

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PROPOSED)
ADJUSTMENT OF THE WHOLESALE) CASE NO. 2017-00417
WATER SERVICE RATES OF)
LEBANON WATER WORKS)

SUPPLEMENTAL RESPONSE OF
LEBANON WATER WORKS COMPANY
TO
COMMISSION STAFF'S
SECOND REQUEST FOR INFORMATION
DATED APRIL 23, 2018

FILED: June 27, 2018

COMMONWEALTH OF KENTUCKY

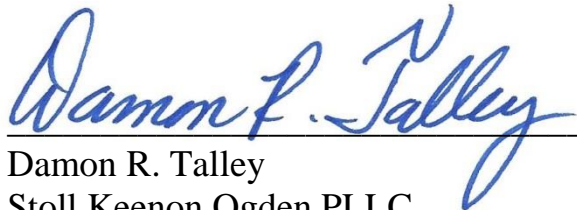
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**ELECTRONIC PROPOSED)
ADJUSTMENT OF THE WHOLESALE) CASE NO. 2017-00417
WATER SERVICE RATES OF)
LEBANON WATER WORKS)**

**SUPPLEMENTAL RESPONSE OF LEBANON WATER WORKS
COMPANY TO COMMISSION STAFF'S SECOND
REQUEST FOR INFORMATION**

Comes the Lebanon Water Works Company, for its Supplemental Response to Question No. 20 of the Commission Staff's Second Request for Information, and states as shown on the following pages.



Damon R. Talley
Stoll Keenon Ogden PLLC
P.O. Box 150
Hodgenville, KY 42748-0150
Telephone: (270) 358-3187
Fax: (270) 358-9560
damon.talley@skofirm.com

*Counsel for Lebanon Water Works
Company*

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

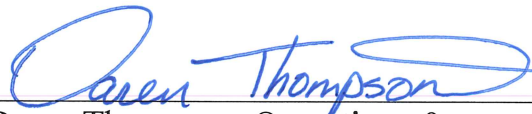
In the Matter of:

ELECTRONIC PROPOSED)
ADJUSTMENT OF THE WHOLESALE) CASE NO. 2017-00417
WATER SERVICE RATES OF)
LEBANON WATER WORKS)

CERTIFICATION OF SUPPLEMENTAL RESPONSE TO
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

This is to certify that I have supervised the preparation of Lebanon Water Works Company's Supplemental Response to the Commission Staff's Second Request for Information. The response submitted on behalf of Lebanon Water Works Company is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Date: 6/27/18



Daren Thompson, Operations &
Management Superintendent
Lebanon Water Works Company

LEBANON WATER WORKS COMPANY

CASE NO. 2017-00417

**Supplemental Response to Commission Staff's Second Request for
Information**

Question No. 20

Responding Witness: Daren Thompson & Lisa Mattingly

Q-20. Rate Case Expense

A-20. Supplemental Response

B. As of June 24, 2018, the Company has incurred **\$162,695.30** in total rate case expense. Rate case expense from Kentucky Engineering Group totals **\$8,178.89**. The final invoice from Kentucky Engineering Group is attached as **Exhibit 20-1**. Rate case expense from Stoll Keenon Ogden PLLC totals **\$154,516.41**. The invoice for time worked from June 1, 2018 through June 24, 2018 from Stoll Keenon Ogden PLLC is attached as **Exhibit 20-2**.

The Company provided invoices of Kentucky Engineering Group for the first \$6,000 in expenses as **Exhibit 20** of the Direct Testimony of Daren Thompson filed March 21, 2018. The Company provided invoices of Stoll Keenon Ogden PLLC for time worked in September 2017 through February 2018 as **Exhibit 21** of the Direct Testimony of Daren Thompson filed March 21, 2018. The Company

provided invoices of Stoll Keenon Ogden PLLC for time worked in April and May as **Exhibit 5** of the Rebuttal Testimony of Daren Thompson filed on June 8, 2018. The invoice of Stoll Keenon Ogden PLLC for time worked in March 2018 is attached as **Exhibit 20-3**.¹

Rate Case Expense Summary	
Kentucky Engineering Group	\$ 8,178.89
Stoll Keenon Ogden PLLC	\$154,516.41
Total	\$162,695.30

¹ The March 2018 Invoice of Stoll Keenon Ogden PLLC was inadvertently omitted from the Rebuttal Testimony of Daren Thompson filed on June 8, 2018. However, the March 2018 Invoice amount was included in the rate case expense totals stated on pages 23-24 of the Rebuttal Testimony of Daren Thompson.

