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Vice Chairman

Charles R. Borders  
Commissioner

May 17, 2010

## PARTIES OF RECORD

Re: Case No. 2009-00253

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 Virginia Gregg at 502/564-3940, Extension 407.

Sincerely,

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

Jeff Derouen  
Executive Director

VG/ew

Attachment

**INTRA-AGENCY MEMORANDUM**  
**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case File

**FROM:** Virginia Gregg, Staff Attorney *VJG*

**DATE:** May 17, 2010

**RE:** Informal Conference  
Case No. 2009-00253  
Kentucky-American Water Company's Request for Permission to Deviate  
From 807 KAR 5:066, Section 16(1)

On May 12, 2010, Commission Staff held an informal conference at the request of Kentucky-American Water Company ("KAWC") to discuss Commission Staff's first data request, which was issued on April 22, 2010, and KAWC's request for an extension of time to answer the data request. Commission Staff stated that it had reviewed the letter to Jeff Derouen, Executive Director of the Commission, from Lindsey W. Ingram III, dated April 27, 2010, which requested this conference.

The individuals who participated in the informal conference are listed on the Sign-In Sheet which is attached hereto and incorporated herein as Exhibit A.

Attorneys for KAWC began the discussion by stating that the reason they had requested an extension of time to answer Commission Staff's First Data Request in this matter was an extensive data request that is due by the end of May 2010 in its pending rate case. Given its immediate focus on that case, it was noted that it would be very difficult for KAWC to respond to both requests in a timely manner. Given the nature of several of the requests in this case, additional research would be needed.

A discussion was then held regarding Case No. 96-569, in which the Commission authorized KAWC to conduct a pilot project to determine if its meters remain accurate for longer than 10 years, so that the meters could remain in service longer without needing to be tested, which, in reality, resulted in their being replaced.

KAWC and Commission Staff agreed that KAWC would respond to Question No. 3, which requests the raw test data for all the years of the pilot project, in hard (paper) copy rather than Microsoft Excel. There was general discussion regarding the preferred format for KAWC's responses to Question Nos. 1-2. It was stated that KAWC should be able to provide the information requested in Question Nos. 4, 5 and 13.

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Question Nos. 6-12, pertaining to information concerning American Water Works Company, Inc.'s approximate 25 subsidiaries in other jurisdictions, will require research beyond KAWC's own records. KAWC stated that it was in contact with Dave Hughes of American Water Works and that he would be assisting KAWC in obtaining this additional information.

Regarding the requested extension of time for KAWC to respond to the data request, it was agreed that it is reasonable for KAWC to respond by June 18, 1010.

The conference then adjourned.