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Charles R. Borders
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August 24, 2010

PARTIES OF RECORD

Re: Case No. 2009-00483

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 M. Todd Osterloh at 502/564-3940, Extension 439.

Sincerely,

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

Jeff Derouen
Executive Director

TO/ew

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File
FROM: Todd Osterloh, Staff Attorney ^{MTD}
DATE: August 24, 2010
RE: Case No. 2009-00483
Informal Conference of August 18, 2010

On August 18, 2010, Commission Staff ("Staff") held an informal conference with the parties to discuss substantive and procedural issues of the case. The following individuals participated in the informal conference:

Jeff Bradshaw	JTB Real Estate
Lindsay Ingram	Kentucky-American Water Company
Takisha Walker	Kentucky-American Water Company
Eddie Beavers	PSC Staff
Dennis Jones	PSC Staff
Todd Osterloh	PSC Staff
James Rice	PSC Staff
Bob Robards	PSC Staff

Beginning the conference, Staff stated that it would prepare minutes of the conference for the case record, that a copy of the minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes. Staff also noted that its statements and opinions are not necessarily binding on the Commission.

Staff explained that the primary purpose for the conference was to narrow the focus of the issues of the case and determine how to proceed. Mr. Bradshaw explained that the outstanding issues involved unusually high water bills for two of JTB Real Estate's ("JTB") four water meters at its Tarleton Crossing Apartments complex. He identified that the August 2009 bill for its "street" meter, for usage between July 2 to August 6, 2009, was nearly four times the amount of historic usage. Mr. Bradshaw also stated that the August and September 2009 bills for its "laundry" meter, for usage between July 2 to September 3, 2009, was higher than usual. The total amount that JTB is contesting is \$6,620.29.

Mr. Bradshaw explained JTB's investigation of water leaks on its property and stated that, although minor leaks were found, there were no apparent problems that

would have increased usage by such a significant amount. He believes that the excessive bills were the result of faulty meters, faulty meter readings, or faulty installations. He questions whether Kentucky-American Water Company's ("Kentucky-American") installation of automated meter reading equipment could be the cause of the inaccurate readings.

Mr. Osterloh stated that the burden of proof in complaint cases before the Commission is on the complainant. He suggested three possible courses of action: (1) submit the case for a decision on the current record; (2) conduct limited written discovery on issues; or (3) hold an evidentiary hearing.

The participants discussed the various options for going forward, and the parties agreed that they may be able to resolve the case without a decision from the Commission. Mr. Bradshaw requested information related to usage for Kentucky-American customers on a 1 ½-inch or 2-inch meter that was switched from a manual-read to an automated-read meter during the summer of 2009. Kentucky-American agreed to research the issue and provide information. Because Kentucky-American was unsure of the amount of information that could be gathered, the parties agreed to hold a conference call on Thursday, September 2, 2010, at 2 p.m. to discuss the information gathered by Kentucky-American on this issue. Parties should telephone the Commission's offices at 502-564-3940 at the appropriate time and request conference bridge 7098.

The conference then adjourned.

Jeff Bradshaw
Manager
JTB Real Estate LLC
D/B/A/ Tarleton Crossing Apartments
3640 Bold Bidder Drive
Lexington, KY 40502

Honorable Lindsey W. Ingram, III
Attorney at Law
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