EXHIBIT 20-1



INVOICE

Invoice Date: June 21, 2018

CLIENT:
 Lebanon Water Works Inc.
 120 South Proctor Knott Avenue
 Lebanon KY 40033

Invoice No. 2018-040

Project No. 17001

Job Description: Rate Study
Billing Period: July 15, 2017 - June 20, 2018

SERVICES	Total Fee	% Complete	Amount Earned to Date	Amount Paid to Date	Amount Due This Period
Study	\$ 6,000.00	100%	\$ 6,000.00	\$ 6,000.00	\$ -
Total Fees:	\$ 6,000.00				
Additional Fee for KY PSC Work:					
Hours:					
20.5 hours	\$ 1,845.00	100%	\$ 1,845.00	\$ -	\$ 1,845.00
Expenses:	\$ 333.89	100%	\$ 333.89	\$ -	\$ 333.89
Total Amount Due To Date					\$ 2,178.89
Previous Amount Paid					\$ 6,000.00
Total Amount Due This Invoice					\$ 2,178.89

**PLEASE MAKE CHECK PAYABLE TO: KENTUCKY ENGINEERING GROUP, PLLC
 PO BOX 1034, VERSAILLES KY 40383**

ORIGINAL

EXHIBIT 20-2



DAMON R. TALLEY
PH: 270-358-3187
FAX: 270-358-9560
damon.talley@skofirm.com

PO Box 150
112 N. LINCOLN BLVD.
HODGENVILLE, KY 42748

June 25, 2018

Daren Thompson, O&M Superintendent
Lebanon Water Works Company
120 South Proctor Knott Avenue
Lebanon, KY 40033

For Professional Services

RE: Invoice #882030 Acct #120538/157999 Wholesale Rate Increase

Legal Services performed from June 1, 2018 through June 24, 2018 as Special Counsel for Lebanon Water Works Company concerning the Wholesale Rate Increase Matter pending before the PSC as itemized in the attached Invoice.

\$ 65,517.00

LESS SPECIAL CLIENT DISCOUNT

- 30,000.00

Subtotal

\$35,517.00

Reimbursement of Expenses – (See last page of Invoice)

266.42

GRAND TOTAL:

\$35,783.42

Professional Services for the period through 06/24/18, including the following:

Re: Wholesale Rate Increase

Our Reference: 120538/157999/DRT/2404

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
06/01/18	Discussed contents of new Exhibit with Tyler Fallin and answered his questions re his role at PSC Hearing and areas for him to focus upon; discussed need for new Exhibit re Depreciation Schedule with Lisa and Daren; also discussed areas for Daren to focus upon re his Rebuttal Testimony; reviewed Depreciation Schedule for FY 2017; prepared list of assets for which incorrect useful life was used; prepared lengthy email memo to Daren, Lisa, and Tyler re new Exhibit to use with Daren's Rebuttal Testimony	DRT	2.80
06/01/18	Reviewed list of topics prepared by attorney Wimberly to include in Daren's Rebuttal Testimony; prepared email memo to Wimberly and suggested additional topics to include; reviewed numerous documents already filed in PSC proceedings to find areas that need additional testimony or supporting documents	DRT	1.50
06/01/18	Drafted outline of Thompson Rebuttal Testimony; drafted Thompson Rebuttal Testimony	MEW	1.50
06/02/18	Reviewed Daren's Testimony dated 1-31-18 and 3-21-18; reviewed relevant portions of the Responses to prior Information Requests so Rebuttal Testimony will be consistent; made notes on changes to make and additional topics to include in Rebuttal Testimony	DRT	2.10
06/03/18	Prepared portions of Daren's Rebuttal Testimony pertaining to Free Water, Cost of Sludge Disposal, and Pension Expense	DRT	4.50
06/03/18	Drafted Thompson Rebuttal Testimony; added information from Damon Talley to Thompson Rebuttal Testimony	MEW	3.40
06/04/18	Reviewed draft version of Thompson's Rebuttal Testimony; made edits and additions to Rebuttal Testimony; sent numerous email memos to Daren and Lisa regarding additional information needed for Rebuttal Testimony and exhibits; requested recent Campbellsville water bills and new CERS Pension Expense contribution rate; reviewed and edited two (2) later versions of Thompson Rebuttal Testimony; made numerous phone calls to Daren and Lisa to obtain additional information; forwarded latest revision of Thompson Rebuttal Testimony to Daren with questions noted	DRT	4.50
06/04/18	Reviewed Depreciation Schedule Worksheet with proforma FY 2018 Depreciation expense; reviewed email from Tyler; sent email memo to Tyler with questions; reviewed reply emails from Tyler; corresponded with Holly regarding need for new exhibit for her Rebuttal Testimony; scheduled conference call with Holly; drafted additional provisions to Thompson Rebuttal Testimony; reviewed Exhibit 1-1 previously filed in rate case	DRT	2.70
06/04/18	Discussed Thompson Rebuttal Testimony and other matters with attorney Wimberly; sent and reviewed numerous email memos to	DRT	0.00

