

Case No. 2019-00444
Princeton Water and Wastewater Wholesale Water Rates Increase
Monthly Supplemental Response to Staff's Second Information Request, Item 3

3. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants ; and
- (5) Other Expenses (Identify separately).

(6) For each category, the schedule should include the date of each transaction, the check number or other document references, the vendor, the hours worked, the rates per hour, the amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this case. Identify any costs incurred for this case that occurred during the base period.

b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in "a." above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined with all supporting workpapers and calculations.

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c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in "a." above.

Response: See Excel file attached as Exhibit PSC 2-3 Rate Case Expense – May 15 Supplement. The Excel file includes the date of each transaction, document references, the vendor, the hours worked, the rates per hour, the amount, a description of the services performed.

For engineering and legal services associated with this case, invoices that support charges incurred in the preparation of this case are attached. Hethcoat does not have a specific contract for this case, but has been PWWC's engineers on multiple projects since around 2005. They are using their standard billing hourly rate. These expenses are recorded in account 100-200-06000-06121 Professional Services for the engineering expense and account 100-200-06000-06150 for Attorney Fees. Please refer to prior responses to this item for additional invoices.

The Director of Finance intended to retire as of December 31, 2019. Another administrative position was made available and the position was filled in November. Instead of retiring, the Director of Finance agreed to assist with the rate case, and budgeted an average of 25 hours per week towards work on this case. A daily time record and projected expenses for this work is included within the Excel file. This supplement included corrected information from a previous filing of the Excel file, including deletion of overtime. Therefore, the Director of Finance's total wages and employer paid benefits from January through mid-June are applicable to the rate case and should be reimbursed through the rate case expense surcharge. Expenses related

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to the Director of Finance are not included in the revenue requirement.

An itemized estimate of the total cost projected to be incurred for this case is included on the Excel file.

Witness: Tracy B. Musgove

Rate Case Expense

Invoices and Documentation



Sturgill, Turner, Barker & Moloney, PLLC

333 West Vine Street, Suite 1500
 Lexington, KY 40507
 p: 859.255.8581 f: 859.231.0851
 www.sturgillturner.com

Employer I.D. No. 61-0576615

Tracy B. Musgrove
 Princeton Water and Wastewater Commission
 101 East Market Street
 P.O. Box 231
 Princeton, KY 42445

INVOICE OF SERVICES

Invoice Date: 05/13/2020
 Invoice No: 127052
 Account No: 66134.0001

Wholesale Water Rates Increase

			Hours	
04/01/2020	MTO	Appear for/attend conference call with TM to discuss responses to third data requests.	0.80	
	MTO	Draft/revise - continued outlining of responses to PSC 3rd data requests	1.30	
04/02/2020	MTO	Draft/revise - analyzing and drafting monthly supplemental response to rate case expense DR	0.70	
04/05/2020	MTO	Draft/revise - draft motion for leave; draft Read1st; draft correspondence to client and to opposing counsel (no charge)	1.50	N/C
04/06/2020	MTO	Review and respond to MDG regarding PWWC motion and WD response; review response (no charge)	0.20	N/C
	MTO	Draft/revise - supplemental response to PSC 2-3; review information provided by TM; communicate with TM and JN.	2.30	
04/10/2020	JWG	Review draft to expertise questions, review answers to prior DR's and call with Todd regarding same.	0.40	
	MTO	Draft/revise response to data request based on communications with client; communicate with attorney J. Gardner regarding data request; communicate with client regarding hearing.	1.20	
04/13/2020	MTO	Continued work on responses to PSC's 3rd request for information; communicate with TM regarding same; review order issued by PSC on motion for extension.	3.30	
04/14/2020	MTO	Review materials send by T. Musgove regarding PSC's 3rd request for info; communicate with TM regarding same (morning).	2.00	
04/15/2020	MTO	Communicate (with client) with TM regarding responses to PSC 3rd request	0.60	
	JWG	Communicate (in firm) with Todd regarding preparing for hearing and hearing mechanics status.	0.20	

