

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In The Matter Of:

ELECTRONIC APPLICATION OF MORGAN)	
COUNTY WATER DISTRICT FOR RATE ADJUSTMENT)	CASE NO.
PUSUANT TO 807 KAR 5:076)	2024-00010

**MORGAN COUNTY WATER DISTRICT’S
MOTION FOR RECOVERY OF ACTUAL RATE CASE EXPENSES IN AUTHORIZED
RATES AND SUBMISSION OF PROOF OF RATE CASE EXPENSE**

Comes Morgan County Water District (“Morgan District”), by and through counsel, pursuant to 807 KAR 5:076, Section 16 and 807 KAR 5:001, Section 5, and other applicable law, and requests the Kentucky Public Service Commission (“Commission”) allow recovery of Morgan District’s rate case expenses incurred as of July 31, 2024 through Morgan District’s general rates for water services and submits proof of those expenses.

In support of its Motion, Morgan District states as follows:

1. On March 15, 2024, Morgan District tendered an application, pursuant to 807 KAR 5:076. A deficiency letter was entered on March 20, 2024 and Morgan District submitted materials to cure those deficiencies on March 22, 2024. The Commission issued a letter stating the deficiency was cured on March 26, 2024 and deemed the application filed as of March 22, 2024.
2. Honaker Law Office, PLLC filed an entry of appearance along with a Motion for Emergency Rate Increase on March 22, 2024. The Commission held a hearing on the Motion for Emergency Rates on May 2, 2024.
3. Commission Staff has issued three rounds of information requests to Morgan

District and Morgan District has responded to each one, with the final set of responses filed on June 20, 2024.

4. On July 26, 2024, the Commission granted Morgan District's Motion for Emergency Rates and authorized the utility to enter interim rates subject to refund while the Commission continues to process the general rate case.
5. This matter was filed pursuant to 807 KAR 5:076 and did not include an estimated cost of legal expenses. Commission Staff has not entered its Report in this matter. Pursuant to the Amended Procedural Schedule entered as part of the Commission's July 26, 2024 Order, Commission Staff will issue a report no later than August 24, 2024.
6. As of July 31, 2024, Morgan District has incurred rate case expenses of \$49,359.50. These expenses were reasonably incurred to prepare, present, and to defend Morgan District's application for general rate adjustment and motion for emergency interim rates. The redacted supporting invoices for rate case expenses to be included in the general rates are attached as Exhibit A. Morgan District requests that these expenses be recovered over a three-year period, including an authorized revenue requirement of \$16,453.16 for rate case expense.¹ The entries on the invoices that were for work performed on other matters outside of the rate case have been redacted and the totals have been updated on each of the redacted bills to reflect only rate case expenses.
7. Rate case expenses have long been considered as appropriate expenses for inclusion

¹ \$49,359.50 divided by 3 equals \$16,453.1667.

in utility rates. The United States Supreme Court has held that “on a proceeding by a commission to determine reasonableness [of rates]....the utility should be allowed its fair and proper expenses for presenting its side to the commission.”²

8. It is well settled Commission practice to recognize the right to recover actual expenses related to the application for rate adjustment and the Commission has provided for the recovery of same.³ The amount of the rate case expense to be recovered through rates is generally determined by amortizing actual rate case expense over a three-year period.
9. The timing of Morgan District’s request and its submission of proof of its actual rate case expenses should not preclude its recovery. The Commission regularly accepts submissions to determine the level of rate case expenses at the conclusion of rate proceedings.⁴

WHEREFORE, Morgan District respectfully requests that the Commission include the recovery of Morgan District’s actual rate case expenses of \$49,359.50, amortized over a three-year period, as supported by the invoices attached as proof at Exhibit A.

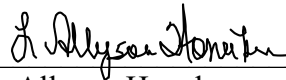
² *Driscoll v. Edison Light and Power Co.*, 307 U.S. 104, 120-121 (1939). *See also West Ohio Gas Co. v. Public Utilities Comm’n*; 294 U.S. 63, 74 (1935) (stating that rate case expenses “must be included among the costs of operation in the computation of a fair return”).