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	and from attorney Wimberly No Charge.		
06/04/18	Reviewed MCWD's Response to LWW's RFI	DRT	0.30
06/04/18	Drafted Rebuttal Testimony; discussed Rebuttal Testimony with Damon Talley; edited Rebuttal Testimony; reviewed Marion District Responses to Request for Information	MEW	1.80
06/05/18	Met with attorney Wimberly to discuss legal strategy, to outline topics to include in Holly's Rebuttal Testimony, and to add sections to Daren's Rebuttal Testimony; discussed division of work and responsibilities of each at Formal Hearing before PSC. No Charge.	DRT	0.00
06/05/18	Prepared additional sections to be included in Holly's Rebuttal Testimony; discussed items to be included in Holly's Rebuttal Testimony and Holly's Exhibit 1 with Holly; prepared several email memos to Holly and replied to her emails; reviewed and revised different versions of her Rebuttal Testimony	DRT	3.50
06/05/18	Received email memo from PSC staff attorney and from attorney Samford; replied to emails; participated in conference call with attorney Samford and PSC staff attorneys re PSC Hearing Date, whether Hearing would need to be advertised, and other procedural matters; notified clients and witnesses of Hearing date; answered questions from Holly and others re Hearing procedures	DRT	1.30
06/05/18	Discussed Daren's Rebuttal Testimony with him in a very long phone call and discussed other aspects of case with him; answered his questions re PSC Hearing and procedures; reviewed first draft of Daren's Rebuttal Testimony; prepared additional sections and topics to be included; revised first and second versions of his Rebuttal Testimony; researched background facts to be used to support his Rebuttal Testimony; prepared memo to file	DRT	3.10
06/05/18	Edited Thompson Rebuttal Testimony; discussed Rebuttal Testimony and Marion District Responses to Request for Information with Damon Talley; drafted Nicholas Rebuttal Testimony; Edited Nicholas Rebuttal Testimony	MEW	4.10
06/06/18	Reviewed new spreadsheet prepared by Holly; verified data included in spreadsheet; exchanged several email memos with Holly regarding spreadsheet and exhibit; made additional suggested edits to spreadsheet; drafted additional sections to include in Holly's Rebuttal Testimony; prepared numerous email memos to Daren and Lisa regarding Rebuttal Testimony, CERS information provided by State Budget Director; prepared other email memos to Daren re Holly's Rebuttal Testimony and exhibit	DRT	4.10
06/06/18	Discussed several topics with attorney Wimberly; prepared numerous email memos to her re Holly's Rebuttal Testimony and exhibit. No Charge.	DRT	0.00
06/06/18	Discussed Rebuttal Testimony with Damon Talley. No Charge.	MEW	0.00

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
06/07/18	Reviewed and revised Holly's Rebuttal Testimony; reviewed and revised later version of Holly's Rebuttal Testimony; reviewed and revised Exhibit 1; forwarded revised Exhibit and Rebuttal Testimony to Holly	DRT	2.60
06/07/18	Drafted additional provisions to include in Daren's Rebuttal Testimony; discussed his Rebuttal Testimony with Daren; drafted more Q and A for Daren's Rebuttal Testimony; reviewed PSC Order scheduling formal Hearing; forwarded Order to clients, Tyler, and Holly	DRT	2.10
06/07/18	Discussed changes to Holly's Rebuttal Testimony and Daren's Rebuttal Testimony with attorney Wimberly; sent and reviewed numerous documents to attorney Wimberly; reviewed her reply emails. No Charge.	DRT	0.00
06/07/18	Edited Nicholas Rebuttal Testimony based on edits from Damon Talley; Discussed Rebuttal Testimony with Damon Talley; Edited Thompson Rebuttal Testimony based on edits from Damon Talley	MEW	2.50
06/08/18	Reviewed proposed FY 19 Budget and supporting materials for use in preparing Exhibits for PSC Hearing; discussed electric demand charges and sludge expenses with Daren; reviewed and revised several versions of Daren's Rebuttal Testimony; drafted additional Q&A to include in Daren's Rebuttal Testimony; reviewed final version of Rebuttal Testimony	DRT	3.10
06/08/18	Reviewed final versions of Daren's Rebuttal Testimony and Holly's Rebuttal Testimony for quality control; reviewed final version of Exhibits. No Charge.	DRT	0.00
06/08/18	Reviewed PSC's 3rd RFI	DRT	0.30
06/08/18	Discussed Thompson and Nicholas Rebuttal Testimonies with Damon Talley; Prepared Rebuttal Testimonies for filing; Filed Rebuttal Testimonies with PSC	MEW	3.20
06/09/18	Forwarded PSC's 3rd RFI to Daren, Lisa, Holly, and Tyler; studied PSC's 3rd RFI; reviewed several questions posed by Lisa regarding PSC's 3rd RFI; prepared email memo to Lisa answering some of her questions and concerns; reviewed several draft responses prepared by Lisa and reviewed several supporting documents received from Lisa	DRT	3.10
06/10/18	Conferred with D. Talley re PSC Hearing Legal issues	GEW	0.80
06/11/18	Reviewed and analyzed draft answers prepared by Lisa and Tyler and other information provided by them in response to PSC's 3rd RFI; prepared for Conference Call; participated in Conference Call with Daren, Lisa, and attorney Wimberly; reviewed other documents needed to draft responses to PSC's 3rd RFI; numerous other discussions with client and attorney Wimberly re division of work in preparing Response	DRT	6.30

