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Governor

Leonard K. Peters  
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Energy and Environment Cabinet



Commonwealth of Kentucky  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

October 31, 2014

**PARTIES OF RECORD**

Re: Case No. 2011-00297  
Forest Creek, LLC v. Jessamine-South Elkhorn Water District

Attached is a copy of a 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 memorandum please do so within five days of receipt of this letter. If you have any questions, please contact Ann Ramser, Staff Attorney, at (502) 782-2585.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

Attachment

## INTRA-AGENCY MEMORANDUM

### KENTUCKY PUBLIC SERVICE COMMISSION

**TO:** Case File No. 2011-00297

**FROM:** Ann Ramser, Staff Attorney *AR*

**DATE:** October 31, 2014

**RE:** Informal Conference of October 30, 2014

Pursuant to Commission Staff's September 25, 2014 Notice, an informal conference was held in this matter on October 30, 2014. Attached is a copy of the attendance roster.

The purpose of the meeting was to discuss the current status of negotiations between the parties.

Part of the delay in settling this case is that Forest Creek, LLC is a party in other lawsuits. A global settlement will not be executed, but a settlement in one case needs to coordinate with the settlements in each of the remaining cases.

Jessamine South-Elkhorn Water District had prepared a draft settlement agreement during November 2013. During a meeting between the parties in July 2014, Jessamine South-Elkhorn Water District agreed to certain changes in the draft settlement agreement. Robert Moore, lead counsel for Forest Creek, LLC in Case No. 2011-00297, made changes to the November 2013 proposed settlement agreement and sent the revisions to Nathan Billings, lead counsel for Forest Creek, LLC in the Jessamine County Circuit Court action, for review. Bruce Smith, counsel for Jessamine South-Elkhorn Water District, has not seen the revisions to the proposed settlement agreement.

During the October 30, 2014 informal conference, Jessamine South-Elkhorn Water District agreed to additional changes to the proposed November 2013 settlement agreement.

Mr. Moore and Mr. Billings indicated that a red-lined version of the settlement agreement and a clean copy of the settlement agreement would be sent to Mr. Smith before Thanksgiving, 2014. Mr. Moore will notify the Commission when the documents are forwarded to Mr. Smith.

The proposed settlement agreement, as revised based on negotiations at the July 2014 meeting and at the informal conference, will be presented to the Board of

Case File No. 2011-00297  
Informal Conference of October 30, 2014  
October 31, 2014

The proposed settlement agreement, as revised based on negotiations at the July 2014 meeting and at the informal conference, will be presented to the Board of Commissioners of Jessamine South-Elkhorn Water District at its December Board meeting.

Mr. Smith and Nick Strong, Chair of the Board of Commissioners of Jessamine South-Elkhorn Water District, both indicated their belief that the Board of Commissioners would approve the settlement agreement at the December 2014 Board meeting. Mr. Smith further indicated that if the Board of Commissioners does approve the settlement agreement, the settlement agreement executed on behalf of Jessamine South-Elkhorn Water District would be returned to Mr. Moore within one week of the Board meeting.

Mr. Billings and Mr. Moore, as well as William Robinson and James Kelly on behalf of Forest Creek, LLC, all indicated that the holidays would not delay execution of the settlement agreement.

Both parties agreed that the Commission can expect an executed settlement agreement no later than January 5, 2015.

There being no further business, the informal conference adjourned.

Enclosure

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FOREST CREEK, LLC VS. JESSAMINE-SOUTH ) CASE NO.  
ELKHORN WATER DISTRICT ) 2011-00297

Please sign in:

NAME

REPRESENTING

Bruce E. Smith

Jessamine South Elkhorn W.D.

Wick Strong

JSEWD

Nathan Billings

Forest Creek

WILLIAM ROBINSON

Forest Creek

Foib Moore

FOREST CREEK

James A. Kelley

Forest Creek LLC

Scott Leland

PSC

JAMES RICE

"

Eddie Beavers

"

George Wakim

"

Ann Ramser

PSC