

Samford, David S (PSC)

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(2007-455)

From: Samford, David S (PSC)
Sent: Tuesday, June 24, 2008 2:27 PM
To: 'Adams, Paul (KYOAG)'; Riggs, Kendrick R.; Jim Miller; John N. Hughes; Howard, Dennis (KYOAG); Cook, Larry (KYOAG); fking@dkgnlaw.com; allyson.sturgeon@eon-us.com; dbrown@stites.com; Michael Kurtz; dmeade@pcmmlaw.com; Melissa Yates; cflyon@orrick.com; Thompson, Paul; Sinclair, David; Northam, Patrick R.; Eversole, Deborah; Sturgeon, Allyson
Cc: Raff, Richard (PSC); Scott, Isaac S (PSC)
Subject: RE: 2007-00455 BREC Unwind Bank of America Payoff

Dear Counsel,

This is to disclose a conversation with Dennis Howard this hour that touched upon a discussion of BREC's proposed termination of the BOA lease on or before June 30th. Dennis was at the Commission's office on another matter. After discussing the factual background of the proposed termination, Dennis has agreed to review his office's opinion, set forth below, with regard to the proposed termination once BREC supplies by letter the additional information identified at Thursday's IC.

Counsel are also advised that in keeping with Commission policy and procedure, any requested staff opinion regarding the proposed termination must contain the standard disclaimer that it is not binding upon the Commission.

A copy of this email will be filed of record in the case file.

David S. Samford
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From: Adams, Paul (KYOAG) [mailto:Paul.Adams@ag.ky.gov]
Sent: Tuesday, June 24, 2008 9:44 AM
To: Riggs, Kendrick R.; Jim Miller; John N. Hughes; Howard, Dennis (KYOAG); Cook, Larry (KYOAG); fking@dkgnlaw.com; allyson.sturgeon@eon-us.com; dbrown@stites.com; Michael Kurtz; dmeade@pcmmlaw.com; Samford, David S (PSC); Melissa Yates; cflyon@orrick.com; Thompson, Paul; Sinclair, David; Northam, Patrick R.; Eversole, Deborah; Sturgeon, Allyson
Subject: 2007-00455 BREC Unwind Bank of America Payoff

Dear Counsel,

This issue of the early payoff for Bank of America was discussed at the last informal conference and while nothing was decided at that time, the issue was to be followed up today. Our office has considered the proposed

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transaction and it is our opinion that this transaction will require the approval of the PSC as BREC is responsible for reimbursing the E.ON parties at the close of the unwind transaction. Our office believes that 278.300 is controlling in regard to this issue and therefore, PSC approval is required. Please let us know of the status of this issue and whether any further discussion is necessary. Thanks.

Paul Adams
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