

RECEIVED

MAR 19 2015

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:

Proposed Adjustment of the Wholesale)	
Water Service Rates of)	Case No. 2014-00392
the City of Danville)	

**CITY OF DANVILLE’S SUPPLEMENTAL RESPONSES TO THE
COMMISSION’S ORDER ISSUED NOVEMBER 14, 2014**

The City of Danville (“Danville” or the “City”) hereby provides its supplemental response to Item 24 of Appendix B of the Commission’s Order issued November 14, 2014.

24. a. State whether the proposed rate increase includes an adjustment for rate case expenses incurred in this proceeding.
- b. If the rate increase does not include an adjustment for rate case expenses, state whether Danville will seek an adjustment to recover expenses incurred in litigating this proceeding.
- c. If Danville will seek an adjustment to recover expenses incurred in litigating this proceeding, provide all actual and estimated rate case expenses.

Witness: Earl Coffey

Response: The Water Usage Rates that were submitted on the proposed tariffs do not include any adjustment for rate case expenses of preparing the cost-of-service study incurred in

this proceeding. The City of Danville requests a surcharge to recover rate case expenses and the costs incurred for preparing the cost-of-service study. The City proposes that the actual costs be amortized and recovered as a surcharge over a three-year period from the utility wholesale customers. The City has estimated that rate case expenses to be \$50,000.

The cost-of-service study expense totals \$53,000, a portion of which should be allocated to the wholesale customers. Half of the expense of the cost-of-service study (\$26,500) is apportioned to the water rates. An invoice from Salt River Engineering supporting this expense is attached to this supplemental response.

The Commission has previously allocated expenses of a cost-of-service study to wholesale customers based on total revenue requirement. See City of Hopkinsville, Case No. 2009-00373 at 8 (Ky. PSC July 2, 2010). The cost-of-service study that was originally filed with the Commission on December 1, 2014, and that reflects the rates Danville requests to be approved, identify a lower percentage of revenue requirement for the three public-utility customers of Danville as compared with the revised studies filed on January 5 and February 9, 2015. The following table incorporates revenue-requirement information contained in the study filed on December 1, 2014, and calculated the allocation of expenses for the cost-of-service study to the public utilities.

	Total	Parksville WD	GCWA	LVWA
Proposed Rate Revenues	5,563,205	\$317,683	\$213,718	\$338,096
Percentage of Rev. Req.	100%	5.7104%	3.8416%	6.0774%
Wholesale Customers' Responsibility of \$26,500		\$1,513.26	\$1,018.03	\$1,610.50

Danville has also incurred rate case expenses for legal and expert fees. The attached documentation from Sturgill, Turner, Barker, and Moloney, PLLC, and Salt River Engineering demonstrate that through March 13, 2013, there has been \$37,955.26 in rate case litigation expenses. Danville proposes that these expenses be divided equally between the two public utilities that are parties to the rate case. This would apportion \$18,977.63 of cost to each Parksville Water District and Garrard County Water Association.

The following table summarizes Danville’s current request for a 36-month surcharge for rate-case-related expenses based on a three-year amortization.

	Parksville Water District	Garrard County Water Association	Lake Village Water Association
Cost-of-Service Study	\$1,513.26	\$1,018.03	\$1,610.50
Litigation Expense	\$18,977.63	\$18,977.63	
Total Expenses	\$20,490.89	\$19,995.66	\$1,610.50
36-month Amortization	\$569.19	\$555.44	\$47.50

Rate case expenses will increase with additional litigation, and Danville will supplement its response at a later date. If a decision were to be issued today, the City believes the following rates are fair, just, and reasonable:¹

- Parksville Water District \$2.68 per 1,000 gallons + \$572.14 for 36 months
- Garrard Co. Water Ass’n \$2.41 per 1,000 gallons + \$557.18 for 36 months
- Lake Village Water Ass’n \$2.41 per 1,000 gallons + \$47.50 for 36 months

¹ In addition to these rates, Danville seeks to retain its line item for the Kentucky River Authority fee, which is currently set at \$0.022 per 1,000 gallons.

Respectfully submitted,



M. TODD OSTERLOH
CHARLES D. COLE
STURGILL, TURNER, BARKER & MOLONEY, PLLC
333 W. Vine Street, Suite 1400
Lexington, Kentucky 40507
Telephone No.: (859) 255-8581
tosterloh@sturgillturner.com

ATTORNEYS FOR CITY OF DANVILLE

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via U.S. Mail, postage prepaid, to the following on March 16, 2014:

Caywood Metcalf
214 Stanford Street
Lancaster, Kentucky 40444

Jeffrey W. Jones
Jeffrey W. Jones, PLLC
1000 East Lexington Avenue, #3
Danville, KY 40422