Wholesale Water Rates Increase

			Hours	
	MTO	Review responses to data requests and other materials provided by PWWC; propose revisions.	2.20	
	JWG	Draft/revise responses to staff's data requests.	0.60	
04/16/2020	MTO	Draft/revise - continued proposed revisions to DR responses; communicate with TM regarding responses; communicate with JN regarding hearing	2.80	
04/17/2020	MTO	Review - continued review of materials sent from client; draft revisions; communicate with TM regarding data requests; review and respond to emails from PSC Staff and Water District counsel regarding hearing; communicate with client regarding same.	4.00	
	MTO	Finalize data requests (administrative in nature due to staffing, no charge)	1.50	N/C
04/20/2020	MTO	Draft/revise - draft notice of hearing to WDs, as required by PSC order.	0.40	
04/21/2020	MTO	Review and respond to emails from Commission Staff regarding hearing; communicate with clients regarding hearing.	0.40	
04/23/2020	MTO	Review email from Commission Staff regarding hearing; communicate with client regarding same; draft email response to Commission Staff.	0.40	
04/24/2020	MTO	Review information related to benefits for local water utilities; communicate with TM regarding same.	0.70	
	MTO	Draft/revise - Notice of Filing and Read1st for hearing notice	0.30	
	MTO	Review and respond to communications from Commission Staff regarding hearing	0.10	
04/27/2020	MTO	Draft/revise - begin drafting pre-hearing memo for client	3.80	
04/28/2020	MTO	Communicate (with client) with TM regarding hearing	0.20	
	MTO	Review - continued review of case filings and drafting outline of issues that could be addressed to PWWC witnesses at hearing.	5.30	
04/29/2020	JWG	Review pretrial memo.	0.20	
	MTO	Appear for/attend - phone call from MDG regarding hearing issues	0.20	
	MTO	Review and draft email correspondence to parties including Staff on hearing issues	0.30	

Wholesale Water Rates Increase

		Hours	
	MTO Draft/revise - continued review of materials in preparation for hearing, including Vilines testimony and related materials.	5.00	
04/30/2020	JWG Prepare witnesses for hearing, review issues, attend mock hearing and review compensation matters.	3.60	
	MTO Appear for/attend pre-hearing preparation meeting with PWWC witnesses	2.00	
	MTO Appear for/attend meeting with PSC staff regarding video hearing procedures	1.00	
	MTO Appear for/attend PWWC board meeting to advise board of status of case	0.80	
	MTO Review materials supplied by PWWC on benefits provided by other regional utilities	0.30	
	MTO Review materials to prepare Ricky Oakley for hearing	0.60	
	MTO Draft/revise - draft and review email correspondence with staff and parties regarding hearing	0.20	
	MTO Review - continued review of Water District's spreadsheet and drafting areas of possible inquiry	1.80	
	For Current Services Rendered	50.00	12,250.00
	Total Non-Billable Hours	3.20	

Recapitulation

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
M. Todd Osterloh	Member	45.00	\$245.00	\$11,025.00
James W. Gardner	Of Counsel	5.00	245.00	1,225.00

Costs

04/10/2020	Outside Vendor (1160.014) Chase Legal Imaging - 996 litigation copies	158.36
	(529) Copies - Out of Office	158.36
	Total Costs Thru 04/30/2020	158.36
	Total Current Work	12,408.36
	Previous Balance	\$12,225.50
04/24/2020	Thank you for your payment.	-12,225.50
	Balance Due	<u>\$12,408.36</u>

Princeton Water and Wastewater Commission

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05/13/2020
Account No. 66134-0001M
Invoice No. 127052

Wholesale Water Rates Increase

PAYMENT DUE UPON RECEIPT
To ensure proper credit to your account
Please write Account 66134.0001 on your check
Thank you