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
06/11/18	Discussed need for Affidavit with CNB President Thompson; drafted most of the provisions of the Affidavit for Thompson; reviewed various Bond Ordinances and other documents to provide background for Affidavit and for response to Question 8 of PSC's 3rd RFI; performed more research needed for responses to other questions in RFI	DRT	3.10
06/11/18	Prepared numerous other email memos to attorney Wimberly; replied to her email memos; discussed various aspects of our response to PSC's 3rd RFI. No Charge.	DRT	0.00
06/11/18	Reviewed email memo from Holly re Question 8; prepared email memos to Holly; reviewed amortization schedules provided by Holly; other email correspondence with Holly re Response to RFI; researched other documents previously provided by Holly	DRT	1.10
06/11/18	Drafted Response to PSC Request for Information; Participated in conference call re Response to PSC Request for Information with Damon Talley, Daren Thompson, and Lisa Mattingly; Created exhibits for Response	MEW	3.30
06/12/18	Drafted three (3) additional paragraphs to Thompson Affidavit; reviewed and revised first version; made additional edits to Affidavit; prepared email memo to Thompson re Affidavit; reviewed email memo from Thompson re his edits and revisions; communicated with Thompson re his revisions; reviewed final version of Affidavit; worked on responses to other questions contained in PSC's 3rd RFI; discussed responses with Lisa and Daren; answered their questions re some of the questions; verified Debt Service payment amounts on all loans	DRT	5.50
06/12/18	Exchanged numerous email memos with attorney Wimberly; discussed various aspects of Response to PSC's 3rd RFI with attorney Wimberly. No Charge.	DRT	0.00
06/12/18	Drafted Response to Commission Staff's Third Request for Information; Discussed Response with Damon Talley; Drafted Exhibit 9-1	MEW	6.20
06/13/18	Drafted portions of Response to PSC's 3rd RFI; participated in numerous lengthy phone calls with Daren, Lisa, and attorney Wimberly to obtain information to include in Response and as Exhibits to Response; assisted with preparation of Exhibits 3-1 and 9-1 (NARUC Depreciation Worksheet); reviewed and revised various drafts of Response; reviewed and revised Notice of Filing of Witness and Exhibit Lists; performed other legal services to facilitate timely filing of Response	DRT	15.30
06/13/18	Proofread final version of Response to PSC's 3rd RFI for quality control; reviewed Exhibits to be filed with Response. No Charge.	DRT	0.00
06/13/18	Drafted Exhibit 3-1 and Exhibit 9-1 to Commission Staff's Third Request for Information; Drafted Response to Commission Staff's Third Request for Information; Discussed Response with Damon	MEW	13.80

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	Talley; Discussed Response with Daren Thompson; Drafted transmittal letter; Drafted Notice of Filing; Drafted Witness and Exhibit Lists; Filed Notice of Filing with PSC; Prepared Response for filing; Filed Response to Commission Staff's Third Request for Information with PSC		
06/14/18	Prepared lengthy email memo to Holly re Pete Thompson Affidavit, Debt Service Coverage, and difference in 3 year average Debt Service payments; forwarded LWW's Response to PSC's 3rd RFI to Holly; reviewed P and I payments on all loans; reviewed Exhibit 3-1; discovered mistake in Exhibit 3-1; prepared lengthy email memo to Daren and Lisa re mistake in Exhibit 3-1; prepared preliminary list of topics to use in my practice cross examination of Daren	DRT	2.60
06/14/18	Discussed division of work with attorney Wimberly and made work assignments to her for pre-Hearing preparations; sent and received several emails to and from attorney Wimberly. No Charge.	DRT	0.00
06/14/18	Organized files; prepared for meeting with Daren and Lisa on 6-15-18. No Charge.	DRT	0.00
06/14/18	Reviewed Testimony; prepared potential cross-examination questions for Lebanon Water Works witnesses	GEW	4.00
06/14/18	Discussed Hearing preparation with Damon Talley; Filed original copies of documents with PSC; Prepared hearing preparation questions. No Charge.	MEW	0.00
06/15/18	Met with Daren and Lisa in Lebanon to review Daren's Testimony and to prepare them for PSC Hearing; reviewed LWW's Responses to numerous RFI filed by PSC and MCWD and discussed these with Daren and Lisa; prepared Daren for Cross Examination; reviewed FY 19 Budget and discussed mistake made in Exhibit 3-1; discussed mistake with attorney Wimberly and reviewed Errata Filing for accuracy; developed strategy for Hearing; memo to file summarizing meeting	DRT	8.10
06/15/18	Reviewed areas of weakness in case and suggested areas of across Examination for both Daren and Holly prepared by attorney Wuetcher; prepared additional list of additional Cross Examination questions for Daren; prepared for meeting with Daren and Lisa	DRT	1.20
06/15/18	Reviewed preparation for Hearing questions from Jerry Wuetcher; prepared for Hearing. No Charge.	MEW	0.00
06/15/18	Discussed Errata Filing with Damon Talley, Daren Thompson, and Lisa Mattingly; Drafted Errata Filing and corrected Exhibit 3-1; Edited Errata Filing; Filed Errata Filing with PSC	MEW	2.30
06/16/18	Prepared for formal PSC Hearing	DRT	4.50
06/18/18	Prepared outline of topics to discuss with Holly; prepared Holly for PSC Hearing via lengthy phone call; grilled her on potential	DRT	1.50