COUNSEL FOR CITY OF DANVILLE

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

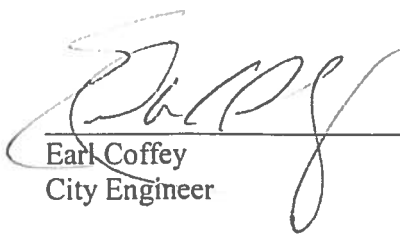
In the Matter of:

Proposed Adjustment of the Wholesale)
Water Service Rates of) Case No. 2014-00392
the City of Danville)

**CERTIFICATION OF RESPONSES TO THE
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

This is to certify that I have supervised the preparation of the City of Danville's supplemental responses to the requests for information contained in the Commission's Order dated November 14, 2014, and that the responses are true and accurate to the best of my knowledge, information, and belief after reasonable inquiry.

Date: 3/16/2016



Earl Coffey
City Engineer



INVOICE

Invoice No. 5-14-1
Invoice Date: 1 May 2014

Client: Mr. Earl Coffey
City of Danville
Post Office Box 670
Danville, KY 40423

Project: Cost of Service Study

Scope of Work:

Work includes completion of a rate study, to include cost of service components, for the water and sewer utilities of the City of Danville. Work shall be summarized in a presentation to the Commission and in preparation of a report describing the process, assumptions and recommendations regarding cost causations, allocations and revenue requirements by customer class.

Phase	Percent of Fee	Fee	Percent Complete	Amount Due
Water				
Revenue Requirements	15%	\$7,950	100%	\$7,950
Functionalize/Allocate/Distribute	10%	\$5,300	80%	\$4,240
Rates	5%	\$2,650		
Report	20%	\$10,600		
		26,500		
Sewer				
Revenue Requirements	10%	\$5,300	5%	\$265
Functionalize/Allocate/Distribute	15%	\$7,950		
Rates	5%	\$2,650		
Report	20%	\$10,600		
			Total	\$12,455
			Amount Previously Invoiced	\$0
			Amount Previously Paid	\$0
			Amount Due This Invoice	\$12,455

Terms: Net 30



STURGILL, TURNER, BARKER & MOLONEY, PLLC

333 West Vine Street, Suite 1400

Lexington, Kentucky 40507

Telephone: (859) 255-8581

Telefax: (859) 231-0851

Employer I.D. No. 61-0576615

www.sturgillturner.com

STATEMENT OF SERVICES

Ron Scott, City Manager
City of Danville
PO Box 670
445 W. Main Street
Danville, KY 40423

Statement Date: 10/07/2014
Account No: 64179.0008 M
Statement No: 87611

City of Danville Water Rates

				Hours
09/22/2014	CDC	L110	A106 Communicate (with client) - Phone call from City Attorney regarding this new matter.	0.20
09/24/2014	CDC	L110	A106 Communicate (with client) -- telephone conference with city clerk regarding water case representation, pending deadline, rates and city's potential recovery of attorney's fees	0.20
	MTO	L110	A106 Danville PSC - Communicate (with client) with City Engineer Earl Coffey on background for wholesale water rate increase and complaint filed with PSC.	0.70
	MTO	L110	A104 Danville PSC - Review Complaint filed by Parkville WD at the PSC	0.30
	MTO	L110	A108 Danville PSC - Communicate (other external) with PSC Staffer B. Kirtley to discuss rate documents on file at PSC	0.20
	MTO	L110	A104 Danville PSC - Review recently amended regulations related to municipal wholesale rate increase	0.30
	MTO	L110	A104 Danville PSC - Review 2008 PSC investigation case for background related to rates charged by City that were not on file at PSC, including settlement agreements that will be at issue in present case.	0.50
	MTO	L110	A104 Danville PSC - Review ordinances passed by City Commission related to rate increases to wholesale purchasers	0.20
	MTO	L110	A106 Danville PSC - Communicate (with client) with S. Dexter and others regarding possible strategy [REDACTED]	0.50

City of Danville

Page. 2
10/07/2014
Account No. 64179-0008M
Invoice No. 87611

City of Danville Water Rates

				Hours		
	MTO L210	A103	Danville PSC - Begin drafting Answer to complaint	0.50		
09/25/2014	MTO L120	A106	Communicate (with client) with City Attorney via email regarding plan of action.	0.20		
	MTO L110	A106	Danville PSC - Communicate (with client) with City Engineer regarding customer notification and cost-of-service study	0.20		
	MTO L120	A102	Research PSC cases related to city wholesale rate increases [REDACTED]	0.50		
	MTO L120	A103	Danville PSC - Draft letter to Parksville attorney with detailed analysis on why Parksville should not object to City's rate increase because there will be a litigation surcharge on rate increase if objection is continued.	0.40		
	MTO L210	A103	Danville PSC - Continue drafting Answer to PSC Complaint filed by Parksville.	1.00		
			For Current Services Rendered	5.90	<u>1,327.50</u>	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Charles D. Cole	0.40	\$225.00	\$90.00
M. Todd Osterloh	5.50	225.00	1,237.50

