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Commonwealth of Kentucky

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November 27, 2013

M. Todd Osterloh, Esq. Charles D. Cole, Esq. Sturgill, Turner, Barker & Moloney, PLLC 333 West Vine Street Suite 1400 Lexington, Kentucky 40507

Sue Ellen Morris, Esq. Hickman County Courthouse 110 East Clay Street, Suite D Clinton, Kentucky 42031 Jennifer B. Hans, Esq. Gregory T. Dutton, Esq. Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, Kentucky 40601-8204

Leanna Wilkerson, Esq. 300 Fifth Street Fulton, Kentucky 42041

Re: Case No. 2013-00237

Water Service Corporation of Kentucky

Ladies and Gentlemen:

The enclosed memorandum has been filed in the record of the above-referenced case. Any comments, revisions or objections to this memorandum should be submitted to the Commission within seven days of receipt of this letter.

Sincerely

Jeff Derouen
Executive Director

gw

Enclosure



INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case No. 2013-00237

Water Service Corporation of Kentucky

Gerald Wuetcher CEW Executive Advisor/Attorney FROM:

DATE: November 26, 2013

RE: Telephone Conference of November 26, 2013

A conference call was conducted in this matter on November 26, 2013. Participating in the call were:

> Mark Frost Commission Staff Ann Ramser Commission Staff Gerald Wuetcher - Commission Staff

Gregory Dutton Office of Attorney General Jennifer B. Hans Office of Attorney General Sue Ellen Morris -Hickman County Attorney Leanna Wilkerson -Clinton City Attorney

Todd Osterloh Water Service Corporation of Kentucky

Water Service Corporation of Kentucky ("WSKY") requested the conference as part of its motion to amend the procedural schedule and for additional time to respond to requests for information from Commission Staff and the Attorney General ("AG").

Beginning the conference call, Mr. Osterloh briefly reviewed his motion and the reasons for it. Mr. Dutton stated that the intervening parties were in agreement that WSKY should withdraw its application to adjust rates because WSKY was not adequately prepared to timely respond to requests for information. Mr. Dutton further indicated the intervening parties were prepared to file a joint motion to dismiss WSKY's application with prejudice. If the case is not dismissed, Mr. Dutton stated, the Office of the Attorney General intends to file testimony.

Mr. Osterloh replied that adequate time remained for the Commission to render a decision on the proposed rates and that WSKY would provide all requested information. He further indicated that withdrawal and resubmission of the application would increase rate case expense.

After further discussion, the parties agreed that WSKY should file with the Commission no later than Wednesday, November 27, 2013, any supplement to its Motion to Amend. Commission Staff suggested that such supplement include WSKY's

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proposed amended procedural schedule and state WSKY's intentions regarding implementation of the proposed rates at the end of the suspension period. The parties further agreed that the intervening parties may file their response to WSKY's motion no later than Tuesday, December 2, 2013, and that such response should include any motion related to WSKY's failure to comply with the existing procedural schedule. Finally, the parties agreed that, should the intervening parties file any motion related to WSKY's failure to comply with the existing procedural schedule, WSKY should file a response to such motion no later than Thursday, December 4, 2013.

The telephone conference then adjourned.

cc: Parties of Record