

KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2008-00427

DIRECT TESTIMONY OF
PAUL R. HERBERT

CONCERNING
COST OF SERVICE ALLOCATION
AND
CUSTOMER RATE DESIGN

BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

October 31, 2008

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

RE: KENTUCKY-AMERICAN WATER COMPANY
CASE NO. 2008-427

DIRECT TESTIMONY OF PAUL R. HERBERT

Line
No.

1

QUALIFICATIONS

2

1. Q. Please state your name and address.

3

A. My name is Paul R. Herbert. My business address is 207 Senate Avenue, Camp Hill,
4 Pennsylvania.

4

5

2. Q. By whom are you employed?

6

A. I am employed by Gannett Fleming, Inc.

7

3. Q. What is your position with Gannett Fleming, Inc., and briefly state your general duties and
8 responsibilities.

8

9

A. I am President of the Valuation and Rate Division. My duties and responsibilities include
10 the preparation of accounting and financial data for revenue requirement and cash working
11 capital claims, the allocation of cost of service to customer classifications, and the design of
12 customer rates in support of public utility rate filings.

10

11

12

13

4. Q. Have you presented testimony in rate proceedings before a regulatory agency?

14

A. Yes. I have testified before the Pennsylvania Public Utility Commission, the New Jersey
15 Board of Public Utilities, the Public Utilities Commission of Ohio, the Public Service
16 Commission of West Virginia, the Kentucky Public Service Commission, the Iowa State
17 Utilities Board, the Virginia State Corporation Commission, the Illinois Commerce
18 Commission, the Tennessee Regulatory Authority, the California Public Utilities
19 Commission, New Mexico Public Regulation Commission, the Delaware Public Service
20 Commission, Arizona Corporate Commission and the Missouri Public Service Commission

15

16

17

18

19

20

DIRECT TESTIMONY OF PAUL R. HERBERT

1 concerning revenue requirements, cost of service allocation, rate design and cash working
2 capital claims.

3 A list of the cases in which I have testified is provided at the end of my direct testimony.

4 5. Q. What is your educational background?

5 A. I have a Bachelor of Science Degree in Finance from the Pennsylvania State University,
6 University Park, Pennsylvania.

7 6. Q. Would you please describe your professional affiliations?

8 A. I am a member of the American Water Works Association and serve as a member of the
9 Management Committee for the Pennsylvania Section. I am also a member of the
10 Pennsylvania Municipal Authorities Association. In 1998, I became a member of the
11 National Association of Water Companies as well as a member of its Rates and Revenue
12 Committee.

13 7. Q. Briefly describe your work experience.

14 A. I joined the Valuation Division of Gannett Fleming Corddry and Carpenter, Inc.,
15 predecessor to Gannett Fleming Valuation and Rate Consultants, Inc., in September 1977, as
16 a Junior Rate Analyst. Since then, I advanced through several positions and was assigned
17 the position of Manager of Rate Studies on July 1, 1990. On June 1, 1994, I was promoted to
18 Vice President and on November 1, 2003, I was promoted to Senior Vice President. On July
19 1, 2007, I was promoted to my current position as President of the Valuation and Rate
20 Division of Gannett Fleming, Inc.

21 While attending Penn State, I was employed during the summers of 1972, 1973 and
22 1974 by the United Telephone System - Eastern Group in its accounting department. Upon
23 graduation from college in 1975, I was employed by Herbert Associates, Inc., Consulting
24 Engineers (now Herbert Rowland and Grubic, Inc.), as a field office manager until
25 September 1977.

26

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

COST OF SERVICE ALLOCATION

8. Q. What is the purpose of your testimony in this proceeding?
- A. My testimony is in support of the cost of service allocation and rate design study conducted under my direction and supervision for the Kentucky-American Water Company, (the "Company").
9. Q. Have you prepared an exhibit presenting the results of your study?
- A. Yes. Exhibit No. 36 presents the results of the allocation of the pro forma cost of service to the several customer classifications as of May 31, 2010, and the proposed rate design.
10. Q. Briefly describe the purpose of your cost allocation study.
- A. The purpose of the study was to allocate the total cost of service, which is the total revenue requirement, to the several customer classifications. The cost of service includes operation and maintenance expenses, depreciation expense and amortizations, taxes other than income, income taxes and income available for return. In the study, the total costs were allocated to the residential, commercial, industrial, public authority, other water utilities, private fire protection and public fire protection classifications in accordance with generally-accepted principles and procedures. The cost of service allocation results in indications of the relative cost responsibilities of each class of customers. The allocated cost of service is one of several criteria appropriate for consideration in designing customer rates to produce the required revenues.
11. Q. Please describe the method of cost allocation that was used in your study.
- A. The base-extra capacity method, as described in the 2000 and prior Water Rates Manuals (M1) published by the American Water Works Association (AWWA), was used to allocate the pro forma costs. The method is a recognized method for allocating the cost of providing water service to customer classifications in proportion to the classifications' use of the commodity, facilities and services. It is generally accepted as a sound method for allocating the cost of water service and has been used by the Company in previous rate cases.

