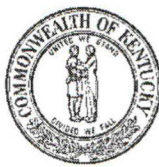


Steven L. Beshear
Governor

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
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Daniel E. Logsdon, Jr.
Commissioner

June 9, 2015

PARTIES OF RECORD

Re: Case No. 2015-00101

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 Jonathan Beyer, Staff Attorney, at 502/782-2581.

Sincerely,

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

Jeff Derouen
Executive Director

Enclosures

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File – Case No. 2015-00101

FROM: Jonathan Beyer, Staff Attorney

DATE: June 9, 2015

RE: Informal Conference of June 5, 2015

Pursuant to a June 6, 2015 Commission Staff Notice, an informal conference was held in this matter on June 5, 2015. A list of attendees is attached.

Beginning the conference, the parties discussed the need for Friendly Park Development, Inc. ("Friendly Park") to apply for a new discharge permit as well as the necessity of Cedar Hills Disposal Sanitation Corporation ("Cedar Hills") maintaining its current permit. Division of Water ("DOW") representatives stated that after a permit expires an entirely new permit must be applied for and obtained by the utility to avoid discharge violations.

The parties next discussed funding issues. Representatives from the Regional Water Resource Agency ("RWRA") stated that to replace both systems would cost in the range of \$600,000-\$1,200,000 for Cedar Hills and \$300,000-\$700,000 for Friendly Park. To instead connect on to the existing RWRA system, which is the preferable option, would cost approximately \$3,500,000. Daviess County officials stated that prior to proceeding with any potential takeover of the systems additional investigation is required into the utilities' conditions and that the necessary work will require approximately \$20,000-\$25,000. The parties discussed whether any entity may have funding available. The Kentucky Infrastructure Authority's ability to provide emergency funding was specifically discussed.

Finally, counsel for all parties agreed that to provide for an opportunity to bring both utilities' discharge permits into good standing and to review the utilities' conditions, the cases should be held in abeyance until October 1, 2015, however counsel for the utilities indicated that the proposals would first need to be discussed with his client and that he would report back to the parties during the week of June 8, 2015. Commission Staff closed in stating that a motion from one or both of the parties will be required to modify the existing procedural schedule and hold the case in abeyance.

Finding that no party had any further questions, the conference was adjourned.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF FRIENDLY PARK) CASE NO.
DEVELOPMENT, INC.'S NOTICE OF INTENT TO) 2015-00101
ABANDON SERVICE)

June 5, 2015

Please sign in:

NAME

REPRESENTING

Al Matty
Jeffrey Cummins

Darless County Fiscal Court
KY Division of Enforcement

Dan J...
Daniel Cleveland

EEC-OGC
EEC-OGC

Jory Becker
Dean Bennett

Ky Div of Water
RWRA

DAVID HAWES

RWRA

Joe Schepers

RWRA

Claud Fortin

Dar. Co Atty

David Smith

Darless Co. Fiscal Court

GEORGE W. WAKIM

PSC STAFF

A.V. Conway

Friendly Village / Cedar Hills

Jonathan Bayer

PSC-Legal

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101 North Main Street
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Daviness County Attorney
P.O. Box 158
Owensboro, KENTUCKY 42302