

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. Additional invoices that have been received as of 10/24/2018 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 – Rob Guttormsen

WATER SERVICE CORPORATION OF KENTUCKY
Case No. 2018 - 00208
Rate Case Expense - Update Through October 25, 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	\$ 32,073	\$ 57,927
2.							
3.	Consulting Fees:						
4.	Ganett Flemming (Cost of Service Study)				\$ 50,000	\$ 10,208	\$ 39,793
5.	Guastella & Associates (Depreciation Study)				\$ 36,000	\$ 23,313	\$ 12,688
6.							
7.	Customer Notices:				\$ 7,210	\$ -	
10.							
11.	Newspaper Publication				\$ 6,400	\$ 1,503	\$ 4,897
12.							
13.				# of Trips/			
14.		Personnel	Cost	Nights			
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	\$ 67,096	\$ 121,104
21.							
22.	Unamortized Rate Case Expense				\$ 23,215	\$ 23,215	\$ 23,215
23.							
24.	Total Rate Case Expense				\$ 218,625	\$ 90,311	\$ 144,319
25.							
26.	Amortized over 2.5 years				2.5	2.5	2.5
27.							
28.	Amortization Expense per year				<u>\$ 87,450</u>	<u>\$ 36,124</u>	<u>\$ 57,728</u>

WATER SERVICE CORPORATION OF KENTUCKY
Rate Case Costs Summary
Rate Case Costs through 10/25/18

Rate Case Expense Summary			
Legal Fees			
Vendor	Actual Totals	Budget Totals	AvB Totals
STURGILL,TURNER, BARKER & MOLO	\$ 32,073	\$ 90,000	\$ 57,927
Consulting Fees			
Vendor	Actual Totals	Budget Totals	AvB Totals
Ganett Flemming (Cost of Service Study)	\$ 10,208	\$ 50,000	\$ 39,793
GUASTELLA ASSOCIATES INC	\$ 23,313	\$ 36,000	\$ 12,688
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
	\$ 67,096	\$ 195,010	\$ 127,914

WATER SERVICE CORPORATION OF KENTUCKY

General Ledger Data

Rate Case Costs through 10/25/18

Item#	Co	Project #	Obj Acct	Amount	G/L Date	Explanation Alpha Name	Doc #	Category
1	345	2018064	2906	465	7/10/2018	STURGILL,TURNER, BARKER & MOLO	975207	LEGAL
2	345	2018064	2906	554	7/10/2018	STURGILL,TURNER, BARKER & MOLO	975208	LEGAL
2	345	2018064	2906	1,470	7/10/2018	STURGILL,TURNER, BARKER & MOLO	975209	LEGAL
4	345	2018064	2910	16,000	7/17/2018	GUASTELLA ASSOCIATES INC	977124	CONSULTING - DEPR
5	345	2018064	2908	1,128	8/6/2018	THE STATE JOURNAL	982630	CUSTOMER NOTICE - MIDDLESBORO
6	345	2018064	2906	5,824	8/20/2018	STURGILL,TURNER, BARKER & MOLO	986274	LEGAL
7	345	2018064	2908	375	8/21/2018	THE HICKMAN COUNTY TIMES LLC	986742	CUSTOMER NOTICE - CLINTON
8	345	2018064	2906	11,800	8/22/2018	STURGILL,TURNER, BARKER & MOLO	987065	LEGAL
9	345	2018064	2910	6,678	8/22/2018	GANNETT FLEMING VALUATION AND	987115	CONSULTING - COSS
10	345	2018064	2910	905	8/22/2018	GANNETT FLEMING VALUATION AND	987116	CONSULTING - COSS
11	345	2018064	2910	1,128	8/22/2018	GANNETT FLEMING VALUATION AND	987117	CONSULTING - COSS
11	345	2018064	2906	7,168	9/18/2018	STURGILL,TURNER, BARKER & MOLO	993951	LEGAL
12	345	2018064	2910	980	10/2/2018	GANNETT FLEMING VALUATION AND	997599	CONSULTING - COSS
13	345	2018064	2910	7,313	10/2/2018	GUASTELLA ASSOCIATES INC	997602	CONSULTING - DEPR
14	345	2018064	2906	4,793	10/16/2018	STURGILL,TURNER, BARKER & MOLO	1001541	LEGAL
15	345	2018064	2910	518	N/A	GANNETT FLEMING VALUATION AND	N/A	CONSULTING - COSS