DIRECT TESTIMONY OF PAUL R. HERBERT

1 12. Q. Is the method described in Exhibit No. 36?

2 A. Yes. It is described on pages 3 and 4 of the exhibit.

3 13. Q. Please describe the procedure followed in the cost allocation study.

4 A. Each element of cost in the pro forma cost of service was allocated to cost functions through
5 the use of appropriate allocation factors. This allocation is presented in Schedule D on
6 pages 15 through 21 of Exhibit No. 36. The items of cost, which include operation and
7 maintenance expenses, depreciation and amortization expenses, taxes and income available
8 for return, are identified in column 1 of Schedule D. The cost of each item, shown in
9 column 3, is allocated to the several cost functions based on allocation factors referenced in
10 column 2. The development of the allocation factors is presented in Schedule E of the
11 exhibit.

12 The four basic cost functions are base, extra capacity, customer and fire protection
13 costs. Base Costs are costs that tend to vary with the quantity of water used, plus costs
14 associated with supplying, treating, pumping and distributing water to customers under
15 average load conditions, without the elements necessary to meet peak demands. Extra
16 Capacity Costs are costs associated with meeting usage requirements in excess of average.
17 They include the operating and capital costs for additional plant and system capacity beyond
18 that required for average use. Extra capacity costs were subdivided into costs to meet
19 maximum day extra capacity and maximum hour extra capacity requirements.

20 Customer Costs are costs associated with serving customers regardless of their usage
21 or demand characteristics. Customer costs are subdivided into customer facilities costs,
22 which include meters and services, and customer accounting costs, which include billing and
23 meter reading functions. Fire Protection Costs are costs associated with providing the
24 facilities to meet the potential peak demand of fire protection service as well as direct costs
25 such as the cost for fire hydrants. The demand costs for fire protection are subdivided into

DIRECT TESTIMONY OF PAUL R. HERBERT

1 costs for Private Fire Protection and Public Fire Protection on the basis of relative potential
2 demands.

3 14. Q. Please provide examples of the cost allocation process.

4 A. I will use some of the larger cost items to illustrate the principles and considerations used in
5 the cost allocation methodology. Water purchased for resale, purchased electric power,
6 treatment chemicals and sludge handling costs are examples of costs that tend to vary with
7 the amount of water consumed and are considered base costs. Thus, Factor 1 assigns these
8 costs directly to the base cost function.

9 Other source of supply, pumping, purification and transmission costs are associated
10 with meeting usage requirements in excess of the average, generally to meet maximum day
11 requirements. Costs of this nature were allocated partially as base costs, proportional to
12 average daily consumption, partially as maximum day extra capacity costs, in proportion to
13 maximum day extra capacity, and, in the case of certain pumping stations and transmission
14 mains, partially as fire protection costs, through the use of Factors 2 and 3. The development
15 of the allocation factors, referenced as Factors 2 and 3 shown in Schedule E, pages 22 and 23,
16 is based on the system peak day ratio and the potential demand of fire protection.

17 Costs associated with distribution mains and storage facilities were allocated partly on
18 the basis of average consumption and partly on the basis of maximum hour extra demand,
19 including the demand for fire protection service, because these facilities are designed to meet
20 maximum hour and fire demand requirements. The development of the factors, referenced as
21 Factors 4 and 5, used for these allocations is shown in Schedule E, on pages 23 through 25, of
22 Exhibit No. 36. Fire demand costs were allocated to public and private fire protection service
23 in proportion to the relative potential demands on the system by public fire hydrants as
24 compared to the demands for private fire services and hydrants. The demand for private fire
25 units were increased by a factor of 1.5 over the public fire units to recognize the greater flow

DIRECT TESTIMONY OF PAUL R. HERBERT

1 rate required for a fire at a private service than for a public hydrant. This adjustment was
2 accepted by the Commission in a previous case.