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	cross-examination topics; made list of facts for her to research before Hearing		
06/18/18	Reviewed email memo and list of questions re PSC Hearing from Tyler Fallin; answered his questions; prepared Tyler for Hearing and discussed possible areas for cross examination with Tyler; worked on other aspects of Hearing preparation; started developing cross examination topics and questions for Jimmy Mudd; started developing cross examination questions and topics for Charles White	DRT	3.70
06/18/18	Prepared Exhibits for Hearing	MEW	3.10
06/19/18	Prepared for Hearing, including reviewing revised Exhibit 6 prepared by Charles White and Errata filing made by attorney Samford, preparing outline of topics and questions for Daren and Holly, and reviewing numerous proposed exhibits; discussed need for potential exhibit with Lisa re Water Consumption and Usage for last 3 years; reviewed proposed exhibit and revised version; started drafting Cross Examination Topics for White and Mudd	DRT	5.40
06/19/18	Made final preparations for Hearing, including researching Debt Service Coverage issue, reviewing PSC approval of MCWD's RD Bond Refinancings with CNB, and reviewing PSC's treatment of MCWD's CNB loan and KIA loan for DSC requirements; completed preparation of Cross Examination questions for White and Mudd	DRT	4.70
06/19/18	Organized Notebooks, Exhibits, and other documents for Hearing. No Charge.	DRT	0.00
06/19/18	Prepared for hearing; Drafted letter and filed Errata Exhibit 3-1. No Charge.	MEW	0.00
06/19/18	Prepared additional Exhibits for PSC Hearing	MEW	1.90
06/20/18	Prepared additional list of questions for cross examining witnesses and reviewed various written testimony and Responses to RFI to prepare for Hearing; prepared outline of preliminary remarks to make at beginning of the Hearing	DRT	1.50
06/20/18	Attended formal Hearing at PSC in Frankfort; met with clients and witnesses before start of Hearing; conferred with client and witnesses after Hearing to discuss Post Hearing Data Requests	DRT	9.10
06/20/18	Conferred with D. Talley re Brief	GEW	0.70
06/20/18	Conferred with D. Talley re issues raised at PSC Hearing	GEW	0.50
06/20/18	Participated in formal PSC Hearing	MEW	8.70
06/21/18	Reviewed notes from PSC Hearing and prepared list of issues to be included in Post-Hearing Brief; reviewed various email memos and spreadsheets prepared by Holly to equalize the rate increase percentages; reviewed PSC and MCWD's Post-Hearing RFI; reviewed numerous Service Agreements and other documents sent by Lisa in response to RFI; prepared email memo to Lisa re	DRT	5.10

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	additional agreements to be provided in response to RFI; reviewed additional agreements provided by Lisa; made initial review of Outline for Post-Hearing Brief prepared by Mary Ellen and Jerry; made notes for additional topics and supporting arguments to include in Brief		
06/21/18	Prepared email memos to Mary Ellen and Jerry re assignment of work on Response and Post-Hearing Brief; reviewed their numerous reply emails; discussed work assignments with them. No Charge.	DRT	0.00
06/21/18	Reviewed Case Record; prepared outline of arguments for written Brief	GEW	4.00
06/21/18	Discussed Brief with Jerry Wuetcher; Drafted Brief Outline	MEW	2.80
06/22/18	Reviewed and revised detailed Outline for Brief; drafted portions of Debt Service Coverage argument to include in Brief and researched PSC records and Orders to locate supporting materials and authority; email correspondence with Holly, Lisa, and others re Response to PSC Staff's Post-Hearing RFI and MCWD's Post-Hearing RFI; reviewed several spreadsheets prepared by Holly; reviewed and approved NARUC Depreciation Spreadsheet prepared by attorney Wimberly; discussed salary and fringe benefits issues with Lisa and provided guidance for responding to PSC's Post-Hearing RFI	DRT	5.30
06/22/18	Drafted Responses to Request for Information; Drafted portions of Brief	MEW	2.70
06/23/18	Organized files, notebooks, and other materials brought back from PSC Hearing; organized notes made at PSC Hearing. No Charge	DRT	0.00
06/23/18	Worked on Post-Hearing Brief; prepared lengthy email memo to Board members re certain legal issues raised at PSC Hearing	DRT	2.10
06/23/18	Researched law; drafted portions of Brief	GEW	4.00
06/23/18	Drafted portions of Brief	MEW	2.10
06/24/18	Worked on Post-Hearing Brief; reviewed prior Briefs filed in municipal rate cases; reviewed several PSC Orders in old municipal rate cases; more closely reviewed and analyzed spreadsheets prepared by Holly in response to MCWD's Post-Hearing RFI;	DRT	3.40
06/24/18	Researched other legal issues; reviewed portions of Direct Testimony and Rebuttal Testimony for use in Brief; drafted portions of Brief	GEW	5.00
06/24/18	Drafted additional provisions to include in Response to Request for Information; Reviewed spreadsheets from Holly Nicholas and Lisa Mattingly; Drafted additional provisions for Brief	MEW	3.20

Total Services**\$65,517.00****Keep this copy for your records.**

Summary of Services

<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>
GEW	Wuetcher, G E	19.00	330.00	6,270.00
DRT	Talley, D R	131.10	330.00	43,263.00
MEW	Wimberly, Mary Ellen	66.60	240.00	15,984.00
Total Services		216.70		\$65,517.00

Disbursements

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
06/14/18	Color Replication		\$2.40
06/19/18	VENDOR: Lynn Imaging; INVOICE#: L1061422; DATE: 6/19/2018	AN	\$60.42
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$12.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$3.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$7.80
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$3.80
06/19/18	Duplicating Charges		\$32.20
06/19/18	Duplicating Charges		\$0.10
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$2.60
06/19/18	Duplicating Charges		\$13.20
06/19/18	Duplicating Charges		\$31.60
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$9.60
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$26.80
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$57.40
06/19/18	Duplicating Charges		\$0.20
06/19/18	Duplicating Charges		\$0.10
Total Disbursements			\$266.42

TOTAL FEES & DISBURSEMENTS \$65,783.42

Total Current Charges This Matter \$65,783.42

Keep this copy for your records.

