

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION
CASE NO. 2005-00235

In the Matter of:

APPLICATION OF MALLARD POINT
DISPOSAL SYSTEMS, INC. FOR AN
ADJUSTMENT OF RATES PURSUANT TO THE
ALTERNATIVE RATE FILING PROCEDURE
FOR SMALL UTILITIES

RECEIVED

SEP 12 2005

PUBLIC SERVICE
COMMISSION

* * * * *

**ANSWERS BY APPLICANT MALLARD POINT DISPOSAL SYSTEMS,
INC. TO COMMISSION STAFF'S FIRST INFORMATION REQUEST**

* * * * *

Comes now the Applicant Mallard Point Disposal Systems, Inc., and submits its Answers
to the Commission Staff's First Information Request.

JAMES M. MOONEY
MATTHEW L. MOONEY
MOONEY, MOONEY & MOONEY
208 SOUTH LIMESTONE STREET
LEXINGTON, KENTUCKY 40508-2502
(859) 259-2701

ATTORNEYS FOR MALLARD POINT
DISPOSAL SYSTEMS, INC.

VERIFICATION

I hereby verify that the following Answers by Applicant Mallard Point Disposal Systems,
Inc. to Commission Staff's First Information Request are true and correct to the best of my
knowledge, information, and belief formed after a reasonable inquiry.

MALLARD POINT DISPOSAL SYSTEMS, INC.

Mark S. Smith, President

STATE OF KENTUCKY)
COUNTY OF FAYETTE)

The foregoing was executed before me by Mark S. Smith, President of Mallard Point Disposal Systems, Inc. on this the 12th day of September, 2005.



NOTARY PUBLIC

My commission expires: May 24, 2006.

CERTIFICATE OF SERVICE

I hereby certify that the original and eight (8) copies hereof was mailed, postage prepaid, to the following:

Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

and that a copy of the foregoing was mailed, postage prepaid, to the following:

Honorable David Edward Spenard
Office of the Attorney General
1024 Capital Center Drive, #200
Frankfort, KY 40601-8204

on this the 12th day of September, 2005.



JAMES M. MOONEY

ATTORNEY FOR MALLARD POINT
DISPOSAL SYSTEMS, INC.

REQUEST FOR INFORMATION NO. 1: Refer to the Operating Statement Detail for the 6-month period of January 1, 2004 through June 30, 2004 that was submitted by Mallard Point in Case No. 2003-00284.¹ Provide supporting invoices or documentation for the expenses that are listed in the following table:

	Account	Date	Check #	Vendor	Amount
a.	Contract Labor	01/04/2004	1165	Hanson	\$400.00
b.	Contract Labor	03/12/2004	1204	Hanson	\$200.00
c.	Repairs	01/23/2004	1194	Pipe Eyes	\$388.00
d.	Repairs	05/26/2004	1238	M & M Electric	\$987.35

ANSWER: See attached for the items listed in a., b., and d. above. Mallard Point has requested a copy of the supporting invoice for the item listed in c. above, and will supplement its answer hereto upon its receipt from Pipe Eyes.

¹ Case No. 2003-00284, Application of Mallard Point Disposal Systems, Inc. for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Witness: Mark S. Smith

INVOICE NO.
9251

SOLD TO: *MPS*
 ADDRESS:
 CITY, STATE, ZIP

SHIP TO:
 ADDRESS:
 CITY, STATE, ZIP

CUSTOMER'S ORDER SOLD BY: TERMS: F.O.B. DATE: *1-2-04*

QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	LABOR - SCRAP SLUDGE TANKS		400 ⁰⁰
2	EMPLOYEES TWO DAY LABORS		
3	CASH		
4			
5	<i>Charles Hamm</i>		
6			
7			
8	<i>Reimbursed</i>		
9	<i>1/27/11/05</i>		
10	<i>(D)</i>		

INVOICE
71721 02001 REVERSE 030601

INVOICE NO.
9301

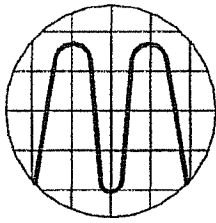
SOLD TO: *MPS*
 ADDRESS:
 CITY, STATE, ZIP

SHIP TO:
 ADDRESS:
 CITY, STATE, ZIP

CUSTOMER'S ORDER SOLD BY: TERMS: F.O.B. DATE: *3-1-204*

QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	Reimbursement of MPS \$200.00 by		200 ⁰⁰
2	check #4204 for reimbursement		
3	of cash pd. two day labors		
4	of (Juan, Felipe and Bill)		
5	for hand scrubbing aeration		
6	steps etc.		
7			
8	<i>X Charles Hamm</i>		
9			
10			

INVOICE
71721 02001 REVERSE 030601



M&M Electric, Inc.