Total Current Work 1,327.50

Balance Due \$1,327.50

Task Code Recapitulation

			<u>Costs</u>
L110	Fact Investigation/Development	742.50	0.00
L120	Analysis/Strategy	247.50	0.00
L100	Do not Use-See L110-L190 Case Assessment,Development &Admin	990.00	0.00
L210	Pleadings	337.50	0.00
L200	Do Not Use-See L210-L260 Pre-Trial Pleadings & Motions	337.50	0.00

To ensure proper credit to your account
Please write Account 64179.0008 on your check
Please remit amount due by 11/06/2014
Thank you



STURGILL, TURNER, BARKER & MOLONEY, PLLC

333 West Vine Street, Suite 1400

Lexington, Kentucky 40507

Telephone: (859) 255-8581

Telefax: (859) 231-0851

Employer I.D. No. 61-0576615

www.sturgillturner.com

STATEMENT OF SERVICES

Ron Scott, City Manager
City of Danville
PO Box 670
445 W. Main Street
Danville, KY 40423

Statement Date: 11/10/2014
Account No: 64179.0008 M
Statement No: 88004

City of Danville Water Rates

				Hours
10/03/2014	MTO L120	A102	Research PSC approvals of KRA fees and rate case expenses for municipalities.	0.30
	MTO L120	A106	Communicate (with client) with E. Coffey regarding Ky. River Auth. fee charges.	0.20
	MTO L120	A103	Draft tariff pages to be filed with the PSC, and communicate with E. Coffey regarding the same.	0.40
	MTO L120	A108	Communicate (other external) with attorney for Parksville WD regarding possible settlement.	0.40
10/14/2014	MTO L120	A108	Communicate (other external) with Parksville's attorney regarding possible settlement.	0.30
	MTO L120	A106	Communicate (with client) with City Attorney and City Engineer regarding communications with Parksville's attorney and alternatives going forward.	0.30
10/15/2014	MTO L120	A108	Communicate (other external) - phone call with E. Coffey to discuss plan of action with respect to Parksville WD rate increase.	0.20
10/16/2014	MTO L110	A108	Communicate (other external) with attorney for Parksville regarding City's decision to not offer rate lower than cost-of-service study findings.	0.20
10/17/2014	MTO L210	A103	File tariff pages for wholesale customers with PSC.	0.20
	MTO L210	A103	Draft customer notices with specific provisions required by PSC regulations to Parksville, Lake Village, and Garrard County Water Association.	0.70
	MTO L210	A108	Communicate (other external) with PSC Staff B. Kirtley regarding customer notification for Danville wholesale customers.	0.20

City of Danville

Page. 2
11/10/2014
Account No. 64179-0008M
Invoice No. 88004

City of Danville Water Rates

				Hours	
10/20/2014	MTO L210	A104	Review complaint and attached documents filed by Garrard County Water Association	0.50	
	CDC L110	A106	Communicate (with client) -- phone call from city clerk regarding second wholesale water appeal	0.10	
10/23/2014	MTO L120	A106	Communicate (with client) with City Attorney regarding loans received related to the Water Treatment Plant and other facts necessary to provide Answer to GCWA Complaint.	0.30	
10/29/2014	MTO L110	A106	Communicate (with client) with E. Coffey to discuss facts related to answering the Garrard Co. WA complaint.	0.10	
	MTO L210	A103	Draft Answer to Garrard Co. WA's Complaint, to be filed with PSC.	1.00	
			For Current Services Rendered	5.40	1,215.00

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Charles D. Cole	0.10	\$225.00	\$22.50
M. Todd Osterloh	5.30	225.00	1,192.50

Costs

10/17/2014	L110	E101	2 Document Reproduction	0.40
10/17/2014	L110	E101	2 Document Reproduction	0.40
10/17/2014	L110	E101	2 Document Reproduction	0.40
10/17/2014	L110	E101	2 Document Reproduction	0.40
10/17/2014	L110	E101	2 Document Reproduction	0.40
			E101 (653) Document Reproduction	2.00
			Total Costs Thru 10/31/2014	2.00
			Total Current Work	1,217.00
			Previous Balance	\$1,327.50
11/04/2014			Thank you for your payment.	-1,327.50
			Balance Due	<u>\$1,217.00</u>

Task Code Recapitulation

			Costs
L110	Fact Investigation/Development	90.00	2.00
L120	Analysis/Strategy	540.00	0.00

City of Danville

Page. 3
11/10/2014
Account No. 64179-0008M
Invoice No. 88004

City of Danville Water Rates

		<u>Costs</u>
L100	Do not Use-See L110-L190 Case Assessment,Development &Admin	630.00 2.00
L210	Pleadings	585.00 0.00
L200	Do Not Use-See L210-L260 Pre-Trial Pleadings & Motions	585.00 0.00

