COMMONWEAL TH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NORTHERN	)	
KENTUCKY WATER DISTRICT (A) FOR	)	
AN ADJUSTMENT OF RATES; (B)	)	
A CERTIFICATE OF CONVENIENCE	)	Case No. 2003-0224
AND NECESSITY FOR IMPROVEMENTS	)	
TO WATER FACILITIES IF NECESSARY	)	
AND (C) ISSUANCE OF BONDS	)	

RESPONSE AND MOTION

Northern Kentucky Water District, by counsel, provides the attached responses to the Commission's Order of October 28, 2003.

Because of the volume and nature of questions from the Attorney General, the District has been unable to complete the responses. To the extent that some questions could be answered, they are included in revised schedules provided to the Commission. However, the District requests an extension to November 21 to file the remaining responses to the Attorney General's questions. Because there are no other interveners and the procedural schedule has not been finalized, this delay will not adversely affect the proceedings.

For these reasons, the District requests an extension up to November 21 to file responses to the Attorney General.

Submitted By:

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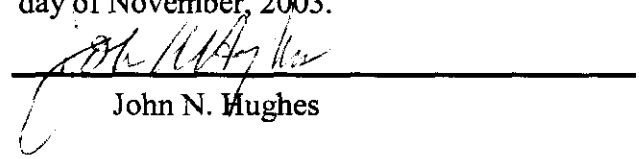
I certify that a copy of this motion was served on the Attorney General, 1024 Capital Center Dr, Frankfort, KY 40601 by first class mail the 12th day of November, 2003.



John N. Hughes

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE

COMMISSION

In the Matter of:

APPLICATION OF NORTHERN KENTUCKY)
WATER DISTRICT FOR (A) FOR AN)
ADJUSTMENT OF RATES; (B) A CERTIFICATE) CASE NO.
OF PUBLIC CONVENIENCE AND NECESSITY) 2003-00224
FOR IMPROVEMENTS TO WATER FACILITIES)
IF NECESSARY; AND (C) ISSUANCE OF BONDS)

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COMMISSION STAFF'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO NORTHERN KENTUCKY WATER DISTRICT

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Northern Kentucky Water District ("Northern District") file the original and 8 copies of the following information with the Commission no later than November 12, 2003 with a copy to all parties of record. Each copy of the information requested shall be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention shall be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be provided for total company

operations and jurisdictional operations, separately.

Q1. Refer to the response to Item 15(a) of the Commission's October 1, 2003 Order. Explain in detail how the data being gathered from demand meters that were placed on the wholesale customer connections will be used.

A1. Witness:Howe. Data collected from the demand meters which were placed on all wholesale connections in July of 2003 is being analyized and will provide the information needed to more accurately reflect the peak day and peak hour demands of the wholesale customer class. The hope is to have the analysis completed by next spring. These peaking factors will be used in the development of wholesale customers units of services, as illustrated in Lines 12 through 19; Schedule 13; Exhibit N.

Q2. Refer to Exhibit N of the Application, Schedule 13, and Units of Service for Rate Case Year.

Q2a. The wholesale classification contains usage for the city of Bromley ("Bromley"). What portion of the test year does the usage reflect?

A2a. Witness:Howe. From June 2002 through August 2002

Q2b. Bromley is listed as a wholesale customer. Given that Northern District purchased Bromley and is charging these customers the District's retail rates shouldn't the usage listed in the Cost-of-Service Study be used to calculate the retail rates and not the wholesale rate? If so, file all revised schedules in the application that would be impacted by this revision.

A2b. Witness:Howe. We concur. The revised schedules have been adjusted accordingly. Because customer billing information is not

specifically available for former City of Bromley customers, the Petitioner has assumed that 90 percent of the wholesale consumption is related to quarterly residential customers and the remaining 10 percent can be associated with quarterly commercial accounts.

Q3. Schedules 14 and 15 of Exhibit N allocate $21,534 to private fire protection. Why is this amount allocated 100 percent to the Quarterly Residential/Multi Family classification of customer on Schedule 15.1 when all other fire protection costs were allocated on a percentage basis among all retail classification of customers?