COMMERCIAL / INDUSTRIAL ELECTRICAL CONTRACTORS

CORNER OF S. 3RD & McGRATH STREET - DANVILLE, KENTUCKY 40422

PHONE: 859/236-7588

FAX: 859/236-9210

May 25, 2005

Mark Smith
Mallard Point
104 Teal Court
Georgetown, KY 40324

Re: Payment Receipt

Dear Mr. Smith;

Please be advised we received your check # 1238 on May 27, 2004 in the amount of \$987.35 for replacing transformers that were burnt up in blower.

If you have any questions, please do not hesitate to give me a call.

Respectfully,

Melissa Messer
Controller

1534L-1msmith

REQUEST FOR INFORMATION NO. 2. Refer to the Operating Statement Detail for the quarter ending September 30, 2004 that was submitted by Mallard Point in Case No. 2003-00284. Provide supporting invoices or documentation for the expenses that are listed in the following table:

	Account	Date	Check #	Vendor	Amount
a.	Taxes	08/19/2004	1287	KY State Treasurer	\$500.00
b.	Contract Labor	08/03/2004	1274	Hanson	\$50.00

ANSWER: See attached for the item listed in b. above. Mallard Point does not have a supporting invoice or other documentation for the item listed in a. above, but believes it was for a tax payment, and that it should be reflected on Mallard Point's bank account contained in its quarterly filing covering August 2004. Unfortunately, Mallard Point will be unable to obtain a copy of the supporting invoice for that item.

INVOICE NO.

9305

8-3-04

SOLD TO: *MPDS*

ADDRESS:

CITY, STATE, ZIP

SHIP TO:

ADDRESS:

CITY, STATE, ZIP

CUSTOMER'S ORDER SOLD BY: TERMS: F.O.B. DATE:

QUANTITY	DESCRIPTION	PRICE	AMOUNT
1	Repayment of Charlie Hansen		
2	Ch # 1274 for cash paid later		50 ⁰⁰
3			
4	Alghondres 2 3/4 hours		
5			
6	Sludge separator of tank		
7	cleaner help		
8			
9			
10	<i>[Signature]</i>		

INVOICE

INVOICE

REQUEST FOR INFORMATION NO. 3. Refer to Exhibit D of the Application, Adjustment (a), Normalized Operating Revenues.

- a. Provide Mallard Point's current number of residential customers.
- b. Provide Mallard Point's current number of commercial customers.

ANSWER: Mallard Point currently has 386 residential customers and 1 commercial customer.

REQUEST FOR INFORMATION NO. 4. Provide the usage information for each month of the test year for each of Mallard Point's commercial customers.

ANSWER: See attached.

Mal Frost,

I am providing the schools usage
per month by hand to expedite this
process.

	usage	
Jan 04		230400
Feb 04		225098
Mar 04		240300
April 04		242100
May 04		203748
June 04		45810
July 04		48690
Aug 04		127350
Sept 04		210150
Oct 04		161820
Nov 04		221490
Dec 04		158940

Should you have any further
requests please feel free to call

Thanks
Mal Frost

REQUEST FOR INFORMATION NO. 5. Refer to Exhibit D of the Application, Adjustment (b), Owner/Manager Fee.

a. Give a complete description of the duties performed by Mallard Point's owner/manager to support the requested annual fee of \$35,000. Include in the response the number of hours that is spent performing each listed duty and supporting documentation.

b. Identify the proceedings in which the Commission has allowed a privately owned sewer utility that is comparable to Mallard Point rate recovery of an owner/manger fee of \$35,000. Include sections of the Orders where the Commission has granted its approval of recovery of the owner/manager fee.

ANSWER: a. Mark Smith has been required to spend an increasing amount of time operating Mallard Point over the past few years as it has grown in size. Normal, everyday demands on his time over the past few years, including the test year, include but are not limited to the following:

- A minimum of 550 calls from customers covering an array of topics;
- Weekly correspondence with lab and/or other contractors on compliance chemical testing and monitoring;
- Daily discussions with the licensed plant operator regarding plant operations;
- Daily conversations and supervision of the maintenance contractor for the plant;
- Twice daily personal inspections of the plant facilities;
- Contact with and supervision of electricians on multiple occasions for failures to the systems (pumps, pump stations, etc);
- Monthly contact and scheduling of sludge removal;
- Meet sludge removal personnel to allow access to the plants for same;
- Meet with builders and or property owners to assist the finding of the sewer taps for connection to the system;
- Obtaining and supervising personnel and/or contractors for repairs to leaks within

