

CASE NO. 2018-00208
WATER SERVICE CORPORATION OF KENTUCKY
SUPPLEMENTAL RESPONSE TO COMMISSION'S ORDER DATED JULY 19, 2018

11. a. Provide a schedule detailing each test-period expenditure related to the application filed in this proceeding. Provide in the schedule the nature and amounts of each charge.

b. Provide the vendor invoice for each expenditure listed in response to Item 11.a. above. The invoices should contain detailed descriptions of the services, the amount of time billed for each service, and the hourly billing rate. Identify the account number and title to which each amount was charged.

c. Provide a monthly update of the schedule requested in Item 11.a. that shows total costs incurred as of that date and that includes the supporting detailed vendor invoices as requested in Item 11.b. above.

Response: Please see the attached documentation and previous documentation provided in response to this item. All invoices that have been received as of 08/28/2018 are attached and labeled "*Staff DR 1.11 – Rate Case Expense Invoices*". A monthly update of the schedule requested in Item 11.a. will be provided during this proceeding.

Witness – Perry Brown

Supplemental Response – August 2018
PSC DR 1.11
RC Expense Update 08.28.18

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2018 - 00208
Rate Case Expense - Update Through August 28, 2018
Test Year Ended 12/31/2017

A	B	C	D	E	F	G	
Line No.	Description			Amount	Actuals	Remaining	
1.	Legal Fees			\$ 90,000	\$ 20,112	\$ 69,888	
2.							
3.	Consulting Fees:						
4.	Ganett Flemming (Cost of Service Study)			\$ 50,000	\$ 8,710	\$ 41,290	
5.	Guastella & Associates (Depreciation Study)			\$ 36,000	\$ 16,000	\$ 20,000	
6.							
7.	Customer Notices:			\$ 7,210	\$ -		
10.							
11.	Newspaper Publication			\$ 6,400	\$ 1,503	\$ 4,897	
12.							
13.			# of Trips/				
14.		Personnel	Cost				
15.	Travel						
16.	Airfare	4	500	2	\$ 4,000	\$ -	\$ 4,000
17.	Hotel/Meals	4	200	2	\$ 1,600	\$ -	\$ 1,600
18.	Rental Car		200		\$ 200	\$ -	\$ 200
19.							
20.	Total Cost of Current Case			\$ 195,410	\$ 46,326	\$ 141,874	
21.							
22.	Unamortized Rate Case Expense			\$ 23,215	\$ 23,215	\$ 23,215	
23.							
24.	Total Rate Case Expense			\$ 218,625	\$ 69,541	\$ 165,090	
25.							
26.	Amortized over 2.5 years			2.5	2.5	2.5	
27.							
28.	Amortization Expense per year			<u>\$ 87,450</u>	<u>\$ 27,816</u>	<u>\$ 66,036</u>	

Supplemental Response – August 2018
PSC DR 1.11
Rate Case Costs Summary

WATER SERVICE CORPORATION OF KENTUCKY
Rate Case Costs Summary
Rate Case Costs through 8/28/18

Rate Case Expense Summary			
Legal Fees			
Vendor	Actual Totals	Budget Totals	AvB Totals
STURGILL,TURNER, BARKER & MOLO	\$ 20,112	\$ 90,000	\$ 69,888
Consulting Fees			
Vendor	Actual Totals	Budget Totals	AvB Totals
Ganett Flemming (Cost of Service Study)	\$ 8,710	\$ 50,000	\$ 41,290
GUASTELLA ASSOCIATES INC	\$ 16,000	\$ 36,000	\$ 20,000
Customer Notices			
<u>Newspaper Publication</u>			
	\$ 1,128	\$ 3,200	\$ 2,072
	\$ 375	\$ 3,200	\$ 2,825
<u>Fed Ex, Misc. Postage</u>			
	\$ -	\$ 7,210	\$ 7,210
Travel			
Airfare	\$ -	\$ 4,000	\$ 4,000
Hotel/Meals	\$ -	\$ 1,200	\$ 1,200
Rental Car	\$ -	\$ 200	\$ 200
	\$ 46,326	\$ 195,010	\$ 148,684