A3. Witness:Howe. With the recent update to Northern District's policy regarding private fire protection, this allocation has been modified so that all fire protection costs are now allocated on the same basis.

Q4. Refer to Exhibit C of the Application, Class A and B Water Districts and Associations Annual Report of Northern District for the Year Ended December 31, 2002 ("2002 Annual Report"), page 27 and to Exhibit N of the Application, Schedule 5, Revenues Not Subject to Rate Increase. Listed on Schedule 5 are surcharge revenues of $199,482. Identify the account on page 27 of the 2002 Annual Report where the surcharge revenues are recorded.

A4. Witness: Barrow. The surcharge "revenues" are not included on page 27 of the 2002 Annual Report of Class A and B Water districts. The Surcharge are not considered revenue for the annual report of Class A&B water districts. The surcharges are collected by the District specifically to pay for the debt that the District incurred for installing the water lines.

Q5. Refer to the response to Item 3(a) of the Commission's October 1, 2003 Order, Test Year Depreciation Study. In its review of the reasonableness of Northern District's depreciation lives the Commission used published reference guidelines.[1] For each asset grouping listed in the table below, provide a detailed explanation for the differences between the depreciation life being used by Northern District and the depreciation life listed in the reference guideline:

	Asset Group	Asset No.	Description	Sch Life	Ref. Life
a.	304-0001-000	26	Ohio River Pump Station	99	20-40
b.	304-0002-000	269 – 295	Water Plant Taylor Mill	60	20-40
c.	304-0002-000	302	Licking River Permanganate	99	20-40
d.	304-0002-000	303-349		60	20-40
e.	304-0002-000	3543	Sodium Hypochlorite Retrofit	50	7-15
f.	304-0002-000	4674	New Lab	60	15-40
g.	304-0002-000	4712	FTTP Automation	60	10-40
h.	304-0002-000	4713	TMTP Filter Rehab	60	40
i.	304-0002-000	31161	TMTP Automation Structure	60	40
m.	304-0002-000	31162	Baffle Clearwell FTTP	60	40
n.	304-0003-000	117	CC Structures & Improvements	50	35-40
o.	304-0003-000	414	KC Structures & Improvements	50	35-40
p.	304-0003-000	3542	Newport Pump station	60	20-40
q.	304-0003-000	4718	Bristow Road Pump station	60	20-40
r.	304-0004-000	954	Office Building	50	35-40
s.	304-0004-000	963	Office Building	50	35-40
t.	304-0005-000	4729	Structures Other	15	35-40
u.	304-0006-000	4732-4777	Water Treatment Structure	3-60	35-40
v.	309-0001-000	27-32	Supply Mains Licking River-Ohio	99	50-75
w.	311-0001-000	4678	Pump #6 OPPS	35	20
x.	311-0003-000	148-3563		35	20
y.	311-0003-000	3591	Pump Station Sodium Hypo Ret.	35	15
z.	311-0003-000	4721	Vertical Pumps-Bristow Road	35	20
aa.	311-0003-000	31163	Richardson Rd PS Upgrade	35	20

[1] Depreciation Practices for Small Water Utilities, National Association of Regulatory Commissioners, 1979, Figure 1 at 11; and O&M Guide for the Support of the Rural Water-Wastewater Systems, Commission of Rural Water, Chicago, Illinois, 1974 at 246-247.

bb.	320-0001-000	348-405		60	20-35
cc.	331-0001-000	445-31286	Mains	99	50-75
dd.	331-0002-000	4831-4869	Mains	99	50-75
ee.	333-0001-000	782	CC Services	68.5	40
ff.	333-0001-000	3566	Services Installed 2001	60	40
gg.	334-0001-000	812-827	Meters all zones	50	10
hh.	334-0001-000	856-4202	Meters	40,50	10
ii.	334-0001-000	4206-4288	Meters	50	10
jj.	334-0001-000	4291-4691	Meters	50	10
kk.	334-0001-000	31012	1999 Meters	40	10
ll.	335-0001-000	909-916	36" main TM to Dudley-Hydrants	99	50-75
mm.	340-0001-000	1170	CC Office Equip.	10	20-25
nn.	340-0001-000	4668	Conference Room Chair	185.8	5

A5. Witness:Sparrow/Barrow. In the early 1970's, the former Kenton County Water District No.1 participated in a national pilot program of the Federal Government intended, among other goals, to establish the infrastructure costs of the District, prior to 1970. This study established estimated infrastructure costs, the accumulated depreciation and the lives used for depreciation. In addition, other reference guides have included depreciation life such as the American Water Works Association. These lives used have been consistent for the last thirty-five years.

