



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

Charles R. Borders
Commissioner

March 24, 2010

PARTIES OF RECORD

Re: Case No. 2009-00264

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

DATE: March 24, 2010

RE: Case No. 2009-00264
Informal Conference of March 18, 2009
James S. Wayne, Individually and as Trustee of the James S. Wayne Living Trust v. Henry County Water District #2.

On March 18, 2010, Commission Staff held an informal conference at the joint request of the parties, James S. Wayne, individually and as trustee of the James S. Wayne Living Trust ("Wayne"), and Henry County Water District No. 2 ("Henry District"), to discuss pending issues in this matter.

The names of the attendees who were at the informal conference are reflected on the sign-in sheet, appended hereto and incorporated herein as "Appendix A."

The parties discussed known facts and pending issues in this matter and agreed as follows:

Facts –Not in Dispute

- Clarence Davis ("Davis") sold and transferred real property commonly known as 1054 McCarty Lane in Campbellsburg, Kentucky ("Wayne Farm") to Wayne in 2000.
- Prior to this conveyance, Davis had constructed a 3" water line to provide water service from Henry District to the Wayne Farm on and across real property owned by Larry Congleton ("Congleton Farm").
- The water meter for water service to the Wayne Farm was originally located on the Congleton Farm property at U.S. 421.
- The water meter for water service to the Wayne Farm is now located on the Wayne Farm.
- No written document existed prior to Wayne's purchase of the Wayne Farm that mentioned the 3" water line across the Congleton Farm to the Wayne Farm.
- Language in the deed of conveyance from Davis to Wayne of the Wayne Farm does not specifically refer to the 3" water line.

- Language in the deed of conveyance from Davis to Wayne of the Wayne Farm does reference a conveyance of “appurtenances thereunto.”
- An agreement between Congleton and Henry District, dated September 3, 2008, references a conveyance of an easement of the 3” water line to Henry District.
- Henry District has maintained and made improvements to the 3” water line since the conveyance of an easement from Congleton.
- Henry District currently provides water service to the Wayne Farm.

Preliminary Issue:

Does the Commission have jurisdiction over any of the disputed issues?

Disputed Issues:

- Original ownership of the 3” water line.
- Whether Wayne’s purchase of the Wayne Farm included the 3” water line.
- Current ownership of the 3” water line.
- The monetary value of the 3” water line.
- The significance of the grant of easement for the 3” water line from Congleton to Henry District.
- Whether Wayne is owed compensation for the 3” water line across the Congleton Farm.
- If Wayne is owed compensation for the 3” water line across the Congleton Farm, is such compensation owed by Henry District?

The following procedural schedule was agreed to by the parties:

1. Each party shall have 30 days from March 24, 2010 to file any dispositive motions;
2. Each party shall have 30 days to file any response; and
3. Each party shall have 10 days to file any reply.

The conference then adjourned.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NO. 2009-00264

JAMES S. WAYNE, INDIVIDUALLY AND AS TRUSTEE OF THE JAMES S.
WAYNE LIVING TRUST
V.
HENRY COUNTY WATER DISTRICT NO. 2

SIGN IN

March 18, 2010

PERSON

REPRESENTING

Hank GRANDY	Jim Wayne
Jim Wayne	
Glenn Go (Gody) Curry	Henry Co Water Dist
JAMES T. SIMPSON	HENRY Co. WATER DIST.
Len Bryant	PSC
Bob Robards	PSC
Virginia Greff	PSC
Sam Heid	PSC