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June 10, 2011

Jeff Derouen
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

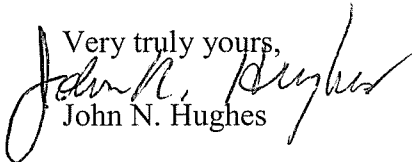
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JUN 10 2011
PUBLIC SERVICE
COMMISSION

Re: Case No. 2010-00476

Dear Mr. Derouen:

While reviewing invoices included in response to the Attorney general's data request, item 15, it was determined that there were charges that should not have been included in the allocations to WSCK. The attached schedule shows the relevant charges, which should be removed from the calculation of the revenue requirement. This reduction should have no change in the requested rate.

If you have any questions about this matter, please contact me.

Very truly yours,

John N. Hughes

Attorney for WSCK

Attachment

Cc: Attorney General

WATER SERVICE CORPORATION OF KENTUCKY

Case No. 2010-00476

Allocated and Direct Expenses to Remove from WSCs Revenue Requirement

Supplemental information to OAG DR 1-15

Direct Item	Account		Invoice #	Amount
	Charged	Account Description		
Flowers for Water Plant	5900	OTHER OFFICE EXPENSES	258366	\$ 19.98
Flowers for Water Plant	5900	OTHER OFFICE EXPENSES	273455	\$ 18.00
Balloons for Reba	5900	OTHER OFFICE EXPENSES	252065	\$ 63.95
Total				\$ 101.93

Allocated from WSC Item	Account		Invoice #	Amount
	Charged	Account Description		
"Temp Stole \$"	5825	Other Misc Expense	259961	\$ 62.00
"Bday Cakes"	5870	HOLIDAY EVENTS/PICNICS	259961	\$ 44.32
"Gift Cards Baby Shower"	5870	HOLIDAY EVENTS/PICNICS	283610	\$ 164.61
"Baby Shower Cake and Candy"	5870	HOLIDAY EVENTS/PICNICS	283610	\$ 61.21
"Paper Plates Baby Shower"	5870	HOLIDAY EVENTS/PICNICS	283610	\$ 4.39
"b-day Cake j.j."	5870	HOLIDAY EVENTS/PICNICS	293536	\$ 20.02
"flu-shot - cookies, juice, cups, napkins"	5870	HOLIDAY EVENTS/PICNICS	208365	\$ 46.63
"Lowell Yap wedding Gift Cards	5870	HOLIDAY EVENTS/PICNICS	216641	\$ 160.90
"Lowell Yap Wedding Cake"	5870	HOLIDAY EVENTS/PICNICS	216642	\$ 63.90
"Lowell Yap Wedding - Plastic Forks"	5870	HOLIDAY EVENTS/PICNICS	216642	\$ 4.36
"Wedding cake & exec. Sweets"	5870	HOLIDAY EVENTS/PICNICS	277033	\$ 133.99
"Wedding gift cards"	5870	HOLIDAY EVENTS/PICNICS	277033	\$ 110.33
Subscription to Bits and Pieces	5890	PUBL SUBSCRIPTIONS/TAPES	25349	\$ 29.95
Total				\$ 906.61
WSC Allocation Factor				2.63%
Reduction to WSCK Expenses				<u>\$ 23.84</u>

Allocated from Atlantic Regional Cost center Item	Account		Invoice #	Amount
	Charged	Account Description		
Sierra Club Annual Membership Renewal	5810	MEMBERSHIPS	258598	\$ 25.00
Total				\$ 25.00
Atlantic allocation Factor				21.57%
Reduction to WSCK Expenses				<u>\$ 5.39</u>
Total Expenses to remove from WSCK Revenue requirement				<u>\$ 131.17</u>