Note that with few exceptions, the depreciation lives used by Northern District are more conservative than those recommended by the Commission and hence, potentially understates depreciation expense. As noted in prior Applications to the Commission, Northern District believes that its depreciation expense is understated, but the extent of this understatement can only be determined through a depreciation study. Northern District is in the process of complying with Commission's Order of August 11, 2003 to conduct a depreciation study.

6. Refer to the response to Item 3(b) of the Commission's October 1, 2003 Order, Schedule of Assets Recorded in the Depreciation Summary.

Q6a. Provide the journal entries that Northern District recorded to reflect the purchase of the assets of the City of Newport Waterworks ("Newport").

A6a. Witness:Barrow. See Tab 6.

Q6b. Did Northern District perform an analysis of the asset values and/or an analysis of the projected cash flows to determine if the amount paid Newport was reasonable? If yes, provide copies of the any analysis that was performed.

A6b. Witness:Barrow. Response in Case 2002-0066 addressed this question. The cost model used to analyze the acquisition was filed on a disk in Excel, which is incorporated by reference.

Q6c. In Case No. 9059,[2] the Commission determined that, "The burden of proof is upon the utility to justify its investment at the price in excess of the net original cost based on economic and quality of service criteria." To meet this burden of proof, the Commission established the criteria a utility must meet in order to recover any investment in excess of the net original cost ("plant acquisition adjustment"). Provide evidence to show that Northern District's proposed purchase of Newport meets the following criteria:

1) The purchase price was established upon arms-length negotiation.

(2) The initial investment plus the cost of restoring the facilities to required standards will not adversely impact the overall costs and rates of the existing and new customers.

(3) Operational economies can be achieved through the acquisition.

(4) The purchase price of utility and non-utility property can be clearly identified.

(5) The purchase price will result in overall benefits in the financial and service aspects of the utility's operations.

A6c. Witness:Barrow The response to this item was provided in Item 7 of the April 3, 2002 filing in Case No. 2002-0066.

Q7. Refer to Exhibit A of the Application, Projected Total Debt Service following Issuance of Case No. 2003-00224 Revenue Bonds.

Q7a. According to the schedule the debt service for the calendar year 2003 is $8,371,108. However, the total of the debt payments listed on the schedule for 2003 is actually $8,310,566. Which is the correct debt service for the calendar year 2003? If the correct debt service is $8,371,108, provide a corrected schedule.

A7a. Witness:Ross. See Tab 7a for letter of explanation, paragraph one and revised debt service schedule.

Q7b. Explain why the fluctuation between 2004 and 2003 debt service payments for the 2003B bonds is $174,050.

A7b. Witness:Ross. See Tab 7b for letter of explanation, paragraph two.

Q7c. Provide a reconciliation between the expected total debt services for the years 2003 through 2007 listed on this schedule with those listed in Exhibit N of the Application, Schedule 3, Debt Service.

A7c. Witness:Ross. Revised debt service schedules have been included with the revised filing. The debt service schedule provided as Exhibit A provides a summary of debt service by calendar year.

Revised Schedule 3.2R provides total debt service on an annual (i.e. calendar year) basis as well as an accrued basis. The difference between the accrued schedule and the annual (calendar year) debt service schedule is a timing variance of 6 months.

The accrued basis is used for the 2003 through 2007 debt service schedule in order to comply with the requirements of the 1985 General Bond Resolution as amended (1985 Resolution). As defined in the 1985 Resolution, the Annual Debt Service Requirement is "for any Bond Fiscal Year, as applied to the bonds, shall mean the interest on the Bonds which shall be due and payable August 1 of such Bond Fiscal Year and February 1 of the ensuing Bond Fiscal Year, the principal of the Bonds which shall be due and payable on February 1 of the ensuing Bond Fiscal Year, and any Sinking Fund Installments in respect of the Bonds which sall be due and payable on February 1 of the ensuing Bond Fiscal Year." Where the Bond Fiscal Year is defined as "each annual period which begines on February 1 in any year and ends on January 31 in the following calendar year." See Tab 7.