Witness: Mark G. Enderle; Mark S. Smith

the system, on multiple occasions;

- Supervise and provide oversight to the bookkeeper, and assist in her record keeping;
- Obtain and retain receipts for all expenditures of the utility;
- Make no less than 300 calls per year to customers for the purpose of collection of past due accounts;
- Participate and supervise the shut off of any customer for non payment;
- Meet in person and over the telephone with the accountant on multiple occasions to perform such work as required and needed;
- Meet in person and over the telephone with the attorney on multiple occasions for clarification of the law with respect to the utility's operation;
- Make contact with and seek direction from the PSC staff for the operation of the utility on multiple occasions;
- Meet with state regulators on multiple occasions for the purposes of inspections and operational conferences;
- Deliver monthly DMRs to the post office for certified mailing to multiple state agencies;
- Meet with plumbers, and electricians on multiple occasions to explain how our system works and how to properly install same, as this is the largest pressure system within the state and many plumbers and or electricians are not familiar with how to complete and perform installation.

Mallard Point would prefer that Mr. Smith continue to perform these ever increasing duties and responsibilities for the fair and reasonable compensation requested, but if not, Mallard Point will have to hire a contractor or management firm to perform them in the future.

It is beyond Mallard Point's ability to identify with any degree of certainty the number of hours spent performing each listed duty.

b. It is beyond the ability of Mallard Point to conduct a comprehensive study of Commission proceedings over the years that have considered the owner/manager fee. However, there are a number of sewer utilities that report to the PSC. A review of their annual reports

Witness: Mark G. Enderle; Mark S. Smith

show a wide range of such fees being charged to customers, including:

- Middletown Waste Disposal with 184 customers reports an owner/manager fee of \$14,400.
- Knott County Water & Sewer District with 116 customers reports an owner/manager fee of \$32,033.
- Shadow Wood Sewer with 265 customers reports an owner/manager fee of \$30,000.
- Delaplain Disposal Company with 212 customers reports an owner/manager fee of \$48,462.
- Bullitt Utilities, Inc. with 678 customers reports an owner/manager fee of \$15,000.

Considering the time and effort Mark Smith devotes to participation in the management and operation of Mallard Point, \$35,000 is a minimal amount that one would expect for his services. Please note that Mallard Point has no expenditures for administrative & general salaries (Acct 920), internal supervision and engineering (Acct 710-B), or routine maintenance service fee (Acct 710-A). Mark Smith provides all of these services.

REQUEST FOR INFORMATION NO. 6. Refer to Exhibit D of the Application, Adjustment (m), Accounting Bookkeeping. In its calculation, Mallard Point includes a \$3,600 accounting fee labeled, "Pro Forma Compilation/Tax Filing/Annual Report." Provide documentation to support the \$3,600 annual fee listing the accountant who will provide the service, the descriptions of the services that will be provided, the accountant's hourly rate, the estimate of the hours that will be billed for the each service, and that the accounting services provided are only for the regulated operations of Mallard Point.

ANSWER: See attached.

STIVERS & ASSOCIATES, PSC
CERTIFIED PUBLIC ACCOUNTANTS

CERTIFIED PUBLIC ACCOUNTANTS
THOMAS B. STIVERS, PFS/RIA
BARBARA P. STIVERS
JIMMY E. WEBSTER
MARK G. ENDERLE
DAVID W. HICKS
DONNA J. SMITH, CITP
STEPHEN L. SNYDER
KARESS J. DETTY
MELISSA H. NICHOLS

190 MARKET STREET
LEXINGTON, KENTUCKY 40507

TELEPHONE (859)254-4427
FACSIMILE (859)255-6198

WEBSITE www.stiverscpa.com

September 6, 2005

Mr. Mark Smith
Mallard Point Disposal Systems, Inc.
104 Teal Ct.
Georgetown, KY 40324

Dear Mr. Smith:

You asked for a letter responding to item #6 in a request for information from the Public Service Commission. Below is the information requested.

Accountant providing the service:

Mark G. Enderle, CPA
Stivers & Associates, PSC
190 Market Street
Lexington, KY 40507
859-254-4427

Services provided:

Compilation report
PSC report
PSC property tax return
Income tax returns (Federal 1120S, Kentucky 720S, Scott County)

Hourly rates:

The hourly rates charged by Stivers & Associates, PSC for the services provided above averaged \$72.58 for work done in 2005. The services are only for the regulated operations of Mallard Point.

The approximate breakdown of hours devoted to each area are as follows:

Compilation report	18 hours
PSC report	10 hours

PSC property tax return	3 hours
Income tax returns	19 hours

Please call if you need any additional information.