3 Costs associated with pumping facilities were allocated on a combined bases of
4 maximum day, maximum day including fire and maximum hour extra capacity because
5 pumping facilities serve these functions. The relative weightings of Factor 2 (maximum day),
6 Factor 3 (maximum day with fire) and Factor 4 (maximum hour) for pumping facilities were
7 based on the horsepower of the pumps serving these functions. The development of these
8 weighted factors, referenced as Factor 6, is presented on page 26 of Exhibit No. 36.

9 Operation and maintenance costs for transmission and distribution mains were
10 allocated on a combined bases of Factor 3 (maximum day with fire) for transmission mains
11 and Factor 4 (maximum hour) for distribution mains. The weighting of the factors was based
12 on the footage of mains and is referenced as Factor 7.

13 Costs associated with meters and services facilities were assigned directly to the
14 meters and services cost functions using Factors 9 and 10. Billing and collecting costs and
15 meter reading were assigned directly to the customer accounting cost functions using Factors
16 11 and 12. Operating and capital costs associated with public fire hydrants were assigned
17 directly to the public fire protection function (Factor 13).

18 Administrative and general costs were allocated on the basis of allocated direct costs
19 excluding those costs such as purchased water, power and chemicals, which require little
20 administrative and general expense. The development of factors for this allocation,
21 referenced as Factor 15, is presented on page 30 of Exhibit No. 36.

22 Annual depreciation accruals were allocated on the basis of the function of the
23 facilities represented by the depreciation expense for each depreciable plant account. The
24 original cost less depreciation of utility plant in service was similarly allocated for the
25 purpose of developing factors, referenced as Factor 18, for allocating items such as income

DIRECT TESTIMONY OF PAUL R. HERBERT

1 taxes and return. The development of Factor 18 is presented on pages 31 through 33 of
2 Exhibit No. 36.

3 Factor 18, as well as Factor 15 discussed earlier, are composite allocation factors.
4 Composite factors are generated internally in the cost allocation program based on the results
5 of allocating other costs. Factors 8, 14, 16, 17, 19 and 20 also are composite factors. Refer
6 to Schedule E of Exhibit No. 36 for a description of the basis of each composite factor.

7 15. Q. What was the source of the total cost of service data set forth in column 3 of Schedule D of
8 Exhibit No. 36?

9 A. The pro forma costs of service were furnished by the Company, and are set forth in
10 Company Schedules B, D and E.

11 16. Q. What is the next step in the cost allocation process?

12 A. The next step is to allocate the results of the functional allocation to the several customer
13 classifications, namely residential, commercial, industrial, public authority, other water
14 utilities and private and public fire protection. The total cost of service by function shown
15 on the last line of Schedule D on page 21, is carried forward to column 3 of Schedule B on
16 page 8 of the exhibit. The cost of service by function is allocated to the several customer
17 classifications by applying the allocation factor referenced in column 2 to the cost of service
18 in column 3. The allocation factors are set forth in Schedule C.

19 17. Q. Describe the allocation factors in Schedule C.

20 A. The allocation factors in Schedule C allocate the cost of service by function to the various
21 classes of users based on considerations of quantity of water consumed, variability of rate of
22 consumption, and costs associated with customer metering, billing and accounting. Factor A
23 allocates the base cost function to customer classifications on the basis of average daily
24 usage. Factors B and C allocate the maximum day and hour extra capacity costs to classes
25 on the bases of each classification's maximum day and hour usage in excess of the average
26 usage.

DIRECT TESTIMONY OF PAUL R. HERBERT

1 Factors D and E allocate customer facilities costs to customer classes. Factor D is
2 based on the number of 5/8-inch meter equivalents and Factor E is based on the number of
3 3/4-inch service equivalents for each classification. Factors F and G allocate customer
4 accounting costs to customer classes based on the number of bills to allocate billing and
5 collecting costs (Factor F) and the number of meter readings for allocating meter reading
6 costs (Factor G). Factors H and I assign costs associated with private and public fire
7 protection costs directly to the private and public fire protection classifications.

8 18. Q. Refer to Factors B and C and explain what factors were considered in estimating the
9 maximum day extra capacity and maximum hour extra capacity demands used for the
10 customer classifications.