Q8. Refer to Exhibit N of the Application, Schedule 3, Debt Service.

Q8a. Provide a detailed explanation for the following statement in footnote (a), "Represents required deposits during year (accrued basis)."

A8a. Witness:Howe. The accrual basis of accounting recognizes expenses in the period when the related revenue is recognized independent of the time when cash is paid out. According to Statement of Financial Accounting Concepts (SFAC) of the Financial Accounting Standards Board (FASB), No. 1, "accrual accounting attempts to record the financial effects and circumstances that have cash consequences for the enterprise in the periods in which those

transactions, events, or circumstances occur rather than only in the periods in which cash is received or paid by the enterprise." As noted in Petitioner's response to Question 7c, Northern District's 1985 Resolution requires Northern District to deposit into the Debt Service Fund, the Annual Debt Service Requirement, which as defined in the 1985 Resolution, is recognized under accounting standards as an accrued expense.

Q8b. Identify any bond ordinance requirement that Northern District earn 20 percent debt service coverage on the outstanding balance on its bond anticipation notes ("BANS").

A8b. Witness:Spoor. There are no bond ordinance requirements that Northern District maintain a 20 percent coverage ratio on debt issued via BANS. However, as noted in Petitioner's response to Question 8c below, the principal and interest payments on Schedules 3 and 3.2 are for the proposed 2003 Bonds, Series C. The heading on Schedule 3 is a misprint and has been corrected on Schedule 3R.

Q8c. Are the 2004 through 2007 interest and principal payments for the BANS actually the debt service payments for the proposed 2003 Bonds, Series C?

A8c. Witness:Howe. Yes.

Q9. Refer to the response to Item 4 of the Commission's October 1, 2003 Order and response to Item 8 of the Commission's October 1, 2003 Order, General Ledger, Account 610-1000-026, Water Purchased – City of Newport. Explain why purchased water expense from Newport is included in Northern District's test-period operations.

A9. Witness:Barrow. NKWD took over Newport Water Works starting June 14, 2003. NKWD was still a wholesale customer purchasing water from Newport Water Works up to that date. The $30,008.00 is the payment of the final water purchases from Newport Water Works from June 1, 2003 to June 13, 2003. It was included because the test year runs from June 1, 2002 to May 31, 2003. It is actual expense incurred during that time period.

Q10. Refer to the response to Item 4 of the Commission's October 1, 2003 order.

Q10a. Provide a copy of the detail list of employee and payroll spreadsheet on a computer disk in Microsoft Excel 97 format.

A10a. Witness:Barrow. See Tab 10.

Q10b. Was an employee promoted from the position of Data Base Administrator to Computer Specialist on September 1, 2003? If the response is yes, does Northern District's pro forma salary and wage adjustment reflect the increase in the hourly wage?

A10b. Witness:Barrow. No.

Q10c. Was an employee promoted from the position of Payroll Clerk to Payroll Clerk PT on September 1, 2003? If the response is yes, does Northern District's pro forma salary and wage adjustment reflect the increase in the hourly wage?

A10c. Witness:Barrow. No, however refer to answer to 10d.

Q10d. Does Northern District intend to fill the vacant positions identified in (b) and (c) above? If the response is yes, provide the expected hire date and hourly wage(s).

A10d. Witness:Barrow. Yes, the Database administrator was replaced on June 30. 2003 and at a hourly salary of $23.08. The position of payroll clerk will be replaced in the next six to nine months either with a payroll clerk or most probably an accountant.

Q10e. Has Northern District filled any of the employee positions that are listed as being terminated during the test period? Identify those positions and provide the current hourly wage, health insurance premium less employee portion, life insurance, and dental insurance.

A10e. Witness:Barrow.