Best regards,

A handwritten signature in black ink, appearing to read 'Mark G. Enderle', with a stylized flourish at the end.

Mark G. Enderle

REQUEST FOR INFORMATION NO. 7. Refer to Exhibit D of the Application, Adjustment (o), Depreciation.

a. The original 50,000 gallon wastewater treatment facility was placed in service in 1986 and has a depreciation life of 20 years. Provide the depreciation expense that will be recorded in 2005 and the December 31, 2005 balance in accumulated depreciation for this capital investment. . Include all workpapers and calculations used to compute this response.

b. Provide a description and documentation for each of the following capital expenditures listed in the table below:

	Description	In Service Date	Amount
(1).	Depreciation Schedule	2004	\$534
(2).	Depreciation Schedule	2004	\$463
(3).	Depreciation Schedule	2005	\$1,085

ANSWER: a. The depreciation to be recorded in 2005 for the facilities placed in service in 1986 will be \$6,389. At December 31, 2005, accumulated depreciation will be \$127,775 (i.e. fully depreciated).

b. Descriptions for the capital expenditures listed in the table above are as follows: (1). Myers 5 hp grinder pump, 230 v; (2). Myers 5 hp grinder pump, 230 v & major overhaul of control panel; and (3). Splitter box. See attached.

27795

INVOICE

INVOICE NO. 1
47814



Straeffer Pump & Supply, Inc.

6100 OAK GROVE ROAD • P.O. BOX 5248 • EVANSVILLE, INDIANA 47715
TEL. (812) 476-3075 FAX (812) 476-5164

INVOICE DATE
16-Nov-04

Engineered Sales

002345

SOLO TO

SHIP TO

Mallard Point

Mallard Point

104 TEAL COURT
GEORGETOWN, KY 40324

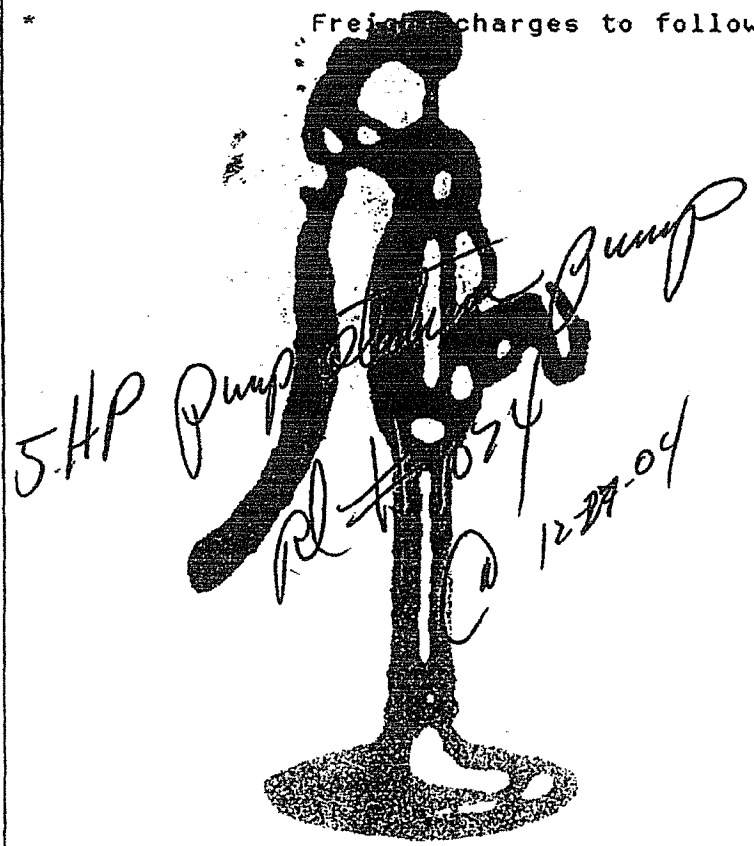
104 TEAL COURT
GEORGETOWN, KY 40324

TERMS: NET 30 DAYS. 1 1/2% PER MONTH SERVICE CHARGE WILL BE ADDED TO PAST DUE ACCOUNTS AS WELL AS ALL COSTS AND EXPENSES INCURRED IN COLLECTING ANY AMOUNTS DUE, INCLUDING ATTORNEY'S AND COLLECTION FEES. PLEASE PAY FROM THIS INVOICE. NO STATEMENT WILL BE ISSUED.