³ Case No. 98-283, *Proposed Adjustment of the Wholesale Water Service Rates of the City of Owenton, Kentucky*, (Ky. PSC Feb. 22, 1999), Order at 9 (“Rate case expenses have long been considered as appropriate expenses for inclusion in utility rates.”); Case No. 2017-00349, *Electronic Application of Atmos Energy Corporation for an Adjustment of Rates and Tariff Modifications*, (Ky. PSC May 3, 2018), Order at 17 (“rate case expenses should only be denied when the expenses themselves are found unreasonable”).

⁴ Case No. 2023-00154, *Electronic Application of Harrison County Water Association for an Alternative Rate Adjustment*, Order at 4-41 (allowing recovery of rate case expenses submitted after the Commission Staff Report was entered into the record.); *See also*, Case No. 98-283, *Proposed Adjustment of the Wholesale Water Service Rates of the City of Owenton, Kentucky*, (Ky. PSC Apr. 5, 1999); *Application of Meade County Rural Electric Cooperative Corporation for a General Adjustment of Rates and a Flow-Through of Big Rivers Electric Corporation’s Rate Increase*, (Ky. PSC Oct. 29, 2013); Case No. 2017-00160, *Application of Citipower, LLC for a Rate Adjustment for Small Utilities Pursuant to 807 KAR 5:076* (Ky. PSC Nov. 14, 2017).

This 15th day of August, 2024.

Respectfully Submitted,

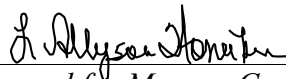


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Counsel for Morgan County Water District

CERTIFICATE OF SERVICE

This is to certify that the foregoing is being electronically transmitted to the Commission on August 15, 2024; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding. Pursuant to the Commission's July 22, 2021 Order in Case No. 2020- 00085, no hard copies of this filing will be made.



Counsel for Morgan County Water District

EXHIBIT A



L. Allyson Honaker
allyson@hloky.com
(859) 368-8803 (office)
(859)396-3172 (mobile)

1795 Alysheba Way, Ste 1203
Lexington, KY 40509

April 03, 2024

Invoice No. 775

Mr. Shannon Elam, Gen Mgr
1009 Highway 172
West Liberty, KY 41472

Client Number: 04685 Morgan Co Water District
Matter 04685-0001 Morgan Co Water - General
For Services Rendered Through 3/31/2024.

Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
3/15/2024	BHK	Review multiple emails, rate application materials, discussion with S. Elam re: rate case, calls with M. Frost and B. Miller re: rate case issues. Calls with A.Honaker and H. Temple re: rate case issues and work plan.	3.80	\$1,140.00
3/18/2024	HST	Reviewed/edited motion for deviation. Spoke with B.Koenig about issues and necessity of rate increase.	1.30	\$377.00
3/18/2024	BHK	Meeting with S. Elam regarding rate case issues and motion for emergency interim rates at office. Call to B. Wells, call to B. Miller of KRWA.	3.10	\$930.00
3/18/2024	BHK	Review MCWD documents and information re: issues for special board meeting.	0.50	\$150.00
3/18/2024	BHK	Discussion of legal issues for rate case with A. Honaker and H. Temple.	0.50	\$150.00
3/18/2024	BHK	Multiple calls with S. Elam re: rate case issues.	0.30	\$90.00
3/18/2024	LAH	Review and edit motion for emergency hearing; email same to B. Koenig for review; telephone conference with B. Koenig re same.	0.70	\$220.50