To ensure proper credit to your account
Please write Account 64179.0008 on your check
Please remit amount due by 12/10/2014
Thank you



STURGILL, TURNER, BARKER & MOLONEY, PLLC

333 West Vine Street, Suite 1400

Lexington, Kentucky 40507

Telephone: (859) 255-8581

Telefax: (859) 231-0851

Employer I.D. No. 61-0576615

www.sturgillturner.com

STATEMENT OF SERVICES

Ron Scott, City Manager
City of Danville
PO Box 670
445 W. Main Street
Danville, KY 40423

Statement Date: 12/08/2014
Account No: 64179.0008 M
Statement No: 88524

City of Danville Water Rates

				Hours
11/14/2014	MTO L320	A104	Review Requests for Production of Documents issued by the Public Service Commission.	0.40
11/17/2014	MTO L320	A103	Begin drafting outline of responses to information request issued by PSC.	0.50
11/18/2014	MTO L120	A103	Draft legal memorandum related to rate case [REDACTED]	2.20
	MTO L120	A104	Review and edit City Manager's proposed comments to newspaper reporter's questions regarding the wholesale water rate increase.	0.50
11/19/2014	MTO L310	A106	Communicate (with client) with Earl Coffey regarding the data request issued by the Public Service Commission.	0.40
	MTO L310	A103	Draft written pre-filed testimony, as required by the PSC.	3.00
	MTO L120	A108	Communicate (other external) - phone calls with PSC Staff and GCWA attorney regarding electronic filing of documents.	0.20
11/20/2014	MTO L310	A103	Draft responses to PSC data request.	2.00
11/24/2014	MTO L310	A106	Communicate (with client) with E. Coffey and M. Gosser regarding responses to PSC DR.	0.80
	MTO L310	A103	Continue drafting legal memorandum [REDACTED] in rate case.	0.40
11/26/2014	MTO L310	A109	Appear for/attend meeting with city officials to discuss City's responses to PSC information request (includes travel time to Danville); review proposed responses.	4.40

City of Danville Water Rates

				Hours	
	MTO	L310	A103 Draft proposed responses to PSC information request.	0.80	
11/30/2014	MTO	L310	A104 Review documents and revise responses to PSC data request; communicate with City Engineer regarding the same (no charge for administrative work).	4.00	
			For Current Services Rendered	19.60	4,410.00

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
M. Todd Osterloh	19.60	\$225.00	\$4,410.00

Costs

11/04/2014	L110	E101	12 Document Reproduction	2.40
11/30/2014	L110	E101	432 Document Reproduction	86.40
11/30/2014	L110	E101	432 Document Reproduction	86.40
11/30/2014	L110	E101	974 Document Reproduction	194.80
11/30/2014	L110	E101	4870 Document Reproduction	974.00
11/30/2014	L110	E101	656 Document Reproduction	131.20
11/30/2014	L110	E101	2160 Document Reproduction	432.00
11/30/2014	L110	E101	1701 Document Reproduction	340.20
11/30/2014	L110	E101	342 Document Reproduction	68.40
11/30/2014	L110	E101	1140 Document Reproduction	228.00
11/30/2014	L110	E101	864 Document Reproduction	172.80
11/30/2014	L110	E101	360 Document Reproduction	72.00
11/30/2014	L110	E101	12 Document Reproduction	2.40
11/30/2014	L110	E101	10 Document Reproduction	2.00
11/30/2014	L110	E101	564 Document Reproduction	112.80
			E101 (653) Document Reproduction	2,905.80
11/26/2014	L110	E110	Travel - (2.024) M. Todd Osterloh travel to/from Danville for meeting with city officials	40.32
			Travel - Mileage	40.32
			Total Costs Thru 11/30/2014	2,946.12
			Total Current Work	7,356.12
			Previous Balance	\$1,217.00
			Balance Due	<u>\$8,573.12</u>

Task Code Recapitulation

		<u>Costs</u>
L110	Fact Investigation/Development	0.00 2946.12
L120	Analysis/Strategy	652.50 0.00

City of Danville

Page. 3
12/08/2014
Account No. 64179-0008M
Invoice No. 88524

City of Danville Water Rates

		<u>Costs</u>
L100	Do not Use-See L110-L190 Case Assessment,Development &Admin	652.50
L310	Written Discovery	3555.00
L320	Document Production	202.50
L300	Do Not Use - See L310-L390 Discovery	3,757.50
		2,946.12

To ensure proper credit to your account
Please write Account 64179.0008 on your check
Please remit amount due by 01/07/2015
Thank you