EXHIBIT 20-3

Stoll Keenon Ogden PLLC

P.O. Box 150

112 North Lincoln Boulevard

Hodgenville, Kentucky 42748

(270) 358-3187

Tax ID # 61-0421389

Lebanon Water Works Company
Daren Thompson, O&M Superintendent
daren.thompson@lebanonwaterworks.com;
lisa.mattingly@lebanonwaterworks.com

April 5, 2018
Invoice #: 876592
Account #: 120538/157999

Please return this page with your payment by May 5, 2018 to:
Stoll Keenon Ogden PLLC
P.O. Box 11969
Lexington, KY 40579-1969

Re: Wholesale Rate Increase

Fees rendered this bill	\$ 31,581.00
Less discount	\$-5,000.00
Disbursements	\$ 218.88
Total Current Charges This Matter	\$ 26,799.88

Professional Services for the period through 03/31/18, including the following:

Re: Wholesale Rate Increase

Our Reference: 120538/157999/DRT/2404

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
03/01/18	Reviewed PSC Order of 2/28/18; conferred with D. Talley & M.E. Wimberly re Motion to Modify Procedural Schedule; revised Motion	GEW	1.60
03/01/18	Researched various issues requested by attorney Talley. No Charge.	JTM	0.00
03/01/18	Discussed Motion to Modify Procedural Schedule with Damon Talley and Jerry Wuetcher; edited Motion to Modify Procedural Schedule	MEW	1.60
03/02/18	Drafted additional provisions for Motion to Modify Procedural Schedule; drafted Appendix A to Procedural Schedule	GEW	2.90
03/02/18	Edited Motion to Modify; reviewed and edited proposed Order; drafted Transmittal Letter to PSC; prepared documents for filing; filed Motion to Modify with PSC	MEW	2.80
03/05/18	Reviewed Marion Co. WD's Objection to Modifying Procedural Schedule; participated in conference call with attorneys Wimberly and Wuetcher to discuss whether to file a Reply to MCWD's Objection and to discuss Response to PSC's First Information Request	DRT	0.00
03/05/18	Reviewed numerous documents sent by Daren and Lisa to use to prepare Response to PSC's First Data Request; sent and received numerous email memos to Daren, Holly, and Lisa	DRT	0.60
03/05/18	Reviewed MCWD Response to Motion to Amend Procedural Schedule; conferred with D. Talley & M.E. Wimberly re Motion; drafted reply to MCWD Response	GEW	2.50
03/05/18	Reviewed Marion County Water District Response to Motion to Modify; discussed Response to Motion and Responses to Requests for Information with Damon Talley and Jerry Wuetcher	MEW	1.40
03/06/18	Drafted answer to Question 1 to MCWD's First Information Request; reviewed documents to obtain information needed to answer other Questions; reviewed draft answers to some of the other Questions	DRT	1.30
03/06/18	Reviewed draft Response to MCWD's Objection to Modifying Procedural Schedule; made edits to Response and offered other suggestions; prepared new language to add to Response	DRT	0.50
03/06/18	Participated in conference call with attorneys Wimberly and Wuetcher to discuss Response to MCWD's Objection to Modifying Procedural Schedule and also discussed Response to PSC's First Information Request; reviewed final version of Response to MCWD's Objection. No Charge.	DRT	0.00

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
03/06/18	Prepared email memo to client explaining posture of case and logic behind our legal strategy and attached Response to MCWD's Objection to Modifying Procedural Schedule	DRT	0.20
03/06/18	Drafted portions of Response to PSC's First Information Request; revised Response	GEW	2.10
03/06/18	Edited Reply to Response; drafted transmittal letter for Reply to Response; filed Reply to Response; drafted portions of Responses to Requests for Information; discussed Responses to Requests for Information with Damon Talley	MEW	3.20
03/07/18	Drafted answer to Question 2A and portions of other Questions in PSC's First Information Request; reviewed various drafts of Response to PSC's First Information Request and made edits to Response; prepared several email memos to attorneys Wimberly and Wuetcher re proposed changes to Response	DRT	1.80
03/07/18	Participated in conference calls with attorneys Wimberly and Wuetcher to discuss Response to PSC's First Information Request; reviewed final version of Response for quality control. No Charge.	DRT	0.00
03/07/18	Prepared email memo to client and attached Response to PSC's First Information Request; prepared email memo to Holly and enclosed Response	DRT	0.20
03/07/18	Drafted additional portions of Response to PSC's First Information Request; reviewed and revised Response	GEW	2.00
03/07/18	Drafted additional provisions to be included in Response to Request for Information with PSC; made revisions to Response; discussed Response with Damon Talley; drafted transmittal letter to PSC; prepared Exhibits for filing; filed Response to Request for Information	MEW	5.20
03/08/18	Prepared outlines for Thompson, Mattingly, and Nicholas Testimony. No Charge.	MEW	0.00
03/09/18	Discussed Testimony with Damon Talley. No Charge.	MEW	0.00
03/11/18	Reviewed notes from prior meetings with Daren and Lisa; prepared list of topics to discuss with Daren and Lisa at Monday's meeting; prepared list of potential Exhibits to use with Written Testimony	DRT	1.50
03/11/18	Organized files; made other preparations for meeting with Board and with Daren and Lisa on Monday. No Charge.	DRT	0.00
03/12/18	Met with Daren and Lisa in Lebanon to obtain information necessary to draft Written Testimony; reviewed numerous documents including KIA Loan Agreements and information re Capital Projects; memo to file	DRT	8.20

