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August 2, 2010

PARTIES OF RECORD

Re: Case No. 2010-00049

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 Derouen".

Jeff Derouen
Executive Director

TO/ew

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File
FROM: Todd Osterloh, Staff Attorney ^{TD}
DATE: August 2, 2010
RE: Case No. 2010-00049
Conference of July 21, 2010

On July 21, 2010, Commission Staff held an informal teleconference with the parties to discuss various aspects of this case. The following individuals participated in the informal conference:

Marvin W. Suit	Fleming County Water Association
Gene Jett	Fleming County Water Association
Wilmer Conn	Complainant
Todd Osterloh	PSC Staff
Sam Reid	PSC Staff
James Rice	PSC Staff

Beginning the conference, Commission Staff stated that it would prepare minutes of the conference for the case record, that a copy of the minutes would be provided to all parties, and that all parties would be given an opportunity to submit written comments upon those minutes. Staff also noted that its statements and opinions are not necessarily binding on the Commission.

Mr. Conn identified the property for which he seeks water service as the property labeled as "McKee" on the black-and-white map provided with the Commission Staff's notice of the informal conference. He stated that he obtained the property through Charlotte McKee. The parties explained that this property was previously owned by Roscoe Johnson and was served by Fleming County Water Association ("Fleming Association"), but that Mr. Johnson was reimbursed for his connection fee when Fleming Association entered into a settlement agreement with the government and could not continue to serve the Johnson property. Mr. Suit and Mr. Jett were unsure how much money was reimbursed to Mr. Johnson.

Mr. Jett stated that the color map provided with the Commission Staff's notice of the informal conference accurately reflected that portion of Fleming Association's system. With respect to the portion of the water line that was retired when Fleming Association entered into the Maxey Flats settlement agreement, Mr. Jett did not know

whether there was a physical disconnection or whether that section was merely valved-off from the rest of the system.

Fleming Association explained its position that it could not provide water service to Mr. Conn through the retired water line on Upper Rock Lick Creek Road. Mr. Jett stated that it could extend service from Fleming Association's 4-inch water main along Skaggs Lane, but that an easement would be required to cross a third party's property. The two individuals' properties that were discussed were Donna Ferguson's and Ray McClurg's. Mr. Jett stated that he spoke with Mrs. Ferguson, who denied willingness to grant an easement over her property. Mr. Conn stated that he spoke with the McClurgs, and they also denied an easement for a water line to the property. Mr. Conn also stated that, if a line was extended from Skaggs Lane, it would be set at the top of the hill and far away from where he would be using the water.

Commission Staff stated that there were several unresolved questions with respect to the route Fleming Association should take to serve Mr. Jett and who would ultimately be responsible for the costs of those extensions. Staff stated that it would prepare an information request in the next few weeks and that another conference may be necessary to discuss the material that is provided in response to the Staff's information request.

The conference then adjourned.

Wilmer and Pauline Conn
P.O. Box 218
Clearfield, KY 40313

J.E. Smith
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Fleming County Water Association, Inc.
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Honorable Marvin W. Suit
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