



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

John W. Clay
Commissioner

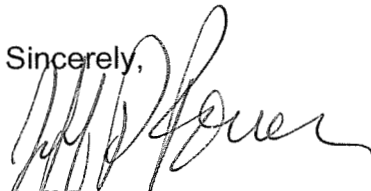
February 20, 2009

PARTIES OF RECORD

Re: Case No. 2009-00019

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 Rick Bertelson at 502/564-3940, Extension 260.

Sincerely,



Jeff Derouen
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Rick Bertelson, Staff Attorney

DATE: February 20, 2009

SUBJECT: Case No. 2009-00019
Bryan Gillespie v. Louisville Gas and Electric Company
Informal Conference

An informal conference ("IC") was held with the parties on February 17, 2009. The IC was scheduled at the request of Louisville Gas and Electric Company ("LG&E") to discuss the issues in the case. A sign-in sheet is attached hereto.

During the IC, the parties discussed their differing perspectives on the bill dispute which is the subject of this case. LG&E stated that it has three meters at Mr. Gillespie's building. There is an electric meter, a "small" gas meter, and a large industrial gas meter ("large meter"). It is the large meter from which the reading was taken in March 2007 that resulted in the large gas bill which is in dispute. LG&E maintained that the large meter has been tested and is not malfunctioning and stated that it would provide past meter testing results to Commission Staff.

Mr. Gillespie stated that he hired a private firm, ACCO, to maintain the building during the winter months from December 2006 through March 2007. He stated that, at his direction, ACCO set the building's thermostat to 60 degrees for the entire winter period. ACCO can monitor the building and make necessary adjustments remotely, as opposed to being on site every day.

According to Mr. Gillespie, the building was totally unoccupied throughout the period in question, and the temperature was maintained at just a high enough level to prevent the water pipes from freezing during those months. So, he does not believe that the large industrial meter could have properly registered the large volume of gas for which he was charged. He believes that the meter is either defective or that, during pressure testing which was conducted a number of times during that period, the air used for the testing was forced through the large industrial gas meter, causing it to register incorrectly.

Commission Staff asked how old the boilers are. Mr. Gillespie stated that he believes they are relatively new—perhaps 15 years old. He also stated that he believes they were replaced at the same time. Commission Staff asked whether it was possible

that the boiler which was running during the 2006-2007 winter was less efficient than the boiler that is running now, during the 2007-2008 winter. Mr. Gillespie stated that he does not believe so.

Mr. Gillespie's attorney presented copies of his response to LG&E's motion to dismiss. Attached to the response were a number of photographs and documents, including an affidavit from Deborah Cole, an employee of the building maintenance company, ACCO. Mr. Gillespie's attorney agreed to provide a number of informational items to Commission Staff: any information from ACCO to verify the statement at paragraph 13 of the Cole affidavit concerning "records show[ing] minimal use of gas"; any records from ACCO to verify that they were adjusting the temperature of the correct building; and the heat capacity of the boiler.

The parties stated that they would provide the information requested by Commission Staff during the IC within one week.

There being no further discussion, the IC was adjourned.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2009-00019

BRYAN GILLESPIE VS. LOUISVILLE GAS AND ELECTRIC COMPANY

SIGN IN

February 17, 2009

PERSON

REPRESENTING

| | |
|-------------------------|---------------------------------|
| <u>Rick Bertelson</u> | <u>PSC - Legal</u> |
| <u>Vicky S. Townes</u> | <u>PSC - FA Division</u> |
| <u>GARY GLOVER</u> | <u>PSC - ENGINEERING</u> |
| <u>JORGE VALLADARES</u> | <u>PSC - Financial Analysis</u> |
| <u>Allyson Sturgeon</u> | <u>LG&E</u> |
| <u>Christy Gregor</u> | <u>LG&E</u> |
| <u>Marilyn Beinent</u> | <u>LG&E</u> |
| <u>DON THORN</u> | <u>LG&E</u> |
| <u>Kara Kemp Area</u> | <u>LG&E</u> |
| <u>BRYAN GILLESPIE</u> | <u>BRYAN GILLESPIE</u> |
| <u>BOB DONARD</u> | <u> </u> |
| <u> </u> | <u> </u> |
| <u> </u> | <u> </u> |

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2008-00250

PROPOSED ADJUSTMENT OF THE WHOLESALE WATER SERVICE RATES
OF FRANKFORT ELECTRIC AND WATER PLANT BOARD

SIGN IN

February 16, 2009

PERSON

REPRESENTING

| | |
|------------------|--------------------|
| TODD OSTERLOH | PSC |
| Don Prather | North Shelby/USGO |
| Tom Markham | Elkhorn/Peaks Mill |
| JASON GREEN | PSC |
| JAMES RICE | PSC |
| Gerald E. Wulder | PSC Staff |
| Sam Reid | PSC |
| Hance Price | Plant Board |
| Jay R. Ayler | FPB |
| David Billings | FPB |
| HERBIE BANNISTER | FPB |
| WARNER CAINES | FPB |
| DENNIS JONES | PSC |