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
03/12/18	Attended Board of Directors meeting of LWW to update Board members on PSC proceedings, Motions, Responses, and other documents filed with PSC, and PSC Orders issued; discussed option of implementing rates once suspension period expires; answered questions and concerns posed by Board members	DRT	2.10
03/12/18	Filed and organized Exhibits received from Daren Thompson and Lisa Mattingly. No Charge.	MEW	0.00
03/14/18	Reviewed First Information Request from MCWD	DRT	0.20
03/15/18	Participated in conference call with Thompson, Mattingly, and attorney Wimberly to discuss compiling documents and information needed to file Responses to MCWD's First Information Request; memo to file	DRT	2.00
03/15/18	Discussed MCWD's First Information Request with attorney Wimberly (two phone calls); email correspondence with attorney re same. No Charge.	DRT	0.00
03/15/18	Reviewed MCWD's First Information Request	DRT	0.20
03/15/18	Participated in conference call with Damon Talley, Daren Thompson, and Lisa Mattingly regarding Responses to Marion District's Requests for Information; prepared memo to file re conference call minutes	MEW	2.50
03/15/18	Prepared form template for Responses to Marion District's Requests for Information. No Charge.	MEW	0.00
03/16/18	Worked on Direct Testimony for Thompson and Nicholas; reviewed numerous Bond Ordinances and loan documents for Citizens National Bank (CNB) loans and assumption of RD Bonds; prepared numerous email memos to Lisa and Daren re Bond documents, system maps, year-to-date expenditures, revenue requirements, and other information needed for Direct Testimony; reviewed numerous email memos and documents from client; prepared lengthy email memo to attorney Wimberly re portions of Direct Testimony and employer's retirement contribution rate, rate case expenses and Document Index	DRT	3.10
03/16/18	Conference call with attorney Wimberly re Direct Testimony; reviewed numerous email memos from attorney Wimberly. No Charge.	DRT	0.00
03/16/18	Discussed Testimony with Damon Talley; reviewed documents from client; drafted portions of Thompson Testimony	MEW	1.10
03/17/18	Prepared draft outline of topics to include in Thompson's Direct Testimony; reviewed and revised outline; discussed Holly Nicholas' Direct Testimony with her; prepared list of sub-topics to include in Thompson Direct Testimony; drafted portions of Thompson Direct Testimony; prepared email memo to Daren re additional issues to be included in his Direct Testimony; reviewed numerous emails and	DRT	4.20

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	documents provided by Lisa		
03/17/18	Discussed Thompson's and Holly's Direct Testimony with attorney Wuetcher; prepared numerous email memos to attorneys Wimberly and Wuetcher to provide information to be included in Direct Testimony. No Charge.	DRT	0.00
03/17/18	Conferred with D. Talley re Written Testimony of Nicholas	GEW	0.30
03/18/18	Worked on Daren Thompson's Direct Testimony; drafted Testimony concerning Campbellsville Project, other Capital Projects, depreciation expenses, and adjustments to Revenue Requirements; researched various documents to obtain needed information; reviewed and revised first draft of Testimony; prepared and received email correspondence with client	DRT	8.50
03/18/18	Reviewed narrative draft Testimony prepared by Rate Analyst (Holly Nicholas); revised Holly's draft Testimony; prepared detailed outline of other topics for Holly to include in her Testimony; prepared email correspondence to Holly	DRT	1.20
03/18/18	Drafted additional portions of Thompson Testimony; reviewed and revised Testimony	MEW	1.90
03/19/18	Prepared portions of first draft of Thompson's Direct Testimony including sections regarding Service Agreements, Deferred Maintenance Projects, Bond Ordinances, and GIS Mapping; communicated with Daren and Lisa to obtain needed information; researched Audit, Spreadsheets, and other documents to obtain additional information needed for Thompson's Direct Testimony; prepared and reviewed email correspondence with client	DRT	6.10
03/19/18	Discussed Thompson's Direct Testimony and Holly's Direct Testimony with attorneys Wimberly and Wuetcher; prepared and received email correspondence with attorneys Wimberly and Wuetcher. No Charge.	DRT	0.00
03/19/18	Reviewed multiple versions of System Map and made suggested changes to Daren; reviewed rough draft of Thompson's Direct Testimony; reviewed specific provisions of various Bond Ordinances and KIA Assistance Agreements	DRT	1.80
03/19/18	Prepared portions of first draft of Nicholas Testimony	GEW	1.00
03/19/18	Drafted additional Q & A to be included in Thompson Testimony; discussed Thompson Testimony with Damon Talley; reviewed and revised latest version of Thompson Testimony	MEW	6.40
03/20/18	Reviewed Bond Ordinances and Transcripts to obtain information re Debt Service Coverage covenants; reviewed KIA Assistance Agreements to verify coverage requirements; prepared first draft of Thompson Testimony re Debt Service Coverage requirements; reviewed and edited first draft of this part of Thompson's Testimony; made additional changes to Thompson Testimony	DRT	3.20