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3/19/2024	BHK	Emails re: rate case issues, preparation for special board meeting, calls/texts with S. Elam, A. Mason re: rate case issues. Research re: internal policies and effect of rate case issues.	2.30	\$690.00
3/19/2024	LAH	Telephone conference with B. Koenig re scope of representation; review emails re same.	0.30	\$94.50
3/20/2024	BHK	Review Deficiency Letter from S. Elam and emails to S. Elam copying KRWA to make sure that the deficiencies are being addressed.	0.40	\$120.00
3/20/2024	HST	Review/edit motion for emergency rate increase. Discussed with B.Koenig and A.Honaker via email.	0.30	\$87.00
3/20/2024	BHK	Drafting Motion for Emergency Interim Rates.	0.80	\$240.00
3/20/2024	LAH	Review board resolution and agenda from B. Koenig and edit same; conference with B. Koenig re same; review emergency motion from B. Koenig and edit same; review multiple emails re same.	0.80	\$252.00
3/21/2024	BHK	Call with S. Elam re: preparation for board special meeting, motion for emergency interim rates.	0.30	\$90.00
3/21/2024	BHK	Multiple emails re: cost reduction plan, deficiencies for application, newspaper coverage of rate case.	0.40	\$120.00
3/21/2024	BHK	Review cost reduction plan and email forward to KRWA for analysis.	0.40	\$120.00
3/21/2024	BHK	Edited motion for emergency interim rates and added exhibits, verification with excel spreadsheet from KRWA and sent to KRWA, Board Chair and GM for review.	0.70	\$210.00
3/21/2024	BHK	Revise draft of motion for emergency interim rates with addition of issues and citations and sent to A. Honaker and H. Temple for review.	1.60	\$480.00
3/21/2024	BHK	Draft Board Resolution re: motion for emergency interim rates and script for compliance with open meetings law and sent to A. Honaker and H. Temple for review. Sent to client in preparation for special meeting.	1.10	\$330.00
3/21/2024	BHK	Revisions to motion for interim emergency rates incorporating edits from H. Temple. Sent to MCWD Board Members for review.	1.10	\$330.00
3/21/2024	BHK	Conference with B. Miller re: financials for MCWD in preparation for MCWD Special Board Meeting. Revisions to motion for emergency interim rate increase.	0.50	\$150.00
3/21/2024	BHK	Attend special board meeting with MCWD Board of Commissioners, B. Miller, S.Elam.	1.30	\$390.00

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3/22/2024	BHK	Received email confirmation from client to file motion for emergency interim rates. File motion, read first cover letter, and excel spreadsheet in rate case. Sent confirmation email to client.	0.50	\$150.00
3/22/2024	BHK	Revisions to motion for emergency interim rates, format for filing and sent to client for confirmation for filing after revisions from the Board.	0.60	\$180.00
3/22/2024	BHK	Draft appearance, cover letters, and prepared documents to cure deficiency. Formatted in electronic filing system. Filed with PSC.	0.80	\$240.00
3/22/2024	BHK	Multiple emails with MCWD, A. Mason, B. Wells, S. Elam, consultants from KRWA re: filing deficiency in rate case and motion for emergency interim rates. Phone calls and texts with A. Mason and S. Elam re: filings for rate case and emergency rate filing.	0.60	\$180.00
3/25/2024	BHK	Review public comments from rate case.	0.10	\$30.00
3/26/2024	BHK	Emails from A. Mason re: Fiscal Court meeting.	0.10	\$30.00
3/26/2024	BHK	Reviewed email re: deficiency cured and emailed to client.	0.20	\$60.00
3/26/2024	LAH	Reviewed email re: deficiency cured.	0.10	\$31.50
3/27/2024	BHK	Draft Supplemental filing for Profits/Losses for 3 months, notification of resignation notifications, and cover letter for filing with PSC. Emails with S. Elam and B. Wells re: filing supplemental data and notifications with PSC. Emails re: notification of 2 resignations from S. Elam. Emails to B. Wells & S. Elam re: procedure for board procedure to discuss and accept resignations at meeting.	2.10	\$630.00
3/28/2024	BHK	Review email from S. Elam re: extension for annual report filing with PSC.	0.10	\$30.00
3/31/2024	BHK	Email from Commission Staff and email discussion with team re: emergency hearing motion.	0.20	\$60.00

Billable Hours / Fees: 27.90 \$8,382.50

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Timekeeper Summary

Timekeeper LAH worked 1.90 hours at \$315.00 per hour, totaling \$598.50.
Timekeeper BHK worked 24.40 hours at \$300.00 per hour, totaling \$7,320.00.
Timekeeper HST worked 1.60 hours at \$290.00 per hour, totaling \$464.00.