11 A. The estimated demands were based on judgment which considered field studies of customer
12 class demands conducted for the Company, field observations of the service areas of the
13 Company, the class factors used in the last cost of service study, and generally-accepted
14 customer class maximum day and maximum hour demand ratios.

15 19. Q. Have you summarized the results of your cost allocation study?

16 A. Yes. The results are summarized in columns 1, 2 and 3 of Schedule A on page 6 of Exhibit
17 No. 36. The total allocated pro forma cost of service as of May 31, 2010, for each customer
18 classification identified in column 1 is brought forward from Schedule B and shown in
19 column 2. Column 3 presents each customer classification's cost responsibility as a percent
20 of the total cost.

21 20. Q. Have you compared these cost responsibilities with the proportionate revenue under existing
22 rates for each customer classification?

DIRECT TESTIMONY OF PAUL R. HERBERT

1 A. Yes. A comparison of the allocated cost responsibilities and the percentage of revenue
2 under existing rates can be made by comparing columns 3 and 5 of Schedule A of Exhibit
3 No. 36. A similar comparison of the percentage cost responsibilities (relative cost of
4 service) and the percentage of pro forma revenues (relative revenues) under proposed rates
5 can be made by comparing columns 3 and 7 of Schedule A of Exhibit No. 36. The
6 proposed increase and the percent increase by class are shown in columns 8 and 9,
7 respectfully.

8 CUSTOMER RATE DESIGN

9 21. Q. Are you responsible for the design of the rate schedules proposed by the Company in this
10 proceeding?

11 A. Yes, I am.

12 22. Q. Is the proposed rate structure presented in an exhibit?

13 A. Yes. A comparison of the present and proposed rate schedules is presented in Schedule G
14 on page 37 of Exhibit No. 36.

15 23. Q. What are the appropriate factors to be considered in the design of the rate structure?

16 A. In preparing a rate structure, one should consider the allocated costs of service, the impact of
17 radical changes from the present rate structure, the understandability and ease of application
18 of the rate structure, community and social influences, and the value of service. General
19 guidelines should be developed with management to determine the extent to which each of
20 these criteria is to be incorporated in the rate structure to be designed, inasmuch as the
21 pricing of a commodity or service ultimately should be a function of management.

22 24. Q. Did you discuss rate design guidelines with management?

23 A. Yes, I did. The guidelines established were: (1) maintain the existing rate structure
24 applicable to all divisions that includes a service charge by meter size applicable to all
25 classes of customers and a separate one-block volumetric charge for each classification, (2)
26 increase public fire service class as indicated by the cost of service, and (3) adjust revenues

DIRECT TESTIMONY OF PAUL R. HERBERT

1 among the remaining classes in conformity with or toward the indicated cost of service,
2 without increasing any one class by more than 40%.

3 25. Q. Do the proposed rates comply with the guidelines enumerated in the answer to question 24?

4 A. Yes, they do.

5 26. Q. Do you support the concept of single-tariff pricing and to maintain the consolidation of the
6 rate divisions achieved in the last case?

7 A. Yes, I do.

8 27. Q. Please explain the development of the service charges.

9 A. The development of the service charges is set forth on Schedule H on page 38 of the Exhibit.
10 Service charges should recover the cost of customer facilities such as meters and services
11 and the cost of customer accounting including billing and collecting and meter reading costs.

12 Schedule H shows the cost of service for these cost functions in column 2. These
13 amounts were taken from the last line in Schedule D, columns 7, 8, 9 and 10. The costs
14 associated with meters are divided by the total 5/8-inch meter equivalents and by 12 months
15 to determine the monthly cost related to a 5/8-inch meter. The costs associated with services
16 are divided by 3/4-inch service equivalents and by 12 months to determine the monthly cost
17 related to a 3/4-inch service. Costs associated with billing and collecting, meter reading and
18 unrecovered public fire service are divided by the number of customers and metered
19 customers, respectively, and by 12 months to determine the monthly cost per customer for
20 these functions. The sum of the monthly costs for a 5/8-inch meter is \$8.55 which was
21 rounded to \$8.60 for the monthly 5/8-inch service charge. The rates for the larger-sized
22 meters are determined by multiplying the meter capacity ratios times the \$8.60 rate for the
23 5/8-inch meter, as shown at the bottom on the schedule. Meter capacity ratios also were used
24 to determine the larger-sized service charges under the existing rate structure.

25 28. Q. How were the volumetric rates determined?