Supplemental Response – August 2018
PSC DR 1.11
Rate Case Costs Through 8/28/18

WATER SERVICE CORPORATION OF KENTUCKY
General Ledger Data
Rate Case Costs through 8/28/18

Item#	Co	Project #	Obj Acct	Amount	G/L Date	Explanatio	Explanatio TY	Doc #	Comments	Address #	Category
1	345	2018064	2906	465	7/10/2018	STURGILL,TURNER, BA	PV	975207		3056599	LEGAL
2	345	2018064	2906	554	7/10/2018	STURGILL,TURNER, BA	PV	975208		3056599	LEGAL
2	345	2018064	2906	1,470	7/10/2018	STURGILL,TURNER, BA	PV	975209		3056599	LEGAL
4	345	2018064	2910	16,000	7/17/2018	GUASTELLA ASSOCIATI	PV	977124		3002527	CONSULTING - DEPR
5	345	2018064	2908	1,128	8/6/2018	THE STATE JOURNAL		982630		3091142	CUSTOMER NOTICE - MIDDLESBORO
6	345	2018064	2906	5,824	8/20/2018	STURGILL,TURNER, BARKER & MO		986274		3056599	LEGAL
7	345	2018064	2908	375	8/21/2018	THE HICKMAN COUNTY TIMES LLC		986742		3064977	CUSTOMER NOTICE - CLINTON
8	345	2018064	2906	11,800	8/22/2018	STURGILL,TURNER, BARKER & MO		987065		3056599	LEGAL
9	345	2018064	2910	6,678	8/22/2018	GANNETT FLEMING VALUATION A		987115		3092931	CONSULTING - COSS
10	345	2018064	2910	905	8/22/2018	GANNETT FLEMING VALUATION A		987116		3092931	CONSULTING - COSS
11	345	2018064	2910	1,128	8/22/2018	GANNETT FLEMING VALUATION A		987117		3092931	CONSULTING - COSS

46,326

Supplemental Response – August 2018
PSC DR 1.11b
Rate Case Expenses
Invoices

Guastella Associates, LLC

*PLEASE NOTE OUR NEW REMIT TO ADDRESS

133 Mystic Lane
Jupiter FL 33458

617-423-3030

Invoice

Invoice #: 365
Invoice Date: 7/3/2018

Bill To:

Mr. Robert Guttormsen
Finance Manager
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062

2018064.2910 Batch 308042
Doc 977124

Description	Rate	Hours/Qty	Amount
Consulting services in connection with a depreciation study and related testimony for Water Services Corp of Kentucky.			
Inception to July 3, 2018			
President	375.00	0	0.00
Associate	300.00	0	0.00
Vice President - Operation	250.00	0	0.00
Vice President - Financial/Accounting	250.00	0	0.00
Rate Analyst	175.00	0	0.00
Technician	155.00	0	0.00
Administration	50.00	0	0.00
Fixed fee in accordance with agreement for services.	16,000.00		16,000.00

Total \$16,000.00

ok RG

*Please make checks payable to Guastella Associates, LLC

3091142

COMBINED INVOICE AND STATEMENT

* FRANKFORT NEWSMEDIA, LLC
P.O. BOX 368
FRANKFORT, KY 40602
502-227-4556

BILLING DATE	TOTAL AMOUNT DUE	PAYMENT DUE BY
7/31/2018	1,128.38	8/10/2018
BILLING PERIOD	FROM: 7/1/2018	TO: 7/31/2018
ACCOUNT NO	Account/Invoice #	AMOUNT ENCLOSED
140433	140433/0718	

REMIT TO: THE STATE JOURNAL
P.O. BOX 368
FRANKFORT, KY 40602

WATER SERVICE CORPORATION OF KENTUCKY
102 WATER PLANT ROAD
MIDDLESBORO, KY 40965

Pay by credit card: VISA MC DISC

Card #: _____

Amount Paid: _____ Exp Date: _____

Name on Card: _____

2018064.2908

PLEASE DETACH AND RETURN UPPER PORTION WITH YOUR REMITTANCE

Date	Ref #	Pub Name	Description	Size/Quantity	Rate	Amount
BALANCE FORWARD						0.00
07/04/18	552576	Middlesboro Daily News	Notice of Proposed Increase	21.25 Inches	17.7	376.13
07/04/18	552576	middlesborodailynews.co	Notice of Proposed Increase	21.25 Inches	0	0.00
07/11/18	552576	Middlesboro Daily News	Notice of Proposed Increase	21.25 Inches	17.7	376.12
07/11/18	552576	middlesborodailynews.co	Notice of Proposed Increase	21.25 Inches	0	0.00
07/18/18	552576	middlesborodailynews.co	Notice of Proposed Increase	21.25 Inches	0	0.00
07/18/18	552576	Middlesboro Daily News	Notice of Proposed Increase	21.25 Inches	17.7	376.13