STURGILL, TURNER, BARKER & MOLONEY, PLLC

333 West Vine Street, Suite 1400

Lexington, Kentucky 40507

Telephone: (859) 255-8581

Telefax: (859) 231-0851

Employer I.D. No. 61-0576615

www.sturgillturner.com

STATEMENT OF SERVICES

Ron Scott, City Manager
City of Danville
PO Box 670
445 W. Main Street
Danville, KY 40423

Statement Date: 01/09/2015
Account No: 64179.0008 M
Statement No: 88945

City of Danville Water Rates

				Hours
12/01/2014	MTO L310	A104	Review proposed responses to information requests and related documents; propose revisions; communicate with City Engineer regarding the same; direct staff on preparation and compilation of responses.	6.30
12/05/2014	MTO L310	A106	Communicate (with client) with E. Coffey regarding cost-of-service study questions presented by the PSC Staff.	0.60
	MTO L310	A104	Review questions by PSC Staff on cost-of-service study.	0.30
	MTO L310	A103	Draft response to PSC Staff on questions related to cost-of-service study.	0.20
12/08/2014	MTO L310	A104	Review questions by PSC Staff regarding electronic cost-of-service study; review issue on my files; draft e-mail responses.	0.80
12/11/2014	MTO L310	A104	Review spreadsheets related to Revenue Requirements produced by expert in response to request from PSC; pose questions to C. Allen and E. Coffey regarding that document.	1.00
	MTO L120	A108	Communicate (other external) with PSC Staff and C. Allen regarding informal conference.	0.10
	MTO L310	A106	Communicate (with client) - additional communications with C. Allen regarding documents to be produced to the PSC	0.40
12/12/2014	MTO L310	A104	Review documents produced by C. Allen to be filed with the PSC	1.30
12/15/2014	MTO L120	A109	Appear for/attend - travel to/from Danville from meeting with City Engineer and Connie Allen (reduced travel because I was in Danville for multiple matters)	1.00

City of Danville Water Rates

				Hours		
	MTO L120	A109	Appear for/attend meeting with E. Coffey and C. Allen to prepare for informal conference and discuss certain elements of the cost-of-service study.	2.50		
	MTO L310	A108	Communicate (other external) with PSC Staff and parties regarding supplemental files to cost-of-service study (via email)	0.10		
	MTO L210	A104	Review orders issued by the PSC	0.10		
12/16/2014	MTO L120	A106	Communicate (with client) with E. Coffey and C. Allen regarding PSC Orders, documents requested (PSC regulations), and materials previously filed.	0.70		
12/17/2014	MTO L390	A109	Appear for/attend meetings and teleconference with E. Coffey, M. Gosser, and C. Allen to discuss water utility expenses and revenue requirements in preparation of informal conference.	1.00		
12/18/2014	MTO L310	A103	Plan and prepare for informal conference with PSC Staff and parties.	1.30		
	MTO L390	A109	Appear for/attend informal conference at PSC.	1.50		
12/23/2014	MTO L310	A104	Review materials provided by C. Allen and communicate with her regarding the same.	0.80		
	MTO L210	A104	Review informal conference memorandum and communicate with client regarding the same.	0.30		
12/31/2014	MTO L120	A104	Review information provided by C. Allen and communicate with her regarding that information.	0.50		
	MTO L310	A106	Communicate (with client) with M. Gosser regarding income statements.	0.20		
			For Current Services Rendered	21.00	4,725.00	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
M. Todd Osterloh	21.00	\$225.00	\$4,725.00

Costs

12/01/2014	L110	E101	12 Document Reproduction	2.40
12/01/2014	L110	E101	48 Document Reproduction	9.60
12/01/2014	L110	E101	270 Document Reproduction	54.00
12/01/2014	L110	E101	36 Document Reproduction	7.20

City of Danville

Page. 3
01/09/2015
Account No. 64179-0008M
Invoice No. 88945

City of Danville Water Rates

12/01/2014	L110	E101	216 Document Reproduction	43.20
12/01/2014	L110	E101	228 Document Reproduction	45.60
12/01/2014	L110	E101	83 Document Reproduction	16.60
12/01/2014	L110	E101	364 Document Reproduction	72.80
12/01/2014	L110	E101	86 Document Reproduction	17.20
12/18/2014	L110	E101	273 Document Reproduction	54.60
			E101 (653) Document Reproduction	<u>323.20</u>
12/01/2014	L110	E102	STBM Service Center - 3 CD duplications	30.00
			(529) Copies - Out of Office	<u>30.00</u>
12/01/2014	L110	E110	Travel - (8.045) Zane Cordingly (runner) travel to/from Public Service Commission	31.36
12/15/2014	L110	E110	Travel - (2.024) M. Todd Osterloh travel to/from Danville for meeting with city engineer (1/2 - split with another client)	20.16
			Travel - Mileage	<u>51.52</u>
			Total Costs Thru 12/31/2014	<u>404.72</u>
			Total Current Work	5,129.72
			Previous Balance	\$8,573.12
12/26/2014			Thank you for your payment.	-8,573.12
			Balance Due	<u><u>\$5,129.72</u></u>