Client	Trans Date	Check Number	B C	Stmt # Rate	Hours to Bill	Amount		Ref #
66134.0001	05/01/2020	MTO		245.00	0.40	98.00	Draft/revise - draft supplemental response to PSC 2-9 Princeton Water and Wastewater Commission Wholesale Water Rates Increase	97
66134.0001	05/01/2020	MTO		245.00	5.70	1,396.50	Prepare for hearing by reviewing materials and drafting issues that may be addressed; phone call with TM; phone call with JN; email communications with RO; email with PSC Staff regarding requirements for video during hearing. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	111
66134.0001	05/03/2020	MTO		245.00	1.80	441.00	Prepare - continued preparations for hearing, including comparison of depreciation schedules. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	110
66134.0001	05/04/2020	JWG		245.00	0.50	122.50	Communicate (other external) review emails regarding additional documents and procedure for the hearing. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	112
66134.0001	05/04/2020	MTO		245.00	2.00	490.00	Communicate (with client) - phone call with Musgove regarding hearing Princeton Water and Wastewater Commission Wholesale Water Rates Increase	114
66134.0001	05/04/2020	MTO		245.00	0.20	49.00	Communicate (with client) with James Noel regarding hearing Princeton Water and Wastewater Commission Wholesale Water Rates Increase	115
66134.0001	05/04/2020	MTO		245.00	0.30	73.50	Communicate (other external) - with PSC Staff regarding tomorrow's hearing Princeton Water and Wastewater Commission Wholesale Water Rates Increase	116
66134.0001	05/04/2020	MTO		245.00	9.80	2,401.00	Prepare - continued preparations for hearing by reviewing materials in the record, drafting cross-examination topics, outlining other issues that may arise. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	117
66134.0001	05/05/2020	MTO		245.00	8.00	1,960.00	Appear for/attend PSC evidentiary hearing, including final prep prior to hearing and post-hearing conversation with clients. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	113
66134.0001	05/05/2020	JWG		245.00	7.50	1,837.50	Appear for/attend hearing before the commission and conference call with witness Musgove after. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	118
66134.0001	05/06/2020	JWG		245.00	1.30	318.50	Draft/Revise memo to client, review tape for data requests and settlement matter. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	119
66134.0001	05/06/2020	MTO		245.00	4.20	1,029.00	Draft/revise post-hearing analysis for client; communicate with client regarding post-hearing data requests; review amended analysis by Vilines; draft communications to client regarding settlement offer and options. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	120
66134.0001	05/06/2020	JWG		245.00	0.30	73.50	Communicate regarding and review draft settlement proposals. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	121
66134.0001	05/06/2020	MTO		245.00	0.10	24.50	Communicate (other external) - phone call from MD Goss with settlement offer from his clients of Vilines' rate and no additional increase for 3 years. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	132
66134.0001	05/07/2020	JWG		245.00	0.30	73.50	Review hearing regarding data requests. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	122
66134.0001	05/07/2020	MTO		245.00	2.00	490.00	Draft/revise - drafting outline of issues and arguments to address in brief Princeton Water and Wastewater Commission Wholesale Water Rates Increase	176
66134.0001	05/08/2020	JWG		245.00	0.50	122.50	Review emails and calls regarding settlement issues; communicate with MTO regarding same. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	123
66134.0001	05/08/2020	MTO	2	245.00	1.30	318.50	Communicate (with client) - communications with Musgove, Noel, and Hayes regarding settlement negotiations (courtesy, no charge)	124