Tony McClendon	replaced by:	Doug Webb
Tom Richardson	replaced by:	Chris Wetherell
	replaced by:	Dave Miller
	replaced by:	Jason Miller
	replaced by:	Frank Armstrong
Ruth Taylor	replaced by:	Debbie Kircher
Jason Wise	replaced by:	Chuck Leach
Lloyd Thurman	replaced by:	Chris Couch
Ken Vohwinkle	replaced by:	David Courtney
Heather Riley	replaced by:	Denise Manning
Tina Carter	replaced by:	Jessica Schlimm
Glenda Carmack	NOT REPLACED TO DATE	
Tom Alford	replaced by:	Chris Lawsonl
Mike Post	NOT REPLACED TO DATE	

Q11. Refer to the response to Item 6(a) of the Commission's October 1, 2003 Order. Does the average monthly health insurance premium of $93,735 reflect the elimination of the employee portion of the premium?

A11. Witness:Barrow. The average monthly health insurance premium does reflect the elimination of the employee portion of the premium. Please note that the expense account average includes dental insurance and life insurance in addition to the Blue Cross/Blue Shield insurance payments (less the employee portion of the premium).

Q12. Refer to the response to Item 6(c) of the Commission's October 1, 2003 Order.

Q12a. Provide copies of health insurance billing statements for May 2002, August 2002, and September 2002.

A12a. Witness:Barrow. See Tab 12.

Q12b. Using the September 2003 health insurance invoice, provide for each employee the monthly health insurance premium, the employee contribution, and the net health insurance premium. Also, provide the information in a spreadsheet on a computer disk in Microsoft® Excel 97 format.

	Monthly Premium	Employee Contribution	Net Monthly Premium
Employee Name			

A12b. Witness:Barrow. Diskette can be found behind Tab 10.

Q13. Refer to the response to Item 7 of the Commission's October 1, 2003 Order.

Q13a. Provide the policy periods for the following insurances:
Workers Compensation, automobile and general liability/ other.

A13a. Witness:Barrow. All policies run from January 1 to December 31 with the exception of Pollution which is for the period of January 1, 2001 to December 31, 2003. The payment for Pollution is put to prepaid expense and then one-third is expensed each year.

Q13b. Provide copies of all Workers Compensation insurance invoices Received during calendar year 2003.

A13b. Witness:Barrow. See Tab 13b. Note: This is in addition of 7E of the Commission's October 1, 2003 order. This was the result of an audit of the 2002 Workers Compensation Insurance.

Q13c. Provide copies of all automobile insurance invoices received during calendar year 2003.

A13c. Witness:Barrow. See Tab 13. The only invoice paid was included in 7e of the responses to the Commission's October 1, 2003 order.

Q13d. Provide copies of all general liability/other insurance invoices received during calendar year 2003.

A13d. Witness:Barrow. See Tab 13d. This is in addition to answer 7E of the Commission's order dated October 1, 2003.

Q14. Refer to the response to Item 11(c) of the Commission's October 1, 2003 order.

Q14a. Northern District included service applications/tap-on fees of $633,153 in its determination that its requested revenue requirement is in compliance with the 1985 General Bond Resolution as amended. Explain why service applications/tap-on fees have been included as a source of income in this determination.

A14a. Witness:Spoor. The definition of "District Revenues" appears at page 6 of the Restated General Bond Resolution and it provides, in pertinent part, as follows: "...shall mean the totality of all water service rates, rentals and charges of any and all types and varieties imposed, enforced and collected by the District for services rendered by the works and facilities of the District...."

Section 711 appearing at page 54 of the Restated General Bond Resolution provides, again in pertinent part, as follows:
"The District shall at all times establish, enforce and collect rates, rentals, and charges for services rendered and facilities afforded by said District works and facilities constituting the Public Water System...."

This same Section 711 contains the rate covenant for the bonds as follows:
"...and annual revenue from such rates, rentals and charges shall be further adequate provide...1.20 times coverage of annual principal, interest, and Sinking Fund requirements on all Bonds, and shall, if necessary, be adjusted from tie to time to comply herewith."

In light of these provisions, it is clear that service applications/tap-on fees are payments which are included within the definition of District Revenues and, as such, are subject to the revenue requirements appearing elsewhere in the Restated General Bond Resolution.

Q14b. Has Northern District included the costs associated with the meter installations as an off-set to the service applications/tap-on fees? If no, provide a detailed explanation as to why the fees have been included but not the off-setting costs.

