

3. If both governing bodies approve the proposed written contract at their scheduled meeting, then the parties will file an executed copy of the contract with the Commission no later than January 27, 2016 and request an expedited review of the proposed contract. To facilitate such review, the parties will also request a conference with Commission Staff to explain the contract's provisions and to answer any questions.

4. If either governing body rejects the proposed written contract, the parties will immediately report this development to the Commission.

5. In light of the parties' agreement, the Commission should suspend the briefing schedule. Such action will allow the parties to devote their full attention to the drafting of the new water purchase agreement and to avoid the additional and unnecessary cost of preparing written briefs.

6. The present uncertainty regarding the evidentiary record also supports suspension of the briefing schedule. On September 29, 2015, Bracken District moved to strike a significant portion of the evidentiary record. The Commission has yet to address this motion. In the absence of an Order on the motion, neither party is certain as to the portions of the evidentiary record that can be properly referenced in its brief. Depending on the Commission's ruling on Bracken District's motion, both parties may seek an opportunity to revise or supplement their briefs to remove references to stricken material or to address to evidence that was subject to the motion to strike and omitted from the initial brief. Holding the briefing schedule in abeyance for a short period allows the Commission additional time to address the motion, if needed, and to avoid the potential for additional briefs that would increase costs to the parties.

7. The parties' motion is not made for purposes of delay.

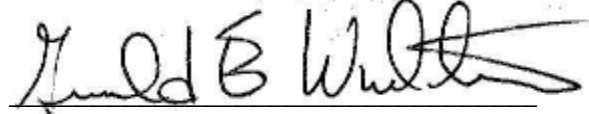
8 If the motion is granted and the parties' governing bodies fail to approve the agreement, the Commission will still have adequate time to render a decision in this matter. Based upon the Commission's application of KRS 278.190 to these proceedings, the Commission is required to render a decision in this matter no later than May 27, 2016.

WHEREFORE, Augusta and Bracken District respectfully request that:

1. Accept this Report on Settlement Discussions; and,
2. Hold the present briefing schedule in abeyance.

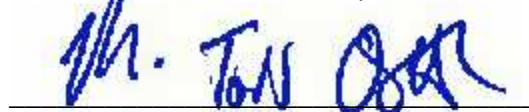
Dated: January 6, 2016

Respectfully submitted,



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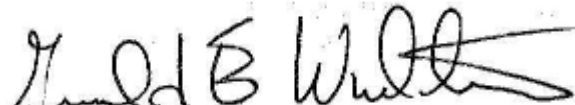
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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the January 6, 2016 electronic filing of this Report on Settlement Discussions and Motion to Suspend Briefing Schedule is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on January 6, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of the Report on Settlement Discussions and Motion to Suspend Briefing Schedule will be delivered to the Commission on or before January 8, 2016.

A handwritten signature in black ink, appearing to read "Gerald E. Wuetcher", written over a horizontal line.

Gerald E. Wuetcher