MARK

CUSTOMER ORDER NO

ITEM	QUAN.	DESCRIPTION	UNIT PRICE	TOTAL
		TERMS: 5% 10 DAYS, NET 90		
1.0		MY WG50H-23-25 Myers grinder pump, high head 5hp/3ph/230v, std cord lgth	2518.88	2,518.88
1.0	*	Freight charges to follow.	.00	.00
		Sub-Total		2,518.88
		Sales Tax		151.13
		Total		2,670.01



KY

Thank you

4105

29744

INVOICE

INVOICE NO.

49832



Straeffer Pump & Supply, Inc.

6100 OAK GROVE ROAD • P.O. BOX 5248 • EVANSVILLE, INDIANA 47715
TEL. (812) 476-3075 FAX (812) 476-5164

INVOICE DATE

17-May-05

Engineered Sales

002345

SOLD TO

SHIP TO

Mallard Point

Mallard Point

104 TEAL COURT
GEORGETOWN, KY 40324


104 TEAL COURT
GEORGETOWN, KY 40324

TERMS: NET 30 DAYS. 1 1/2% PER MONTH SERVICE CHARGE WILL BE ADDED TO PAST DUE ACCOUNTS AS WELL AS ALL COSTS AND EXPENSES INCURRED IN COLLECTING ANY AMOUNTS DUE, INCLUDING ATTORNEY'S AND COLLECTION FEES. PLEASE PAY FROM THIS INVOICE. NO STATEMENT WILL BE ISSUED.

MARK

SS

CUSTOMER ORDER NO

ITEM	QUAN.	DESCRIPTION	UNIT PRICE	TOTAL
	1.0	MY WG50H-23-25 Myers grinder pump, high head 5hp/3ph/230v, std cord lgth	2594.80	2,594.80
	1.0	* Freight charges to follow.	.00	.00
		0 * 2:750:49 + 2:673:03 + 5:423:52 *		
				
			Sub-Total	2,594.80
			Sales Tax	155.69
			Total	2,750.49

Pump station kept clean

KY

Thank you

1/2

M & M Electric, Inc.
 P.O. Box 790
 Danville, KY 40423-0790

*ATTN -
 Mark
 Enderlee*

Invoice

Date	Invoice #
6/2/2005	153439611

Bill To
Mallard Point Disposal Systems, Inc. 104 Teal Court Georgetown, KY 40324

P.O. No.	Terms	Project
	Net 10	1534-Service Account

Quantity	Description	Rate	Amount
10	ELECTRICIAN LABOR - JOSH 5/17/05	48.00	480.00
5.5	ELECTRICIAN OT LABOR - JOSH 5/17/05	72.00	396.00
10	ELECTRICIAN LABOR - GARY 5/17/05	48.00	480.00
5	ELECTRICIAN OT LABOR - GARY 5/17/05	72.00	360.00
3.5	ELECTRICIAN LABOR - GARY 5/18/05	48.00	168.00
5.25	Mike Montgomery Service Labor	75.00	393.75
1	ADPT 3/8 IN X 1/4 IN	6.177	6.18
1	COUPLING 3/8 IN GALV	2.4534	2.45
1	HOSE 3/8 IN X 50FT AIR	18.8964	18.90
1	HOSE 1/2 IN X 50FT AIR	53.5224	53.52
1	RELAY 8 PINS DPDT	17.922	17.92
1	RELAY 11 PINS 3PDT	22.1502	22.15
388	Milcage (2 DAYS, 1 DAY HAD 3 TRUCKS)	0.32	124.16
1	JET VAC USAGE	150.00	150.00
<p>5/17/05 CHECK OUT AND MADE REPAIRS TO LIFT STATION AT DAM - PULLED & CHGD PUMP & WASH WELL - CK FLOATS & REPLACED ICE CUBE RELAYS 5/18/05 PICKED UP CONTROL RELAY & INSTALLED IN CONTROL PANEL - REWIRED PANEL TO ORIGINAL CONDITION - RESET FLOATS - TESTED SYSTEM</p>			
We appreciate your prompt payment. For questions call 859-236-7588 or fax 859-236-9210.		Total	\$2,673.03

DANNY'S WELDING SERVICE

330 Biddle Rd.
Georgetown, Kentucky 40324
Danny Skinner
(502)-857-2220

Invoice

Number: 121704

Date: December 17, 2004

Bill To:

MALLARD POINT DISPOSAL SERVICE

Ship To:

[Empty box for shipping information]

PO Number	Terms	Project
MARK	NET 10 DAYS	

Date	Description	Amount
12/17/04	MAKE SEPTIC DISTRIBUTION BOX & PAINT	2,315.00
Total		\$2,315.00

Delivered 12/17/05
PAID 1-13-05
[Signature]
[Signature]
1079

REQUEST FOR INFORMATION NO. 8. Refer to Exhibit D of the Application, Adjustment (s), Amortization.

a. Mallard Point requests recovery of the estimated legal fees of \$8,000 amortized over 3 years. Provide copies of the invoices from Mallard Point's attorney to support the legal fees that have been incurred as of the date of the response to this data request. The invoices should contain detailed descriptions of the services, the amount of time billed for each service, and the hourly billing rate.

b. Provide a detailed explanation of the referenced amortization adjustment of \$722.

