Angela M. Goad</i>	<i>AG</i>
<i>Stefanie J. Kingsley</i>	<i>AG</i>
<i>Joseph Bluff</i>	<i>AG</i>
<i>Jack Taylor</i>	<i>MWD</i>
<i>Dan Strickland</i>	<i>MWD</i>
<i>Roy B. Sawyer</i>	<i>MWD</i>
<i>Michael Spence</i>	<i>MWD</i>
<i>KEVIN HOWARD</i>	<i>MWD</i>
<i>Mark Frost</i>	<i>PSC staff</i>
<i>GEORGE W. WAKIM</i>	<i>PSC staff</i>
<i>Ann Rausser</i>	<i>PSC staff</i>

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