A14b. Witness:Barrow. No. The meters are capital items and are recorded on the balance sheet as fixed assets. The costs are not considered operating expenses.

Q15. Refer to the response to Item 12(a) of the Commission's October 1, 2003 Order.

Q15a.Has Northern District refinanced any of the bonds used to fund a Sub-district? If the response is yes, provide the sub-district title and cite the case approving the refinancing.

A15a. Witness:Barrow. Yes. Sub-District A and B were refinanced by case-no 2002-0198 and case no. 2002-00468, title 2003A Bond issue.

Q15b. Explain why the Commission should not roll the surcharges for Sub-Districts A, B, and C into Northern District's general rates.

A15b. Witness:Harrison. There is no benefit to the general customers to combining the two. The Sub-district customers are benefiting from extensions of water mains that would otherwise have not been feasible due to limited number of customers in the affected areas and excessive costs to make the extensions. These customers also benefited from grants or low interest loans available to areas containing a high percentage of low to moderate income families.

The surcharge paid by these customers merely reflects the cost of providing service to them. If the extensions to these customers had been made according to the District's "50 foot policy", the customers would have had to make substantial lump sum payments, prior to construction or secure loans at a significantly higher interest rate then the District can obtain. Most could no afford to do so. The surcharge, in effect, provides an installment payment plan for these customers, which allows the payment of that initial cost over a period of years. Because the surcharge is recalculated each year to reflect additional customers and reduction in debt costs, the financial impact is minimized.

The use of the surcharge allows extension of water to areas that the District would not serve due to excessive costs. By imposing the surcharge, more residents are provided access to potable water, which improves public health and safety and reduces the overall cost of water. Most of the residents served in the Sub-district have cisterns or haul water. The cost of water hauling is far greater than the cost being paid to the District for water. It is estimated that it will cost over $55,000,000 to provide water to the remaining 2,700 plus households in Kenton and Campbell County who do not have access to the District's water system. If the benefited customers are not required to pay a surcharge and participate in the cost of the extension, future extensions will not be feasible. Elimination of the surcharge will essentially prohibit future extensions of water to un-served areas of the District's system.

Additionally, the surcharge reflects the Commission's policy of placing the cost of new customers on those customers similar to a system development charge.

Q15c. Provide for each surcharge listed below the impact it would have if it were to be rolled into the general rates. Include copies of all work papers, calculations, and assumptions used in the determinations.

(1) Sub-District A

(2) Sub-District B

(3) Sub-District C

Q15c. Witness:Howe. As requested, the Petitioner has calculated the impact that rolling each of the identified Sub-Districts would have on the general rates. Please note, in order to refund the accumulated

surcharge amounts, long-term debt financing will be required. Revenue bond issues have been assumed to be for a 20-year tenure with an interest rate of 5.5 percent. The total debt amount calculated for each Sub-District is the sum of the accumulated surcharge through December 31, 2002 (See Petitioner's Exhibit C) plus the amount surcharged through May 31, 2003 (See Tab 15) plus debt issuance costs.

A15c (1). Witness:Howe. Sub-District A: Increase over revised application is 0.6 percent. Total new debt to be issued = $1,090,000. See Tab 15a for revised Exhibit N, Schedule IR.

A15c (2) Witness:Howe. Sub-District B: Increase over revised application is 0.4 percent. Total new debt to be issued = $550,000. See Tab 15a for revised Exhibit N, Schedule IR

A15c (3). Witness:Howe. Sub-District C: Increase over revised application is 1.05 percent. Total new debt to be issued = $710,000. See Tab 15a for revised Exhibit N, Schedule IR.
NOTE: Based on the questions and review of the data requested by the Commission and the Attorney General, please find revised cost of service schedules that reflect the issues questioned behind Tab 15b.

Q16. Refer to the Response to Item 8 of the Commission's October 1, 2003 Order. For each item listed in the table below, provide a complete description of the engineering service provided and a copy of the supporting invoice.