67,096

CASE No. 2018-00208

WATER SERVICE CORPORATION OF KENTUCKY

SUPPLEMENTAL RESPONSE TO COMMISSION'S ORDER DATED JULY 19, 2018

*Staff DR 1.11 –
Rate Case Expense
Invoices*

SL - please return by Sept. 12. Thank you. DAP

SL ✓

STURGILL TURNER

Sturgill, Turner, Barker & Moloney, PLLC
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Lexington, KY 40507
p: 859.255.8581 f: 859.231.0851
www.sturgillturner.com

RG ✓

Laura Granier, Vice President & General Counsel
Utilities, Inc.
2335 Sanders Rd
Northbrook, IL 60062

STATEMENT OF SERVICES

Employer I.D. No. 61-0576615

Statement Date: 09/05/2018
Account No: 64592.0008 M
Statement No: 114218

WSCK Rate Case 2018 - 2018064.2906

860

Batch 313837

2018064.2906

2018064.2906

Doc 993951

		Hours
08/02/2018	JWG Review customer emails and Commission response.	0.20
08/06/2018	JWG Review letters of objection filed in the record.	0.20
08/08/2018	JWG Review letters from customers.	0.20
	MTO Draft/revise - review and edit confidentiality agreement, as requested by Attorney General's office; draft email to OAG McNeil regarding same.	0.50
08/09/2018	MTO Communicate with client regarding public comments and procedural schedule	0.20
08/10/2018	MTO Communicate (other outside counsel) with OAG Chandler and McNeil regarding confidential information filed by WSCK	0.20
08/13/2018	MTO Review data requests issued by PSC Staff; communicate with client regarding same	0.80
	JWG Review staff second set of staff data requests.	0.20
08/14/2018	MTO Communicate (with client) with client regarding data requests; outline response to DR; call PSC Staff Attorney to ask about procedure if WSCK has questions regarding DR.	0.70
08/15/2018	MTO Communicate (with client) regarding DRs; review OAG data requests; contact OAG.	0.60
08/17/2018	MTO Draft/revise - draft motion for deviation from regulations related to online posting of certain notices	1.80
08/20/2018	MTO Review proposed data request responses from Heppenstall; communicate with her regarding same; finalize motion for deviation for filing.	0.70
08/21/2018	JWG Communicate (in firm) regarding bonuses draft responses and review same from client.	0.20

Utilities, Inc.

