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January 7, 2009

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Re: Magoffin County Water District
Case No. 2008-00443

Ladies and Gentlemen:

Enclosed is the agenda for tomorrow's teleconference. Any questions regarding the conference agenda should be directed to Virginia Gregg, Commission Staff counsel, at (502) 564-3940, Extension 407, or to me at Extension 259.

Sincerely,

Gerald E. Wuetcher
Executive Advisor

AGENDA FOR TELECONFERENCE – 8 JANUARY 2008

- I. Roll Call
- II. Review of Case History/Purpose of Proceeding
- III. Procedural Issues
 - A. Appearance of Counsel/Service List
 - B. Failure to Submit
 - C. Failure to Submit Written Testimony
 - D. Motion to Withdraw – City of Paintsville
 - E. Additional Discovery Requests/Depositions
 - F. Supplemental Testimony
 - G. Hearing Procedure
 - 1. Opening Statements
 - 2. Order of Opening Statements
 - 3. Order of Presentation of Witnesses
 - 4. Order of Cross-Examination
 - 5. Closing Statements
 - 6. Briefs
- IV. Substantive Issues to Be Explored During the Hearing
 - A. Saylersville Existing Water Treatment and Distribution Facilities
 - 1. General Description/Overview of Operation
 - 2. Present Capacity
 - 3. Planned Capacity Expansions/Status of Such Expansions
 - B. Saylersville's Present/Expected Demand (Retail and Wholesale)

C. Magoffin County Water District's Existing Distribution Facilities: General Description/Overview of Operation

D. Magoffin County Water District's Present/Expected Demand

E. Salyersville: Past Water Quality Problems/Present Status of Those Problems

F. Magoffin County Water District: Past Water Quality Problems/Present Status of Those Problems

G. Water Emergency: October 2008

1. Summary of Events

2. Actions taken to Prevent Recurrence

3. Likelihood of Recurrence

4. Connection with other water sources: Status at time of Emergency/Present Status

H. Salyersville's Alternate Sources of Supply

1. Paintsville Utilities Commission

a. Past negotiations/dealings

b. History of water connection

c. Present Contract(s) with PUC

d. Arrangements for Emergency Backup Supply

e. Present Status of Connection

f. Circumstances under which Salyersville will begin purchasing water (i.e. What circumstances constitute an emergency?)

g. Factors that Inhibit Salyersville from purchasing water from PUC

2. Other Area Suppliers

a. Identification of Possible Suppliers

b. Efforts to obtain water from other suppliers: Past History/Present Efforts

- c. Feasibility of these possible sources
- I. Magoffin County Water District's Alternate Sources of Supply
 - 1. Paintsville Utilities Commission
 - a. Past negotiations/dealings
 - b. History of water connection
 - c. Present Contract(s) with PUC
 - d. Arrangements for Emergency Backup Supply
 - e. Present Status of Connection
 - f. Circumstances under which Magoffin County Water District will begin purchasing water (i.e. What circumstances constitute an emergency?)
 - g. Factors that Inhibit Magoffin County Water District from purchasing water from PUC
 - 2. Other Area Suppliers
 - a. Identification of Possible Suppliers
 - b. Efforts to obtain water from other suppliers: Past History/Present Efforts
 - c. Feasibility of these possible sources
- J. Compliance with Water Quality Standards
 - 1. Salyersville's compliance with drinking water standards/Division of Water regulations – History/Present Status
 - 2. Magoffin County Water District's compliance with drinking water standards/Division of Water regulations – History/Present Status
 - 3. Required Facility/Operational Changes for Compliance
- K. Magoffin County Water District – Salyersville Contract
 - 1. Salyersville's contractual obligation to provide adequate water service
 - 2. Restrictions upon Magoffin County Water District obtaining alternate sources of supply

L. Emergency Planning

1. Adequacy of Existing Water Shortage Response Plans
2. Additional regulatory/administrative actions needed for successful contingency planning in the event of similar emergency

M. Jurisdictional Issues

1. Division of Water's authority to direct changes/modifications in Salyersville/Magoffin District's operations
2. Public Service Commission's authority to direct changes/modifications in Salyersville/Magoffin County Water District's operations

N. Remediation: What actions, if any, should the Commission require Salyersville or Magoffin County Water District to undertake to ensure the adequacy and reliability of water service?