	Account	Transaction Date	Journal No.	Vendor	Amount
a.	631-3000-022	06/06/02	88,110	Black and Veatch	$ 1,278.38
b.	631-3000-022	06/06/02	88,112	Black and Veatch	$ 3,132.66

c.	631-3000-022	07/10/02	90,356	Black and Veatch	$ 3,210.65
d.	631-3000-022	07/10/02	90,691	Black and Veatch	$ 570.97
e.	631-3000-022	08/08/02	92,323	Black and Veatch	$ 2,052.74
f.	631-3000-022	10/02/02	95,181	Black and Veatch	$ 328.56
g.	631-3000-022	11/08/02	97,594	Black and Veatch	$ 347.99
h.	631-3000-029	06/06/02	88,111	Black and Veatch	$ 5,756.76
i.	631-3000-029	07/10/02	90,509	Black and Veatch	$ 7,936.62
j.	631-3000-029	08/08/02	91,986	Black and Veatch	$ 4,750.01
k.	631-3000-029	12/05/02	98,816	Black and Veatch	$ 4,622.37
l.	631-5000-002	09/01/02	93,545	Black and Veatch	$ 8,768.55

m.	631-5000-002	09/11/02	94,160	Black and Veatch	$ 15,498.98
n.	631-5000-002	10/03/02	96339	Black and Veatch	$ 14,643.08
o.	631-5000-002	11/02/02	96,192	Humpert Wolnitzek Arch.	$ 7,213.72
p.	631-5000-002	11/20/02	97,596	Black and Veatch	$ 18,496.94
q.	631-5000-002	12/05/02	98,815	Black and Veatch	$ 8,081.94
u.	631-8000-079	06/06/02	88,519	Black and Veatch	$ 2,667.11
r.	631-3000-029	03/01/03	104,204	Quest Engineers, Inc.	$ 1,400.00
s.	631-3000-029	04/24/03	104,964	Quest Engineers, Inc.	$ 1,500.00
t.	631-3000-029	05/01/03	106,463	Quest Engineers, Inc.	$ 1,600.00
u.	631-5000-030	01/06/03	99,781	Voix & Voix, Inc.	$ 5,136.00
v.	631-5000-030	01/06/03	100,134	Black and Veatch	$ 7,173.58
w.	631-5000-030	01/24/03	100,965	Woolpert	$ 4,200.00
x.	631-5000-030	02/10/03	101,655	Black and Veatch	$ 2,875.78
y.	631-5000-030	05/12/03	107,422	Black and Veatch	$ 7,565.37
z.	635-6001-027	01/06/03	100,081	Black and Veatch	$ 4,058.56
aa.	635-6001-027	05/31/03	107,794	Black and Veatch	$ 5,085.43

A16. Witness:Barrow. See Tab 16.

Q17a. Refer to the Response to Item 8 of the Commission's October 1, 2003 Order. For each expense recorded in Account 633-8000-079, Contractual Services – Legal, provide a complete description of the services provided and a copy of the supporting invoices.

A17a. Witness:Barrow. See Tab 17a. The complete description for each expense recorded is detailed on each copy of the invoice.

Q17b. For each expense recorded in Account 633-8000-078, Legal Fees – Ops., provide a complete description of the service provided and a copy of the supporting invoice.

A17b. Witness:Barrow. See Tab 17b. The complete description for each expense recorded is detailed on each copy of the invoice.

Q18. Refer to the Response to Item 8 of the Commission's October 1, 2003 Order. For each item listed in the table below, provide a complete description of the expenditure and a copy of the supporting invoice.

	Account	Transaction Date	Journal No.	Vendor	Amount
a.	635-6000-017	01/01/02	96,688	Reynolds, Inc.	$ 12,721.00
b.	635-6001-027	06/27/02	88,494		$ 24,556.00
c.	635-6005-031	08/01/02	91,985	Aqua Rehab	$ 50,104.80
d.	635-6005-031	10/03/02	94,507	Aqua Rehab	$ 198,688.60
e.	635-6005-031	10/23/02	95,737	Aqua Rehab	$ 177,561.57
f.	635-6005-031	11/22/02	97,406	Aqua Rehab	$ 47,372.78
g.	635-8000-079	01/31/03	101,644	Pinger Public Relations	$ 3,251.66
h.	635-6001-027	05/01/03	106,405	Aaron Contractors	$304,400.00

A18. Witness:Barrow. See Tab 18.