DIRECT TESTIMONY OF PAUL R. HERBERT

1 A. After the proposed service charges were applied to the bill analysis, the existing volumetric
2 rates for each classification were increased so that revenues from each class moved toward
3 the indicated cost of service and that total revenues equaled the proposed revenue
4 requirement.

5 29. Q. Does that conclude your direct testimony?

6 A. Yes, it does.

LIST OF CASES IN WHICH PAUL R. HERBERT TESTIFIED

<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>	
1.	1983	Pa. PUC	R-832399	T. W. Phillips Gas and Oil Co.	Pro Forma Revenues
2.	1989	Pa. PUC	R-891208	Pennsylvania-American Water Company	Bill Analysis and Rate Application
3.	1991	PSC of W. Va.	91-106-W-MA	Clarksburg Water Board	Revenue Requirements (Rule 42)
4.	1992	Pa. PUC	R-922276	North Penn Gas Company	Cash Working Capital
5.	1992	NJ BPU	WR92050532J	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
6.	1994	Pa. PUC	R-943053	The York Water Company	Cost Allocation and Rate Design
7.	1994	Pa. PUC	R-943124	City of Bethlehem	Revenue Requirements, Cost Allocation, Rate Design and Cash Working Capital
8.	1994	Pa. PUC	R-943177	Roaring Creek Water Company	Cash Working Capital
9.	1994	Pa. PUC	R-943245	North Penn Gas Company	Cash Working Capital
10.	1994	NJ BPU	WR94070325	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
11.	1995	Pa. PUC	R-953300	Citizens Utilities Water Company of Pennsylvania	Cost Allocation and Rate Design
12.	1995	Pa. PUC	R-953378	Apollo Gas Company	Revenue Requirements and Rate Design
13.	1995	Pa. PUC	R-953379	Carnegie Natural Gas Company	Revenue Requirements and Rate Design
14.	1996	Pa. PUC	R-963619	The York Water Company	Cost Allocation and Rate Design
15.	1997	Pa. PUC	R-973972	Consumers Pennsylvania Water Company - Shenango Valley Division	Cash Working Capital
16.	1998	Ohio PUC	98-178-WS-AIR	Citizens Utilities Company of Ohio	Water and Wastewater Cost Allocation and Rate Design
17.	1998	Pa. PUC	R-984375	City of Bethlehem - Bureau of Water	Revenue Requirement, Cost Allocation and Rate Design
18.	1999	Pa. PUC	R-994605	The York Water Company	Cost Allocation and Rate Design
19.	1999	Pa. PUC	R-994868	Philadelphia Suburban Water Company	Cost Allocation and Rate Design
20.	1999	PSC of W.Va.	99-1570-W-MA	Clarksburg Water Board	Revenue Requirements (Rule 42), Cost Allocation and Rate Design
21.	2000	Ky. PSC	2000-120	Kentucky-American Water Company	Cost Allocation and Rate Design
22.	2000	Pa. PUC	R-00005277	PPL Gas Utilities	Cash Working Capital
23.	2000	NJ BPU	WR00080575	Atlantic City Sewerage Company	Cost Allocation and Rate Design
24.	2001	Ia. St Util Bd	RPU-01-4	Iowa-American Water Company	Cost Allocation and Rate Design
25.	2001	Va. St. Corp	PUE010312	Virginia-American Water Company	Cost Allocation and Rate Design

LIST OF CASES IN WHICH PAUL R. HERBERT TESTIFIED, cont.