ANSWER: a. See attached.

b. See attached. The \$722 adjustment brings the amortization to actual.

Stivers & Associates, PSC, CPAs

Stivers & Associates, PSC, CPAs

190 Market Street, Suite One

Lexington, KY 40507

Phone: (859)254-4427 FAX: (859)255-6198

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, KY 40324

Invoice Date: June 22, 2005
Invoice Number: 00113970
Client Number: 2509 001

Professional Services Rendered as Follows:

For professional services rendered for the period ending June 30, 2005

various meetings, work with James Mooney, communications with Mark Frost, revise PSC draft application and re-file \$ 3,200.00

Total Invoice Amount \$ 3,200.00

Accounts Receivable Aging

<u>Current</u>	<u>31 - 60 Days</u>	<u>61 - 90 Days</u>	<u>91 - 120 Days</u>	<u>Over 120 Days</u>	<u>Total</u>
3,200.00	22.09	1,472.75	0.00	0.00	4,694.84

LAW OFFICES

Mooney Mooney & Mooney

208 South Limestone Street
Lexington, KY 40508-2502

Eugene F. Mooney
James M. Mooney
Matthew L. Mooney

Telephone
(859) 259-2701
Telefax
(859) 259-2703

September 1, 2005

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, KY 40324

For the period

File #: 000077-001
Inv #: 7470
to Sep 01/05

Attention: Mr. Mark Smith**RE:** CPCN Case No. 2003-00283; ARF Case No. 2003-00284**Services**

<u>Date</u>	<u>Description</u>	<u>Emp'ee</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Aug-01-05	Telephone call from DSpenard re: ARF; Telephone call to Mark re: same	JMM	0.75	\$150.00	112.50
Aug-02-05	Telephone call from Mark re: sewer dummy	JMM	0.30	\$150.00	45.00
Aug-03-05	Review PSC website; Draft Obj. to Richter Mot.; File; Serve	JMM	1.00	\$150.00	150.00
Aug-08-05	Research KRS 278.260; Draft email to NDuncliffe; Telephone call from Mark re: same	JMM	0.50	\$150.00	75.00
Aug-17-05	Review PSC Ord.; Draft email to Mark re: same; Telephone call from Mark re: same	JMM	0.60	\$150.00	90.00
Aug-23-05	Telephone call to NDuncliffe re: Scott. Cir. Ct. hrg.; Review file/record, law for same	JMM	1.50	\$150.00	225.00
Aug-24-05	Travel to & from Georgetown; Attend Scott Cir. Ct. hrg.	JMM	4.50	\$150.00	675.00
Aug-29-05	Review Robt. Patrick data reqs.	JMM	0.25	\$150.00	37.50
Aug-30-05	Attention to file - scan, OCR AG, Staff data reqs.	JMM	0.75	\$150.00	112.50
	Total Services		10.15		\$1,522.50

Disbursements

Aug-31-05	Copies 105 @ 0.25				26.25
Aug-29-05	Long distance telephone				0.28
Aug-31-05	Postage				1.52

Total Disbursements	\$28.05
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Totals

Total Services & Disbursements	\$1,550.55
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Previous Balance	\$4,506.73
------------------	------------