Current Invoice Summary

Prior Balance:	\$0.00
Payments Received:	\$0.00
Unpaid Prior Balance:	<u>\$0.00</u>
Current Fees:	\$8,382.50
Advanced Costs:	\$0.00
TOTAL AMOUNT DUE:	<u><u>\$8,382.50</u></u>

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4/5/2024	BHK	Call to PSC Staff re: emergency hearing procedure.	0.10	\$30.00
4/5/2024	LAH	Multiple telephone conferences with B. Koenig re board member appointments and issues for upcoming board meeting.	0.60	\$189.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4/8/2024	BHK	Review PSC Order setting hearing. Draft Notice of Hearing and sent email to client with discussion re: witnesses and Order requirements.	0.40	\$120.00
4/8/2024	LAH	Multiple telephone conferences with B. Koenig re board meeting; review Commission Order setting emergency hearing.	0.60	\$189.00
4/8/2024	BHK	Travel to and from Morgan County Water District HQ for meeting with Board advising on open meetings law, rate case issues. Attend Board public meeting and discussion afterward re: next steps in rate case preparation and emergency hearing preparation.	6.10	\$1,830.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4/9/2024	BHK	Review email question and respond to question re: tariff from A. Mason.	0.20	\$60.00
4/9/2024	BHK	Review and respond to email from B. Miller re: hearing preparation.	0.30	\$90.00

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[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	BHK	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4/12/2024	BHK	Research in record and legal research re: open meetings act, notice to PSC, hearing notice, witness preparation for emergency hearing.	0.80	\$240.00
4/12/2024	BHK	Teleconference with B. Wells re: hearing preparation, County Attorney, Judge Executive Notice.	0.50	\$150.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4/12/2024	BHK	Review respond to multiple emails from MCWD Board and Staff.	0.40	\$120.00
4/12/2024	BHK	Receive and review procedural schedule and first data request.	0.20	\$60.00
4/12/2024	BHK	Draft email to client and send procedural schedule, first data requests and next steps.	0.20	\$60.00
4/12/2024	BHK	Draft template for responses to Staff's DR-1. Reviewed emails from B. Miller from KRWA re: DR-1 Responses and witness preparation for emergency hearing. Called and left message for County Attorney.	0.70	\$210.00

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4/12/2024	LAH	Review Commission's Order containing Staff's DR-1; review template for responses to Staff's DR-1; review multiple emails re same.	0.30	\$94.50
4/12/2024	BHK	Teleconference with B. Miller from KRWA re: hearing preparation.	0.30	\$90.00
	BHK			
4/15/2024	BHK	Review talking points document from S. Elam. Propose revised talking points in response email to S. Elam and Board and propose written testimony for Emergency Hearing.	0.60	\$180.00
4/15/2024	BHK	Discuss prep for emergency hearing with A. Honaker	0.20	\$60.00
4/15/2024	BHK	Sent email re: Notice of Hearing to S. Elam and B. Wells.	0.10	\$30.00
4/15/2024	BHK	Review emails from S. Elam re: exhibits for financial responses to information requests from Commission Staff; and narratives re: bookkeeping.	0.40	\$120.00
4/17/2024	BHK	Phone Conference with M. Holbrook Morgan County Attorney re: MCWD matters.	0.50	\$150.00
4/17/2024	BHK	Draft direct testimony for S. Elam and B. Wells in preparation for May 2, 2024 hearing.	2.30	\$690.00
4/18/2024	BHK	Revisions and drafting testimony and hearing preparation for S. Elam, B. Wells, B. Miller, and email opinions re: direct testimony consistency, hearing preparation, strategy.	1.50	\$450.00
4/18/2024	BHK	Review and respond to email question from A. Mason re: hearing notice.	0.30	\$90.00
4/18/2024	BHK	Request review of issue re: hearing notice with A. Honaker.	0.10	\$30.00
4/18/2024	BHK	Review multiple emails re: rate case study from S. Elam re: rate case.	0.40	\$120.00
4/19/2024	BHK	Review draft testimony and emails from B. Miller for hearing preparation.	0.40	\$120.00