WSCK Rate Case 2018 - 2018064.2906
2018064.2906

Page. 2

09/05/2018

Account No. 64592-0008M
Invoice No. 114218

		Hours	
	MTO	Review proposed responses to certain DRs; review past WSCK filings for relevant information; review relevant case law and PSC decisions; draft/revise proposed answers to DRs.	2.80
08/22/2018	MTO	Drop off hard copy of motion at PSC (no charge)	
08/23/2018	MTO	Draft/revise - continue reviewing, drafting, and revising DR responses.	0.50
	MTO	Draft/revise DR responses; draft petition for confidentiality; phone call with S. Lubertozzi	2.30
08/24/2018	MTO	Communicate (with client) with Rob Guttormsen regarding data requests	0.30
08/27/2018	MTO	Communicate (with client) regarding supplemental DR to PSC DR1; draft proposed response.	0.30
	MTO	Communicate (with client) with Perry Brown regarding discovery responses.	0.40
08/28/2018	MTO	Review draft responses to PSC Staff's second DR and OAG's first DR; propose responses; communicate with client regarding same; draft petition for confidentiality; draft supplemental response to PSC 1-13; review PSC order regarding motion to deviate.	9.50
	MLM	Prepare documents for PSC Filing on both PSC DR2 and OAG DR1.	4.00
	DWH	Review of CAT Leasing documentation and redact for sensitive information	0.10
08/29/2018	MTO	Draft/revise - draft supplemental response to PSC DR 1-11; review documents.	0.50
	MTO	Communicate (with client) - communicate with client regarding Order granting deviation.	0.20
	MTO	Communicate (other outside counsel) with OAG regarding confidential materials; coordinate with firm staff to prepare paper copies of DR responses for filing; review filing.	1.80
	JWG	Review responses to DRs of the Agreement and PSC.	0.50
08/30/2018	MTO	Review orders issued today and communicate with client regarding same.	0.50
	JWG	Review Tax Act Consolidation order.	0.20
		For Current Services Rendered	30.40
			<u>6,928.00</u>

Utilities, Inc.

09/05/2018

Account No. 64592-0008M
Invoice No. 114218

WSCK Rate Case 2018 - 2018064.2906
2018064.2906

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
M. Todd Osterloh	24.60	\$245.00	\$6,027.00
James W. Gardner	1.70	325.00	552.50
David W. Hobson	0.10	85.00	8.50
Mary L. Myers	4.00	85.00	340.00

Costs

08/02/2018	52 Document Reproduction	10.40
08/13/2018	36 Document Reproduction	7.20
08/28/2018	18 Document Reproduction	3.60
08/28/2018	6 Document Reproduction	1.20
08/29/2018	26 Document Reproduction	5.20
08/29/2018	4 Document Reproduction	0.80
08/29/2018	981 Document Reproduction	196.20
08/29/2018	3 Document Reproduction	0.60
08/29/2018	3 Document Reproduction	0.60
08/29/2018	12 Document Reproduction	2.40
08/29/2018	6 Document Reproduction	1.20
08/29/2018	6 Document Reproduction	1.20
08/29/2018	6 Document Reproduction	1.20
08/29/2018	6 Document Reproduction	1.20
08/29/2018	6 Document Reproduction	1.20
08/29/2018	9 Document Reproduction	1.80
08/29/2018	9 Document Reproduction	1.80
08/29/2018	9 Document Reproduction	1.80
	E101 (653) Document Reproduction	239.60
	Total Costs Thru 08/31/2018	239.60
	Total Current Work	7,167.60 <i>PK</i>
	Previous Balance	\$17,623.13
08/28/2018	Thank you for your payment.	-5,823.63
09/05/2018	Thank you for your payment.	-11,799.50
	Total Payments	-17,623.13
	Balance Due	<u>\$7,167.60</u>

To ensure proper credit to your account
Please write Account 64592.0008 on your check
Please remit amount due by 10/05/2018
Thank you

Guastella Associates, LLC

*PLEASE NOTE OUR NEW REMIT TO ADDRESS

133 Mystic Lane
Jupiter FL 33458

617-423-3030

Bill To:

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

Invoice

Invoice #: 372

Invoice Date: 9/18/2018

Address 3002527

2018064 . 2910.00901

Batch 315112

Doc 997602

Description	Rate	Hours/Qty	Amount
Consulting services in connection with depreciation study and rate case. Post-filing work: Review and draft responses to Kentucky PS Staff discovery IR 24 and 25 and sub-parts. Related correspondence			
Period from July 1 to August 31, 2018			
President	375.00	6.5	2,437.50
Associate	300.00	0	0.00
Vice President - Operation	250.00	0	0.00
Vice President - Financial/Accounting	250.00	19.5	4,875.00
Rate Analyst	175.00	0	0.00
Technician	155.00	0	0.00
Administration	50.00	0	0.00
Total			\$7,312.50

GR
[Signature]

*Please make checks payable to Guastella Associates, LLC