Previous Payments	\$0.00
-------------------	--------

Balance Due Now	\$6,057.28
------------------------	-------------------

LAW OFFICES

Mooney Mooney & Mooney

208 South Limestone Street
Lexington, KY 40508-2502

Eugene F. Mooney
James M. Mooney
Matthew L. Mooney

Telephone
(859) 259-2701
Telefax
(859) 259-2703

August 1, 2005

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, KY 40324

File #: 000077-001
Inv #: 7195
For the period to Aug 01/05

Attention: Mr. Mark Smith

RE: CPCN Case No. 2003-00283; ARF Case No. 2003-00284

Services

<u>Date</u>	<u>Description</u>	<u>Emp'ee</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Jul-25-05	Organize files/documents	LMB	0.50	\$30.00	15.00
	Organize files/documents	LMB	0.75	\$30.00	22.50
Jul-05-05	Review file/record , PSC website; Draft objs. to van der Gaag, Warhus Mots. to Intervene	JMM	1.75	\$150.00	262.50
Jul-07-05	Telephone call to Mark; Review & revise objs. to intervention; Draft email to Mark re: same	JMM	0.50	\$150.00	75.00
Jul-08-05	Draft fax of objs. to Mot. to Intervene to Duncliffe; Telephone call from Duncliffe re: same; Review & revise objs.; File; Serve	JMM	1.00	\$150.00	150.00
Jul-14-05	Review Reply from van der Gaag; Fax to Duncliffe	JMM	0.25	\$150.00	37.50
Jul-15-05	Attention to file - check PSC website for filings for intervention; Draft email to MSmith re: same	JMM	0.25	\$150.00	37.50
Jul-18-05	Telephone call from MSmith re: intervenors and obj. thereto; Attention to file - check PSC website for same; Draft obj. to group of intervenors	JMM	1.50	\$150.00	225.00
Jul-21-05	Telephone call from MSmith re: intervenor objs.	JMM	0.40	\$150.00	60.00
Jul-22-05	Review PSC file; Draft objs. to intervenors; Fax to Duncliffe; File; Serve	JMM	2.25	\$150.00	337.50
Jul-28-05	Telephone call from MSmith re: shut off for nonpymt.	JMM	0.25	\$150.00	37.50

Jul-29-05	Telephone call from MSmith	JMM	0.25	\$150.00	37.50
	Total Services			<u>9.65</u>	<u>\$1,297.50</u>
	Disbursements				
Jul-08-05	Postage				3.83
Jul-22-05	Postage				10.03
Jul-31-05	Copies 167 @ 0.25				41.75
Jul-24-05	Long distance telephone				0.54
	Total Disbursements				<u>\$56.15</u>
	Totals				
	Total Services & Disbursements				<u>\$1,353.65</u>
	Previous Balance				\$5,153.08
	Previous Payments				\$2,000.00
	Balance Due Now				<u>\$4,506.73</u>

LAW OFFICES

Mooney Mooney & Mooney

208 South Limestone Street
Lexington, KY 40508-2502

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July 1, 2005

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, KY 40324

File #: 000077-001
Inv #: 6962
For the period to Jul 01/05

Attention: Mr. Mark Smith

RE: CPCN Case No. 2003-00283; ARF Case No. 2003-00284

Services

<u>Date</u>	<u>Description</u>	<u>Emp'ee</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Jun-01-05	Telephone call from MEnderle re: Viola re: mgmt. fee	JMM	0.20	\$150.00	30.00
Jun-02-05	Telephone call from MSmith re: ARF, mgmt. fee for Delaplain	JMM	0.25	\$150.00	37.50
Jun-06-05	Review draft ARF; Telephone call to MEnderle re: same	JMM	0.60	\$150.00	90.00
Jun-08-05	Telephone call to MEnderle, MSmith re: ARF	JMM	0.75	\$150.00	112.50
Jun-09-05	Telephone call to , from MEnderle, MSmith re: 6/10/05 mtg.	JMM	0.25	\$150.00	37.50
Jun-16-05	Organize files/documents - assemble, copy ARF	JMM	2.50	\$150.00	375.00
Jun-17-05	Organize files/documents - assemble, collate ARF; Telephone call from MSmith re: same, to MEnderle re: same	JMM	1.75	\$150.00	262.50
Jun-20-05	Review ARF; Travel to & from PSC; File; Letter to PSC re: notice of intervention; Telephone call to MSmith re: filing; Telephone call to JRGoff re: Letter to PSC re: notice; Serve; Telephone call to MEnderle	JMM	5.50	\$150.00	825.00
Jun-22-05	Telephone call from JRGoff, to MSmith; Draft ARF Addendum; File; Serve	JMM	0.60	\$150.00	90.00
Jun-27-05	Telephone call from MSmith; Locate, fax PSC Ord. et al. to NDuncliffe	JMM	0.25	\$150.00	37.50
Total Services			12.65		\$1,897.50

Disbursements

Jun-22-05	Postage	2.40
Jun-30-05	Copies 2373 @ 0.25	593.25
Jun-16-05	Long distance telephone	0.70
	Total Disbursements	<hr/> \$596.35

Totals

Total Services & Disbursements	<hr/> \$2,493.85
Previous Balance	\$2,659.23
Previous Payments	\$0.00
Balance Due Now	<hr/> \$5,153.08