Task Code Recapitulation

			Costs
L110	Fact Investigation/Development	0.00	404.72
L120	Analysis/Strategy	1080.00	0.00
L100	Do not Use-See L110-L190 Case Assessment,Development &Admin	<u>1,080.00</u>	<u>404.72</u>
L210	Pleadings	90.00	0.00
L200	Do Not Use-See L210-L260 Pre-Trial Pleadings & Motions	<u>90.00</u>	<u>0.00</u>
L310	Written Discovery	2992.50	0.00
L390	Other Discovery	562.50	0.00
L300	Do Not Use - See L310-L390 Discovery	<u>3,555.00</u>	<u>0.00</u>

To ensure proper credit to your account
Please write Account 64179.0008 on your check
Please remit amount due by 02/08/2015
Thank you



STURGILL, TURNER, BARKER & MOLONEY, PLLC

333 West Vine Street, Suite 1400

Lexington, Kentucky 40507

Telephone: (859) 255-8581

Telefax: (859) 231-0851

Employer I.D. No. 61-0576615

www.sturgillturner.com

STATEMENT OF SERVICES

Ron Scott, City Manager
City of Danville
PO Box 670
445 W. Main Street
Danville, KY 40423

Statement Date: 02/13/2015
Account No: 64179.0008 M
Statement No: 89574

City of Danville Water Rates

				Hours
01/02/2015	MTO L310	A106	Communicate (with client) with C. Allen regarding discovery required to be produced by 1/5.	0.40
01/04/2015	MTO L310	A104	Review materials sent by C. Allen, to be filed with the PSC.	2.20
01/05/2015	MTO L310	A104	Continued review of materials sent by C. Allen; communications with E. Coffey and C. Allen; make revisions to those materials; prepare filing.	3.50
01/06/2015	MTO L210	A108	Communicate (other external) with PSC Staff regarding filing of documents yesterday (Staff indicated that PSC records suggested that filing was not made).	0.10
01/21/2015	MTO L310	A108	Communicate (other external) - email to counsel for intervenors regarding data requests	0.10
	MTO L310	A104	Review - initial review of PSC data requests	0.50
	MTO L310	A106	Communicate (with client) - communications with E. Coffey, C. Allen, and M. Gosser regarding PSC data requests.	0.20
01/22/2015	MTO L310	A104	Begin drafting and evaluation responses to PSC data request.	0.80
01/23/2015	MTO L310	A109	Appear for/attend meeting with E. Coffey, C. Allen, and M. Gosser in Danville to discuss PSC data request (includes travel).	4.30
01/26/2015	MTO L320	A103	Draft/revise Open Records request for PSC documents to possibly provide additional support [REDACTED]	0.20
	MTO L320	A104	Review PSC records online for additional support [REDACTED]	0.50

City of Danville Water Rates

				Hours		
01/28/2015	MTO	L310	A104 Review proposed responses, research PSC cases, and drafted proposed responses to PSC Staff's first DR.	1.80		
01/29/2015	MTO	L310	A103 Draft/revise responses to PSC Staff's data requests.	1.70		
01/30/2015	MTO	L310	A109 Appear for/attend meeting with M. Gosser, E. Coffey, and C. Allen regarding the responses to PSC Staff's data request (includes travel time).	4.30		
	MTO	L320	A104 Review documents produced at today's meeting with City personnel and communicate with them regarding the same.	0.80		
				21.40	4,815.00	
				For Current Services Rendered		

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
M. Todd Osterloh	21.40	\$225.00	\$4,815.00

Costs

01/23/2015	L110	E110	Travel - (2.024) M. Todd Osterloh travel to/from Danville for meeting	40.32
01/30/2015	L110	E110	Travel - (2.024) M. Todd Osterloh travel to/from Danville for meeting with City employees	40.32
			Travel - Mileage	80.64
				80.64
Total Costs Thru 01/31/2015				80.64
Total Current Work				4,895.64
Previous Balance				\$5,129.72
02/04/2015			Thank you for your payment.	-5,129.72
Balance Due				<u>\$4,895.64</u>

Task Code Recapitulation

			<u>Costs</u>
L110	Fact Investigation/Development	0.00	80.64
L100	Do not Use-See L110-L190 Case Assessment,Development &Admin	0.00	80.64
L210	Pleadings	22.50	0.00
L200	Do Not Use-See L210-L260 Pre-Trial Pleadings & Motions	22.50	0.00
L310	Written Discovery	4455.00	0.00

City of Danville

Page. 3
02/13/2015
Account No. 64179-0008M
Invoice No. 89574

City of Danville Water Rates

			Costs
L320	Document Production	<u>337.50</u>	<u>0.00</u>
L300	Do Not Use - See L310-L390 Discovery	4,792.50	0.00