<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>	
26.	2001	WV PSC	01-0326-W-42T	West-Virginia American Water Company	Cost Allocation And Rate Design
27.	2001	Pa. PUC	R-016114	City of Lancaster	Tapping Fee Study
28.	2001	Pa. PUC	R-016236	The York Water Company	Cost Allocation and Rate Design
29.	2001	Pa. PUC	R-016339	Pennsylvania-American Water Company	Cost Allocation and Rate Design
30.	2001	Pa. PUC	R-016750	Philadelphia Suburban Water Company	Cost Allocation and Rate Design
31.	2002	Va. St. Corp Cm	PUE-2002-00375	Virginia-American Water Company	Cost Allocation and Rate Design
32.	2003	Pa. PUC	R-027975	The York Water Company	Cost Allocation and Rate Design
33.	2003	Tn Reg. Auth	03-	Tennessee-American Water Company	Cost Allocation and Rate Design
34.	2003	Pa. PUC	R-038304	Pennsylvania-American Water Company	Cost Allocation and Rate Design
35.	2003	NJ BPU	WR03070511	New Jersey-American Water Company	Cost Allocation and Rate Design
36.	2003	Mo. PSC	WR-2003-0500	Missouri-American Water Company	Cost Allocation and Rate Design
37.	2004	Va. St. Corp Cm	PUE-200 -	Virginia-American Water Company	Cost Allocation and Rate Design
38.	2004	Pa. PUC	R-038805	Pennsylvania Suburban Water Company	Cost Allocation and Rate Design
39.	2004	Pa. PUC	R-049165	The York Water Company	Cost Allocation and Rate Design
40.	2004	NJ BPU	WRO4091064	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
41.	2005	WV PSC	04-1024-S-MA	Morgantown Utility Board	Cost Allocation and Rate Design
42.	2005	WV PSC	04-1025-W-MA	Morgantown Utility Board	Cost Allocation and Rate Design
43.	2005	Pa. PUC	R-051030	Aqua Pennsylvania, Inc.	Cost Allocation and Rate Design
44.	2006	Pa. PUC	R-051178	T. W. Phillips Gas and Oil Co.	Cost Allocation and Rate Design
45.	2006	Pa. PUC	R-061322	The York Water Company	Cost Allocation and Rate Design
46.	2006	NJ BPU	WR-06030257	New Jersey American Water Company	Cost Allocation and Rate Design
47.	2006	Pa. PUC	R-061398	PPL Gas Utilities, Inc.	Cost Allocation and Rate Design
48.	2006	NM PRC	06-00208-UT	New Mexico American Water Company	Cost Allocation and Rate Design
49.	2006	Tn Reg Auth	06-00290	Tennessee American Water Company	Cost Allocation and Rate Design
50.	2007	Ca. PUC	U-339-W	Suburban Water Systems	Water Conservation Rate Design
51.	2007	Ca. PUC	U-168-W	San Jose Water Company	Water Conservation Rate Design
52.	2007	Pa. PUC	R-00072229	Pennsylvania American Water Company	Cost Allocation and Rate Design
53.	2007	Ky. PSC	2007-00143	Kentucky American Water Company	Cost Allocation and Rate Design
54.	2007	Mo. PSC	WR-2007-0216	Missouri American Water Company	Cost Allocation and Rate Design
55.	2007	Oh. PUC	07-1112-WS-AIR	Ohio American Water Company	Cost Allocation and Rate Design
56.	2007	Il. CC	07-0507	Illinois American Water Company	Customer Class Demand Study
57.	2007	Pa. PUC	R-00072711	Aqua Pennsylvania, Inc.	Cost Allocation and Rate Design
58.	2007	NJ BPU	WR07110866	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
59.	2007	Pa. PUC	R-00072492	City of Bethlehem – Bureau of Water	Revenue Requirements, Cost Alloc.

LIST OF CASES IN WHICH PAUL R. HERBERT TESTIFIED, cont.

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
60.	2007	WV PSC	07-0541-W-MA	Clarksburg Water Board	Cost Allocation and Rate Design
61.	2007	WV PSC	07-0998-W-42T	West Virginia American Water Company	Cost Allocation and Rate Design
62.	2008	NJ BPU	WR08010020	New Jersey American Water Company	Cost Allocation and Rate Design
63.	2008	Va St. Corp. Com		Virginia American Water Company	Cost Allocation and Rate Design
64.	2008	Tn. Reg. Auth.	08-00039	Tennessee American Water Company	Cost Allocation and Rate Design
65.	2008	Mo PSC	WR-2008-0311	Missouri American Water Company	Cost Allocation and Rate Design
66.	2008	De PSC	08-96	Artesian Water Company, Inc.	Cost Allocation and Rate Design
67.	2008	Pa PUC	R-2008-2032689	Penna. American Water Co. – Coatesville Wastewater	Cost Allocation and Rate Design
68.	2008	AZ Corp. Com.	W-01303A-08-0227 SW-01303A-08-0227	Arizona American Water Company - Water - Wastewater	Cost Allocation and Rate Design
69.	2008	Pa PUC	R-2008-2023067	The York Water Company	Cost Allocation and Rate Design
70.	2008	WV PSC	08-0900-W-42T	West Virginia American Water Company	Cost Allocation and Rate Design
71.	2008	Ky PSC	2008-00250	Frankfort Electric and Water Plant Board	Cost Allocation and Rate Design