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4/19/2024	BHK	Schedule witness preparation for S. Elam, B. Miller, and B. Wells. Schedule discussion of DR-1 responses. Sent emails re: deadlines for responses and scheduling preparation.	0.40	\$120.00
4/19/2024	BHK	Review multiple emails from S. Elam, Board members and A. Mason re: FB postings.	0.30	\$90.00
4/20/2024	HST	Discussed testimony/not providing with B.Koenig	0.30	\$87.00
4/20/2024	BHK	Discussion with H. Temple re: hearing preparation.	0.30	\$90.00
4/20/2024	BHK	Review draft responses to DR-1 from B. Miller and materials in preparation for emergency hearing.	0.70	\$210.00
4/20/2024	BHK	Review Org chart, email from S. Elam.	0.30	\$90.00
4/21/2024	BHK	Review draft application, relevant PSC Orders, statutes and regulations for motion for confidentiality and motion for deviation issues.	0.60	\$180.00
4/22/2024	BHK	Revise testimony preparation drafts for S. Elam.	0.40	\$120.00
4/22/2024	BHK	Review email and respond to A. Mason re: FB statement re: link to public records. with draft language.	0.40	\$120.00
4/22/2024	BHK	Meeting with S. Elam and B. Miller consultant re: DR-1 responses.	1.30	\$390.00
4/22/2024	BHK	Multiple emails and texts re: DR-1 requirements, exhibits for emergency hearing, coordination re: hearing preparation with L. Franklin, S. Elam, A. Mason.	0.60	\$180.00
4/22/2024	BHK	Review exhibits for DR-1 for bank statements from S. Elam.	0.20	\$60.00
4/22/2024	BHK	Review emails from A. Mason re: public comment responses, returned email re: request to log information re: public comment response.	0.40	\$120.00
4/22/2024	BHK	Email discussion re: public comment response with A.Mason, response emailed. Review emails re: social media response and employee resignation.	0.60	\$180.00
4/22/2024	BHK	Met with B. Miller and S. Elam re: witness preparation for emergency hearing.	1.30	\$390.00
4/22/2024	BHK	Met with S. Elam re: witness preparation and responses to Staff's DR-1 on teams call.	0.80	\$240.00
4/22/2024	BHK	Review multiple emails from B. Miller and A. Miller re: audited numbers for DR-1.	0.30	\$90.00

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4/22/2024	BHK	Review multiple emails from S. Elam re: cost reduction plan, exhibits for hearing, exhibits for DR-1 responses.	0.50	\$150.00
4/23/2024	BHK	Review public comments responses sent from A. Mason and public comments in rate case record. Organize notes for hearing prep.	0.50	\$150.00
4/24/2024	BHK	Review excel files and responses from B. Miller and call with B. Miller re: auditor position.	0.80	\$240.00
4/24/2024	BHK	Edit board minutes for 2022 and 2023 organized and formatted, and bank statements, audit adjustments and edit draft of responses to DR-1-674 pages, excel spreadsheets, draft verifications, and sent to MCWD for review with questions and edits.	1.90	\$570.00
4/24/2024	BHK	Draft witness list and sent to MCWD for review and comment.	0.50	\$150.00
4/24/2024	BHK	Review customer survey email from S. Elam.	0.20	\$60.00
4/25/2024	BHK	Witness preparation meeting with L. Franklin and A. Mason and discussion re: exhibits and Responses to DR-1.	1.00	\$300.00
4/25/2024	BHK	Multiple emails, calls, texts, regarding exhibits for DR-1, board minutes, with A. Mason, L. Franklin.	0.50	\$150.00
4/25/2024	BHK	Edit Responses to DR-1 re: board minutes for 2022, 2023, 2024, over 700 pages.	2.60	\$780.00
4/25/2024	BHK	Email/calls/texts re: Proof of Notice of Hearing published with A. Mason, A. Honaker.	0.40	\$120.00
4/25/2024	BHK	Review, redact, format board minutes for Jan, Feb, March, April, 2024 to include in Responses to Commission Staff's First Information Requests.	1.70	\$510.00
4/25/2024	BHK	Edit Responses to Commission Staff's First Information Requests, excel spreadsheets, edit motion for confidentiality. .	0.80	\$240.00
4/26/2024	BHK	Filed prepared Responses to Staff's First Requests for information with cover letter, 4 excel spreadsheets, motion for confidentiality with PSC electronic filing system.	0.30	\$90.00
4/26/2024	BHK	Edited Motion for confidentiality and cover letter for filing.	0.30	\$90.00
4/26/2024	BHK	Reviewed emails from B. Miller and S. Elam. Telephone call to S. Elam re: motion for confidentiality and filing.	0.30	\$90.00
4/26/2024	BHK	Multiple emails to send draft responses, exhibits, motion to Chairman.	0.20	\$60.00