To ensure proper credit to your account
Please write Account 64179.0008 on your check
Please remit amount due by 03/15/2015
Thank you



STURGILL, TURNER, BARKER & MOLONEY, PLLC

333 West Vine Street, Suite 1400

Lexington, Kentucky 40507

Telephone: (859) 255-8581

Telefax: (859) 231-0851

Employer I.D. No. 61-0576615

www.sturgillturner.com

STATEMENT OF SERVICES

Ron Scott, City Manager
City of Danville
PO Box 670
445 W. Main Street
Danville, KY 40423

Statement Date: 03/05/2015
Account No: 64179.0008 M
Statement No: 89762

City of Danville Water Rates

				Hours
02/02/2015	MTO L310	A106	Communicate (with client) with clients regarding response to PSC data requests.	0.30
02/03/2015	MTO L310	A104	Review of materials provided by C. Allen, M. Gosser, and E. Coffey; communication with them regarding same; draft responses.	3.50
	MTO L310	A104	Continued review of materials provided by C. Allen, M. Gosser, and E. Coffey; communication with them regarding same; drafting and revising of responses. (same day)	3.00
02/04/2015	MTO L310	A104	Review documents and responses sent by E. Coffey, C. Allen, and M. Gosser; communicate with them; draft/revise responses.	4.80
02/05/2015	MTO L310	A103	Draft/revise responses to data request; finalize filing; direct staff on preparation of filing.	1.00
02/06/2015	MTO L120	A103	Draft/revise summary of litigation for Commission meeting, as requested by City Engineer	0.40
02/09/2015	MTO L310	A108	Communicate (other external) with counsel regarding electronic copy of revised cost-of-service study.	0.30
	MTO L310	A108	Communicate (other external) with PSC Staff regarding redaction of documents and completion of task.	0.40
02/10/2015	MTO L310	A103	Draft letter to PSC regarding compact disc and electronic filing of revised COS study.	0.10
02/19/2015	MTO L310	A104	Review information request issued by PSC Staff and communicate with E. Coffey, M. Gosser, and C. Allen regarding the same.	0.80

City of Danville Water Rates

				Hours			
	MTO	L210	A104	Review PSC order setting evidentiary hearing and communicate with client regarding the same.	0.20		
02/24/2015	MTO	L310	A104	Review materials to assist in preparation of responses to Staff's 2nd DR.	1.30		
02/25/2015	MTO	L310	A104	Review documents previously produced in discovery; review proposed partial response to a request; begin drafting proposed response; ask questions to client to draft response.	2.00		
				For Current Services Rendered	18.10	4,072.50	

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
M. Todd Osterloh	18.10	\$225.00	\$4,072.50

Costs

02/04/2015	L110	E101	140 Document Reproduction	28.00
02/04/2015	L110	E101	433 Document Reproduction	86.60
02/04/2015	L110	E101	1389 Document Reproduction	277.80
02/04/2015	L110	E101	3956 Document Reproduction	791.20
02/04/2015	L110	E101	1192 Document Reproduction	238.40
02/04/2015	L110	E101	1013 Document Reproduction	202.60
02/05/2015	L110	E101	602 Document Reproduction	120.40
02/05/2015	L110	E101	280 Document Reproduction	56.00
02/05/2015	L110	E101	15 Document Reproduction	3.00
02/05/2015	L110	E101	30 Document Reproduction	6.00
02/05/2015	L110	E101	82 Document Reproduction	16.40
02/05/2015	L110	E101	30 Document Reproduction	6.00
02/05/2015	L110	E101	41 Document Reproduction	8.20
02/05/2015	L110	E101	20 Document Reproduction	4.00
02/10/2015	L110	E101	3 Document Reproduction	0.60
				1,845.20
				E101 (653) Document Reproduction
02/23/2015	L110	E102	Outside printing (1160.014) Chase Legal Imaging - color scanning/CD burn	261.42
				(529) Copies - Out of Office
				261.42
02/04/2015	L110	E110	Travel - (7.021) Margo Ashcraft Curry (runner) travel to/from Danville City Hall	40.32
02/05/2015	L110	E110	Travel - (8.039) James Lee (runner) travel to/from Frankfort	30.24
				Travel - Mileage
				70.56
				Total Costs Thru 02/28/2015
				2,177.18
				Total Current Work
				6,249.68

City of Danville

Page. 3
03/05/2015
Account No. 64179-0008M
Invoice No. 89762

City of Danville Water Rates

	Previous Balance	\$4,895.64
03/04/2015	Thank you for your payment.	-4,895.64
	Balance Due	<u>\$6,249.68</u>

