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Commissioner

April 9, 2015

PARTIES OF RECORD

Re: Case No. 2014-00392

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.

Sincerely,

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

Jeff Derouen
Executive Director

ALR/ph

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2014-00392
FROM: Ann Ramser, Staff Attorney
DATE: April 8, 2015
RE: Informal Conference of April 7, 2015

Pursuant to the Order issued on December 31, 2014, an informal conference was held in this matter on April 7, 2015. Attached is a copy of the attendance roster.

Ann Ramser began the meeting by advising the parties that notes would be taken during the informal conference and that a memorandum would be issued. The parties have five days to comment on the contents of the memorandum after it is filed into the record. The parties were further advised that the Commission is not bound by the views and comments of Commission Staff.

The parties were reminded that the hearing is currently scheduled for June 9, 2015, and that the witness list and hearing documents were due no later than June 2, 2015. Ms. Ramser advised that the Commission is now requesting that the following sentence be included in hearing notices. "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov."

After introductions, a brief history of the case was presented.

The parties discussed the potential maximum pumping capacity of Parksville's station (450 gallons per minute) and what Jerry Feather indicated as the actual maximum pumping capacity (335 gallons per minute). According to Mr. Feather, even if the station had the capacity to pump more than 335 gallons per minute, there is no place to pump the additional water in the system. The City of Danville will provide a calculation of the impact on rates between having a peak for the potential maximum capacity of 450 gallons per minute and the 335 gallons per minute capacity that Mr. Feather believes is the actual capacity.

George Wakim referenced Item 3 of the City of Danville's responses to Staff's first request for information and requested that the City of Danville provide the tabulations for the hydraulic analysis.

2014-00392
Memorandum
April 8, 2015

The City of Danville agreed to provide the two additional documents by the close of business on April 20, 2015.

Ann Ramser advised that the Commission does not generally establish a surcharge for rate case expense. These expenses are generally included in the rates.

Todd Osterloh indicated that the City of Danville may request the hearing be cancelled. If Commission Staff and the parties do not request additional information, submitting the case on the record will save rate case expense. Mr. Osterloh also indicated that Ms. Allen has a potential conflict with the June 9, 2015 hearing date due to her status as a military reservist. Mr. Osterloh indicated that the filing of any motion regarding the hearing would occur within the near future.

Although Garrard County Water Association is a party to the case, no one was present on behalf of the utility. At the end of the informal conference, Jeff Jones and Mr. Osterloh consented to Ms. Ramser contacting the attorney for Garrard County Water Association. Ms. Ramser did contact Garrard County Water Association after the informal conference and attached is a copy of the electronic mail sent to the parties summarizing Ms. Ramser's conversation.

There being no additional issues to discuss, the informal conference then ended.

Attachment

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE) CASE NO.
WATER SERVICE RATES OF CITY OF DANVILLE) 2014-00392

April 7, 2015

Please sign in:

NAME	REPRESENTING
David Edward Spensard	PSC Staff
Jack S. Lowless	PSC Staff
JEFF JONES	Parksville Water District
Spring Feather	Parksville Water District
Debbie Webb	Parksville Water District
CONNIE ALLEN	SALT RIVER ENG (DANVILLE)
EARL Coffey	DANVILLE
TODD OSTERLOH	DANVILLE
Eddie Beavers	PSC Staff
David R. Koske	PSC Staff
Ann Ramsey	PSC Staff

Ramser, Ann (PSC)

From: Ramser, Ann (PSC)
Sent: Tuesday, April 07, 2015 1:16 PM
To: jeff@jwjlaw.us; Todd Osterloh (tosterloh@sturgillturner.com)
(tosterloh@sturgillturner.com); metcalf11@windstream.net
Subject: Case 2014-00392 Danville

I contacted Mr. Metcalf after the informal conference. According to Mr. Metcalf, Garrard County Water Association does not object to the amount of the rate proposed by the City of Danville, but understands that the proposed rate will not be implemented before May. Based on that understanding, Garrard County Water Association chose not to participate in the informal conference. At Mr. Metcalf's request, I also spoke with Sean Smith at Garrard County Water Association. Mr. Smith has no objection to the rate proposed by the City of Danville as long as the rate does not go into effect before May 2015. Mr. Smith and Mr. Metcalf continue to be served with all documents. I advised Mr. Metcalf that I was not aware of any understanding regarding the effective date of the proposed increase.

Ann Ramser
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