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John W. Clay
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February 23, 2009

PARTIES OF RECORD

Re: Case No. 2008-00250

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 Depouen".

Jeff Depouen
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Todd Osterloh, Staff Attorney ^{MTD}

DATE: February 23, 2009

RE: Case No. 2008-00250
Conference of February 16, 2009

On February 16, 2009, the Commission held a conference in this case in the Commission's offices in Frankfort, Kentucky. The purpose of the meeting was to discuss the procedure for the hearing set for February 18, 2009, any outstanding substantive issues that could be resolved, and potential settlement offers. A sign-in sheet from the conference is attached to this memorandum.

Beginning the conference, Mr. Osterloh stated that Commission Staff would prepare minutes of the conference for the case record, that a copy of these minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes.

The first item of discussion related to Intervenors' Second Request for Production of Documents. The Plant Board stated that Paul Herbert would provide information related to that request at the hearing.

The parties briefly discussed the Intervenors' list of issues that was filed with the Commission on February 6. It was agreed that these issues would be the focus of questions at the hearing but that the topics listed therein were not exhaustive. The Plant Board stated that its application served as its list of issues. Commission Staff reminded the parties that the Kentucky River Authority fee was an issue that may be addressed by the Commission in this case.

Commission Staff noted that the Plant Board filed an amendment to the cost-of-service study on August 27, 2008, and indicated that the proposed rate would drop from \$1.822 to \$1.814. When the statutory suspension period ended, the Plant Board increased its rates to \$1.822, subject to refund. Commission Staff reminded the parties that refunds may be required.

With respect to the hearing procedure, the parties stated that they did not want opening statements, but the Intervenors sought an opportunity to have closing statements if they so desired. The Plant Board did not object to closing statements.

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The parties also agreed that post-hearing briefs would be due no later than March 11, 2008.

The conference then adjourned.