Client	Trans Date	Tmkr	Check Number	B C	Stmt # Rate	Hours to Bill	Amount	Ref #
Statement Date mm/dd/yyyy								
66134.0001	05/08/2020	MTO		2	245.00	3.00	735.00	125
							Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/08/2020	MTO		2	245.00	0.40	98.00	126
							Review and prepare information related to settlement negotiations (courtesy, no charge) Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/09/2020	MTO			245.00	4.00	980.00	177
							Draft/revise - prepare post hearing data request to WDs Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/10/2020	MTO			245.00	0.70	171.50	127
							Draft/revise - Drafting post-hearing brief Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/10/2020	JWG			245.00	0.40	98.00	128
							Draft/revise- draft analysis for settlement discussions; outline arguments for brief Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/10/2020	MTO			245.00	5.80	1,421.00	178
							Draft/revise settlement options for client. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/11/2020	MTO			245.00	0.90	220.50	129
							Draft/revise- continue drafting brief; review PSC case law on issues involving revenue requirement. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/11/2020	JWG			245.00	0.40	98.00	130
							Communicate (with client) regarding PHDRs and counter offer for settlement; communicate with WD attorney regarding settlement and PHDR Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/11/2020	MTO			245.00	3.00	735.00	134
							Review settlement issues and issues regarding post-hearing data requests. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/12/2020	MTO			245.00	0.10	24.50	131
							Draft/revise - drafting arguments for brief Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/12/2020	MTO			245.00	0.80	196.00	133
							Communicate (other external) - phone call from MD Goss, who advises that his clients will not agree to our counter offer and will not present another offer. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/12/2020	MTO			245.00	0.80	196.00	133
							Communicate (with client) with TM and JN regarding settlement negotiations and strategy after Water Districts informed that they would not present counter offer; communicate with TM regarding post-hearing data requests; communicate with JWG regarding same. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/13/2020	MTO			245.00	1.20	294.00	173
							Review draft responses to PHDR; communicate with T. Musgove regarding same. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/13/2020	MTO			245.00	6.00	1,470.00	174
							Draft/revise - continue drafting brief Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/13/2020	MTO			245.00	0.50	122.50	175
							Draft/revise - supplement to rate case expense PSC 2-3 response Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/14/2020	MTO			245.00	8.30	2,033.50	179
							Draft/revise - continue drafting brief on revenue requirements and allocation issues Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
66134.0001	05/15/2020	MTO			245.00	7.10	1,739.50	180
							Draft/revise - continue drafting brief; review and revise PHDR responses; finalize supplement to PSC 2-3. Princeton Water and Wastewater Commission Wholesale Water Rates Increase	
Subtotal for Tcode 1					Billable	84.10	20,604.50	
					Non-billable	4.70	1,151.50	
					Total	88.80	21,756.00	
Total for Statement Date mm/dd/yyyy					Billable	84.10	20,604.50	
					Non-billable	4.70	1,151.50	
					Total	88.80	21,756.00	

<u>Client</u>	<u>Trans Date</u>	<u>Tmkr</u>	<u>Check Number</u>	<u>B C</u>	<u>Stmt # Rate</u>	<u>Hours to Bill</u>	<u>Amount</u>	<u>Ref #</u>
GRAND TOTALS								
					Billable	84.10	20,604.50	
					Non-billable	4.70	1,151.50	
					Total	88.80	21,756.00	

HETHCOAT DAVIS

May 11, 2020

Invoice No. 1037-02-82

Mr. James Noel, Superintendent
Princeton Water/Wastewater Department
PO Box 231
Princeton KY 42445

RE: Ancillary Services
For Period Apr 1, 2020 through May 8, 2020

Task/Description

Assistance with Reponse to PSC Inquiry regarding Wholesale Water Rates

Principal	20.00	hours	\$	2,908.40
Project Engineer	10.25	hours	\$	1,291.50
Administrative	0.75	hours	\$	48.75
			\$	4,248.65

Reimbursable Expenses

Mileage: miles @ 0.580 = \$ - \$ -

Total Billed This Month \$ 4,248.65

Submitted by: 
Eric Broomfield, PE

Please remit payment to: 1457 Willowbrooke Circle, Franklin TN 37069