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
03/20/18	Reviewed most recent draft of Thompson Testimony; made edits to Thompson Testimony; drafted additional questions and answers to include in Thompson Testimony; reviewed email memos and Exhibits prepared by Thompson and Lisa re efforts to reduce health care costs and fringe benefits; reviewed email memo from Thompson re actual salary and wage expenses for current fiscal year and projected totals for current fiscal year; replied to several emails	DRT	2.50
03/20/18	Discussed Holly's Testimony with attorney Wuetcher; corresponded via several email exchanges with attorney Wuetcher re Holly's Testimony; made numerous phone calls to attorney Wimberly to discuss Thompson Testimony; email correspondence with Wimberly. No Charge.	DRT	0.00
03/20/18	Reviewed comments and corrections made by Thompson to latest draft of his Testimony; discussed his Testimony with Thompson. No Charge.	DRT	0.00
03/20/18	Reviewed draft of Holly's Testimony; made suggested changes; reviewed later draft of her Testimony; email correspondence with Wuetcher and Holly re her Testimony	DRT	0.60
03/20/18	Prepared remainder of Written Testimony for Holly Nicholas; reviewed and revised Nicholas Testimony; discussed additional topics to include in Testimony with Damon Talley	GEW	5.00
03/20/18	Drafted additional topics to include in Thompson Testimony; reviewed and revised Thompson Testimony; discussed Thompson Testimony with Damon Talley; revised Thompson Testimony based on edits received from Damon Talley	MEW	3.10
03/21/18	Reviewed and revised Thompson Testimony; incorporated changes into Testimony suggested by Thompson and Nicholas; reviewed numerous Exhibits to be attached to Testimony	DRT	1.10
03/21/18	Discussed changes to be made to Thompson's Testimony with attorneys Wimberly and Wuetcher; prepared and reviewed numerous email memos to and from attorneys Wimberly and Wuetcher and with client to fine tune and finalize Testimony. No Charge.	DRT	0.00
03/21/18	Proofread final version of Thompson Testimony and Nicholas Testimony and double-checked all Exhibits and Exhibit List for accuracy and quality control. No Charge.	DRT	0.00
03/21/18	Reviewed PSC Filing Receipt of Testimony; forwarded Testimony and Exhibits to Thompson, Nicholas, and Mattingly; prepared email memo to client re filing and next steps in rate case	DRT	0.50
03/21/18	Prepared more Q & A to be included in Thompson Testimony; reviewed and revised Testimony	GEW	1.00
03/21/18	Prepared additional Q & A to be included in Thompson Testimony; revised Thompson Testimony based on edits from Damon Talley	MEW	4.90

Keep this copy for your records.

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	and Daren Thompson; made final review of final version of Thompson Testimony compiled PDFs and prepared Thompson Testimony for filing; made final review of final version of Nicholas Testimony; prepared Nicholas Testimony for filing; drafted transmittal letter to PSC; filed Thompson Testimony with PSC; filed Nicholas Testimony with PSC		
03/22/18	Prepared original and paper copies for filing with PSC. No Charge.	MEW	0.00
03/28/18	Discussed proposed Exhibit detailing adjustments to Revenue Requirements with Holly Nicholas; prepared email memo to Holly	DRT	0.60
03/29/18	Discussed various aspects of MCWD rate increase with Lisa, including KIA Debt Service and health insurance expenses; reviewed Exhibit prepared by Lisa re efforts to reduce health insurance expenses	DRT	0.30
03/29/18	Discussed KIA Amortization Schedule with Daren and proposed Exhibit to be prepared by Holly to respond to anticipated Information Requests from MCWD. No Charge.	DRT	0.00

Total Services \$31,581.00

Summary of Services

<u>Init</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Value</u>
JTM	Mandlehr, J T	0.00	0.00	0.00
GEW	Wuetcher, G E	18.40	330.00	6,072.00
DRT	Talley, D R	52.50	330.00	17,325.00
MEW	Wimberly, Mary Ellen	34.10	240.00	8,184.00
Total Services		105.00		\$31,581.00

Disbursements

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Amount</u>
03/12/18	Mileage to Lebanon KY for meeting with client PAYEE: Talley, P.S.C., Damon R; REQUEST#: 288369; DATE: 3/22/2018.	DRT	\$34.88
03/22/18	Color Replication		\$184.00
Total Disbursements			\$218.88

TOTAL FEES & DISBURSEMENTS **\$31,799.88**

Keep this copy for your records.

Lebanon Water Works Company

Stoll Keenon Ogden PLLC
Invoice No. 876592

LESS DISCOUNT

\$-5,000.00

Total Current Charges This Matter

\$26,799.88

Keep this copy for your records.

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that Lebanon Water Works Company's June 27, 2018 electronic filing of this Supplemental Response is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on June 27, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and one copy in paper medium of this Supplemental Response will be delivered to the Commission on or before June 29, 2018.


Damon R. Talley