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Commonwealth of Kentucky

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August 8, 2011

Mr. Carroll F. Cogan Farmdale Development Corporation P.O. Box 91588 Louisville, Kentucky 40291

Robert C. Moore, Esq. Hazelrigg & Cox, LLP P.O. Box 676 Frankfort, Kentucky 40602

Re: Case No. 2011-00048

Farmdale Development Corporation

Gentlemen:

This letter is intended to clarify the minutes of the conference that occurred on August 2, 2011 and that were filed in the record of the above-referenced case.

First, the minutes state that Commission Staff and Farmdale Development Corporation agreed to stipulate a monthly rate of \$40.15. While the participants agreed to this rate, Commission Staff subsequently discovered an error in the calculation of the components of this rate. When this error is corrected, the resulting monthly rate is \$40.19.

Second, while the participants agreed to file a stipulation with the Commission no later than August 5, 2011, the Commission subsequently determined that Commission Staff and Farmdale Development Corporation should be afforded a longer period of time to prepare a written stipulation.

Third, the minutes fail to reflect Farmdale Development Corporation's suggested revision to Commission procedures for alternative rate filing proceedings. At the conference, Farmdale Development Corporation's representatives stated that hearings in these types of proceedings should be scheduled several weeks after the scheduled conference to avoid requiring the utility to incur the cost of publishing notice of a scheduled hearing when the parties resolve the case at the pre-hearing conference. Commission Staff agreed to forward this suggestion to the Commission's senior management and has done so.

Mr. Carroll F. Cogan Robert C. Moore, Esq. August 8, 2011 Page 2

A copy of this letter will be placed in the case record.

Sincerely,

Gerald E. Wuetcher Executive Advisor

Land & Wheleto

cc: Case File No. 2011-00048