Batch 309912
Doc 982630

CUSTOMER SUMMARY FOR		31 - 60 DAYS	61 - 90 DAYS	OVER 90 DAYS	CURRENT CHARGES	1,128.38
Account # 140433						
Period Ending:	7/31/2018	0.00	0.00	0.00	Past Due	0.00
Previous Balance:	0.00					
Current Charges:	1,128.38					
Payments/Credits:	0.00					
BALANCE DUE:	1,128.38					

PLEASE PAY THIS AMOUNT

1,128.38
OK RB



Excellence Delivered As Promised

3092931

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Utilities, Inc.
Attn: Rob Guttormsen, Finance Mgr., Midwest/Mid-Atlantic
2335 Sanders Road
Northbrook, IL 60062

ACH/EFT Payment Information **Batch** 311411
ABA: 031312738
Account No.: 5003165655
Account Name: Gannett Fleming **Doc** 987115

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Project: 063888
Invoice No: 063888*3511
Invoice Date: July 23, 2018

Invoice Period: May 26, 2018 through June 29, 2018

Project Manager : Constance E. Heppenstall cheppenstall@gfnet.com **610 650-8101**

Cost Allocation and Rate Design Studies for the Water Service Corporation of Kentucky

Summary of Current Charges

Phase 000	- COST ALLOC & RATE DESIGN	\$ 6,677.50
	Total Charges	\$ 6,677.50
	Total Due This Invoice	\$6,677.50

\$6,677.50
ok RG.

2018064.2910

Gannett Fleming Valuation and Rate Consultants, LLC

Phase 000 -- Cost Alloc & Rate Design

Labor Costs**Labor Classification****Hours****Rate****Amount**

Constance E. Heppenstall

35.50

\$ 185.00

\$ 6,567.50

Support Staff

1.00

110.00

110.00

Total Labor Costs**\$ 6,677.50****Total Phase -- 000****\$ 6,677.50**



Excellence Delivered As Promised

3092931

INVOICE

Gannett Fleming Valuation and Rate Consultants, LLC

Batch 311411

Utilities, Inc.
Attn: Rob Guttormsen, Finance Mgr., Midwest/Mid-Atlantic
2335 Sanders Road
Northbrook, IL 60062

ACH/EFT Payment Information:
ABA: 031312738
Account No.: 5003165655
Account Name: Gannett Fleming

Doc 987116

Check Payment Information:
Gannett Fleming Valuation and Rate Consultants, LLC
PO Box 829160
Philadelphia, PA 19182-9160

Project: 063888
Invoice No: 063888*3435
Invoice Date: June 26, 2018

Federal EIN: 46-4413705
Send Remit Info: AccountsReceivable@gfnet.com

Invoice Period: April 28, 2018 through May 25, 2018

Project Manager : Constance E. Heppenstall cheppenstall@gfnet.com 610 650-8101

Cost Allocation and Rate Design Studies for the Water Service Corporation of Kentucky

Summary of Current Charges

Phase 000	- COST ALLOC & RATE DESIGN	\$ 905.00
	Total Charges	\$ 905.00
	Total Due This Invoice	\$905.00

\$905.00
ok RC

2018064.2910

Gannett Fleming Valuation and Rate Consultants, LLCPhase 000 -- Cost Alloc & Rate Design

Labor Costs**Labor Classification****Hours****Rate****Amount**

Constance E. Heppenstall

4.00

\$ 185.00

\$ 740.00

Support Staff

1.50

110.00

165.00

Total Labor Costs**\$ 905.00****Total Phase -- 000****\$ 905.00**