Task Code Recapitulation

		Costs
L110	Fact Investigation/Development	0.00 2177.18
L120	Analysis/Strategy	<u>90.00</u> 0.00
L100	Do not Use-See L110-L190 Case Assessment,Development &Admin	90.00 2,177.18
L210	Pleadings	<u>45.00</u> 0.00
L200	Do Not Use-See L210-L260 Pre-Trial Pleadings & Motions	45.00 0.00
L310	Written Discovery	<u>3937.50</u> 0.00
L300	Do Not Use - See L310-L390 Discovery	3,937.50 0.00

To ensure proper credit to your account
Please write Account 64179.0008 on your check
Please remit amount due by 04/04/2015
Thank you

Client	Trans Date	Trmkr	Check Number	B C	Stmt # Rate	Hours to Bill	Amount		Ref #
Statement Date mm/dd/yyyy									
64179.0008	03/02/2015	MTO			225.00	2.10	472.50	Draft/revise responses to PSC Staff's second information request; communicate with Danville representative regarding the same. City of Danville City of Danville Water Rates	96
64179.0008	03/03/2015	MTO			225.00	1.50	337.50	Communicate (with client) with M. Gosser and E. Coffey regarding responses to Staff's 2nd DR; prepare draft responses. City of Danville City of Danville Water Rates	97
64179.0008	03/04/2015	MTO			225.00	4.00	900.00	Review information produced by E. Coffey and M. Gosser; prepare draft responses; review changes proposed by City reps; communicate with City reps regarding information and data responses. City of Danville City of Danville Water Rates	98
64179.0008	03/12/2015	MTO			225.00	0.50	112.50	Review and compile documents for rate case expenses. City of Danville City of Danville Water Rates	99
64179.0008	03/13/2015	MTO			225.00	1.80	405.00	Review documents and draft memorandum to client regarding rate case expenses. City of Danville City of Danville Water Rates	100
64179.0008	03/13/2015	MTO			225.00	1.70	382.50	Draft supplemental response to discovery request related to rate case expense. City of Danville City of Danville Water Rates	101
Subtotal for Tcode 1					Billable	11.60	2,610.00		
64179.0008	03/04/2015	MLM			0.200		69.60	348 Document Reproduction City of Danville City of Danville Water Rates	55
Subtotal for Tcode 264					Billable	0.00	69.60	E101 (653) Document Reproduction	
Total for Statement Date mm/dd/yyyy					Billable	11.60	2,679.60		
Statement Date 03/05/2015									
64179.0008	03/04/2015		63152		89574		4,895.64	Thank you for your payment. City of Danville City of Danville Water Rates	ARCH
Subtotal for Tcode 201					Billable Payments	0.00	0.00	Thank you for your payment.	
Total for Statement Date 03/05/2015					Billable Payments	0.00	0.00		
GRAND TOTALS									
					Billable Payments	11.60	2,679.60		
					Payments		4,895.64		

Invoice



City of Danville

PO Box 670

Danville, KY 40423

12 Mar 2015

Invoice 150503

PSC COS Case	date	hours	cost
first questions from PSC	24 Nov 2014	08:00	\$800.00
mtg at D'ville & return to revise answers to questions	25 Nov 2014	07:30	\$750.00
Question 1 - testimony	30 Nov 2014	01:30	\$150.00
Question 1	01 Dec 2014	02:00	\$200.00
mtg with Todd O and Earl & follow-up notes	15 Dec 2014	04:00	\$400.00
review O&M pro forma	16 Dec 2014	02:15	\$225.00
PSC informal conference add mileage	18 Dec 2014	04:30	\$450.00
explanation for PSC for rate base	22 Dec 2014	09:30	\$950.00
explanation for PSC for expenses	23 Dec 2014	04:00	\$400.00
explaining expenses	29 Dec 2014	02:00	\$200.00
explaining expenses	30 Dec 2014	03:30	\$350.00
expenses projected and pro forma	02 Jan 2015	01:15	\$125.00
pro forma expenses	03 Jan 2015	06:00	\$600.00
new COS; package all for PSC	04 Jan 2015	06:45	\$675.00
review 21 Jan PSC request for respnlty	22 Jan 2015	01:00	\$100.00
meet at Danville to discuss 1st PSC req	24 Jan 2015	03:00	\$300.00
answer PSC	26 Jan 2015	03:30	\$350.00
answer PSC	27 Jan 2015	02:15	\$225.00
answers due 5 Feb	29 Jan 2015	05:30	\$550.00
answers due 5 Feb	28 Jan 2015	04:15	\$425.00
meeting at Danville	30 Jan 2015	02:30	\$250.00
last revisions to questions	04 Feb 2015	04:15	\$425.00
questions due 5 Feb	02 Feb 2015	02:00	\$200.00
Total		91:00	\$9,100.00

Salt River Engineering, PLLC
108 West Poplar
Harrodsburg KY 40330

info@saltrivereng.com
859-734-2334