



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
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 15, 2010

PARTIES OF RECORD

Re: Case No. 2009-00428
City of Greensburg
Proposed Adjustment of the Wholesale Service Rates

Attached is a copy of the 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 informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Todd Osterloh, Staff Attorney, at 502-564-3940, Extension 439.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Darouen".

Jeff Darouen
Executive Director

TO/kar

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Todd Osterloh, Staff Attorney

DATE: March 15, 2010

RE: Case No. 2009-00428
Proposed Adjustment of the Wholesale Service Rates for the City of
Greensburg
Conference of March 11, 2010

On March 11, 2010, Commission Staff held an informal teleconference to obtain updates from the parties. Mayor George C. Cheatham participated in the conference on behalf of the City of Greensburg. Commission Staff was represented by Todd Osterloh, Dennis Jones, Sam Reid, Eddie Beavers, and James Rice. Green-Taylor Water District ("Green-Taylor") did not participate in the teleconference.

Commission Staff inquired as to whether Greensburg intended to amend its application based on the findings of the cost-of-service study it filed with the Commission on February 25, 2010. Mayor Cheatham stated that Greensburg would keep its proposed rate for wholesale water service at \$2.206 per 1,000 gallons, as opposed to the \$2.43 rate suggested by the cost-of-service study.

In the notice of the informal conference that was sent to the parties, Commission Staff requested that Green-Taylor be prepared to discuss specific areas of contention that it has with the city's proposed revenue requirement or rate design. Because no one from Green-Taylor participated in the teleconference, Commission Staff stated that it would issue an information request to Green-Taylor to seek that information in writing.

Commission Staff also stated that it would develop a procedural schedule for processing the case. The Commission must rule on this case no later than August 9, 2010, and would likely schedule a hearing in June. The procedural schedule will include time for a second data request to be issued to Greensburg, for Green-Taylor to present written testimony, and for information requests to be issued for that testimony.

The conference then adjourned.