LAW OFFICES

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June 1, 2005

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, KY 40324

File #: 000077-001

Inv #: 6618

For the period

to

Jun 01/05

Attention: Mr. Mark Smith

RE: CPCN Case No. 2003-00283; ARF Case No. 2003-00284

Services

<u>Date</u>	<u>Description</u>	<u>Emp'ee</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
May-10-05	Telephone call from MEnderle re: ARF; Telephone call from MSmith re: same	JMM	0.60	\$150.00	90.00
May-11-05	Review email from MEnderle re: draft ARF from MFrost	JMM	0.50	\$150.00	75.00
May-17-05	Telephone call from MEnderle	JMM	0.40	\$150.00	60.00
May-19-05	Conference - Outside w/MEnderle re: ARF; Research PSC Ords. re: owner/operator fee; Draft email to MEnderle re: same	JMM	2.50	\$150.00	375.00
May-26-05	Conference - Office w/MEnderle, MSmith re: ARF	JMM	2.00	\$150.00	300.00
May-27-05	Telephone call from Bob Meyer @ Violia; Review axn. v. van der Gaag	JMM	0.40	\$150.00	60.00
	Total Services		6.40		\$960.00

Disbursements

May-31-05	Copies 1 @ 0.25				0.25
May-18-05	Long distance telephone				0.07
	Total Disbursements				\$0.32

Totals

Total Services & Disbursements	\$960.32
Previous Balance	\$3,698.91
Previous Payments	\$2,000.00
Balance Due Now	\$2,659.23

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May 1, 2005

Mallard Point Disposal Systems, Inc.
104 Teal Court
Georgetown, KY 40324

For the period

File #: 000077-001
Inv #: 6370
to May 01/05

Attention: Mr. Mark Smith

RE: CPCN Case No. 2003-00283; ARF Case No. 2003-00284

Services

<u>Date</u>	<u>Description</u>	<u>Emp'ee</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Apr-07-05	Review van der Gaag Synopsis; Telephone call from Mark re: same	JMM	0.50	\$150.00	75.00
Apr-14-05	Telephone call to Mark re: 1st Qtr. '05 rpt. to PSC	JMM	0.25	\$150.00	37.50
Apr-20-05	Telephone call from Mark re: ARF	JMM	0.25	\$150.00	37.50
	Total Services		1.00		\$150.00

Disbursements

Apr-21-05	Long distance telephone				0.11
	Total Disbursements				\$0.11

Totals

Total Services & Disbursements	\$150.11
Previous Balance	\$3,548.80
Previous Payments	\$0.00
Balance Due Now	\$3,698.91

	Permit	Engineer	Legal	Legal			
Life	4	4	3	3	3		
	PIS date	PIS date	PIS date	PIS date	PIS date		
	01/01/02	01/01/02	07/01/03	07/01/04	07/01/05		
	1,700	560	17,571	4,333	8,000		32,164
1	2001						
2	2002	425	140				
3	2003	425	140	2,929			
4	2004	425	140	5,857	722		7,144
5	2005	425	140	5,857	1,444	1,333	9,200 <---
6	2006			2,929	1,444	2,667	7,040
Accumulated, 12/31/06	1,700	560	17,571	3,611	4,000		23,383
Accumulated, 12/31/05	1,700	560	14,643	2,167	1,333		20,402
Accumulated, 12/31/04	1,275	420	8,786	722	0		11,203
Accumulated, 12/31/03	850	280	2,929	0	0		4,059
Net amortizable assets, 12/31/04							20,961

REQUEST FOR INFORMATION NO. 9. Of the reported test-period taxes of \$4,239, Mallard Point identifies \$1,277 as other taxes and licenses.² Provide a list of the taxes and licenses that comprise the balance of \$1,277. Include a detailed description and documentation for each item in the list.

ANSWER: Mallard Point's bookkeeper is in possession of this information but has recently been unavailable to provide it for these responses. Mallard Point will supplement this answer upon its receipt of that information.

² Annual Report of Mallard Disposal Systems, Inc. to the Kentucky Public Service Commission for the Year Ended December 31, 2004 at 10.

Witness: Mark S. Smith

REQUEST FOR INFORMATION NO. 10. According to Exhibit C of the Application, Mallard Point recorded in the calendar year 2004 amortization expense of \$7,144. Provide a breakdown of this amount and supporting calculations for each item in the breakdown.

ANSWER: The 2004 amortization expense of \$7,144 consists of 4 items:

		Amort. period	Date incurred	Amount
2004 amortization of a permit	\$ 425	4	2002	\$ 1,700
2004 amortization of engineer fee	\$ 140	4	2002	\$ 560
2004 amortization of legal fees	\$5,857	3	2003	\$17,571
2004 amortization of legal fees	\$ 722	3	2004	\$ 4,333