

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE WATER SERVICE RATES OF) **CASE NO. 2015-00039**
THE CITY OF AUGUSTA)

REPORT ON SETTLEMENT DISCUSSIONS AND
MOTION FOR AN EXTENSION OF TIME TO SUBMIT WRITTEN BRIEFS

Pursuant to the Commission's Order of November 5, 2015, the City of Augusta ("Augusta") and Bracken County Water District ("Bracken District") jointly submit this Report on the status of their discussions to resolve this matter. They further move for an additional 30 days in which to submit written briefs in this matter.

1. On November 18, 2015, Augusta Utilities Manager Doug Padgett held discussions with the members of Bracken District's Board of Commissioners. The participants engaged in open and frank discussions and reviewed a number of possible options to resolve their differences.

2. On December 1, 2015, Augusta submitted a counter proposal for Bracken District's consideration. Bracken District is reviewing this proposal and expects to respond shortly.

3. The parties are encouraged by the tone and nature of these discussions and believe that a negotiated settlement is possible.

4. The parties have agreed to further discussions regarding the rates and conditions of service under which Augusta provides wholesale water service to Bracken District and anticipate another meeting between their representatives in the near future.

5. In light of these discussions, the Commission proceedings should extend the time period for the filing of written briefs an additional 30 days to January 8, 2016 to allow the parties a final opportunity to resolve this matter. An extension will permit the parties to complete their discussion and, if a settlement is reach, avoid the additional and unnecessary cost of preparing written briefs.

6. The parties' motion for an extension of time is not made for purposes of delay. The parties state that no further requests for an extension of time to submit written briefs will be made.

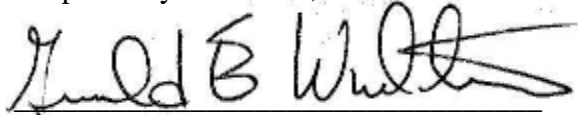
7 If the motion is granted and the parties fail to reach a settlement, the Commission will still have adequate time to render a decision in this matter. Based upon the Commission's application of KRS 278.190 to these proceedings, the Commission is required to render a decision in this matter no later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

WHEREFORE, Augusta and Bracken District respectfully request that:

1. Accept this Report on Settlement Discussions; and,
2. Extend the time period for the submission of written briefs by 30 days and permit each party to submit its written brief no later than January 8, 2016.

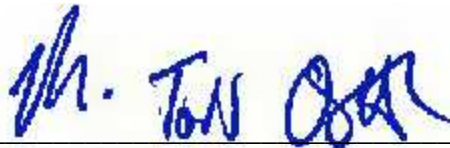
Dated: December 1, 2015

Respectfully submitted,



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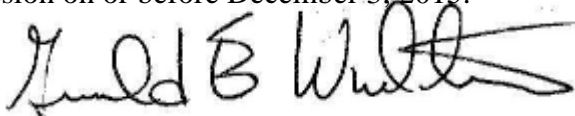
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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the December 1, 2015 electronic filing of this Report on Settlement Discussions and Motion for An Extension of Time to Submit Written Briefs 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 December 1, 2015; 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 Third Request for Information will be delivered to the Commission on or before December 3, 2015.



Gerald E. Wuetcher