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Client Number: 04685
Matter Number: 04685-0001

5/9/2024
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Current Invoice Summary

Prior Balance:	\$ [REDACTED]	
Payments Received:	([REDACTED])	Last Payment: 4/15/2024
Unpaid Prior Balance:	<hr/> \$0.00	
Current Fees:	[REDACTED]	
Advanced Costs:	\$129.98	
TOTAL AMOUNT DUE:	<hr/> <hr/> [REDACTED]	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.



L. Allyson Honaker
allyson@hloky.com
(859) 368-8803 (office)
(859)396-3172 (mobile)

1795 Alysheba Way, Ste 1203
Lexington, KY 40509

June 06, 2024

Invoice No. 888

Mr. Shannon Elam, Gen Mgr
1009 Highway 172
West Liberty, KY 41472

Client Number: 04685 Morgan Co Water District
Matter 04685-0001 Morgan Co Water - General
For Services Rendered Through 5/31/2024.

Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
5/1/2024	BHK	Edit and revise hearing questions for S. Elam, B. Miller, B. Wells, A. Franklin.	2.50	\$750.00
5/1/2024	BHK	Call to S. Elam re: hearing prep.	0.20	\$60.00
5/1/2024	BHK	Prepare exhibits for emergency hearing.	0.60	\$180.00
5/1/2024	HST	Discussed hearing preparation with B.Koenig.	0.50	\$145.00
5/1/2024	BHK	Review emails from S. Elam re: KIA grant and request to sign attorney letter for application.	0.20	\$60.00
5/1/2024	BHK	Review board minutes and bank statements for hearing preparation. Review case records, rate study excel spreadsheets, public comments, in preparation for hearing.	2.70	\$810.00
5/2/2024	BHK	Travel to Frankfort, Prepare for hearing, attend hearing, meet with clients and return from Frankfort from hearing.	8.80	\$2,640.00
5/2/2024	HST	Discussed hearing with B.Koenig.	0.70	\$203.00

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5/3/2024	BHK	Post-hearing opinion email to S. Elam, B. Wells, A. Mason, B. Miller, M. Frost, A. Franklin. Discussed issues and requested analysis to present in post-hearing brief re: staff positions, purchasing policy, Commissioner questions to address in brief.	0.50	\$150.00
5/3/2024	BHK	Telephone conversation with B. Miller re: materials sent to M. Frost to prepare changes to rate case, issues for post-hearing brief.	0.50	\$150.00
5/3/2024	BHK	Review multiple emails from A. Mason, S. Elam, A. Franklin re: post-hearing brief and questions and respond. Emails from B. Miller and response re: auditor materials requested. Phone conversation with A. Honaker. Review of hearing notes and preparation of issues for post-hearing brief.	2.40	\$720.00
5/3/2024	LAH	Multiple telephone conferences with B. Koenig re hearing; review multiple emails re same.	0.60	\$189.00
5/6/2024	HST	Discuss issues with hearing with B.Koenig.	0.60	\$174.00
5/6/2024	BHK	Call with S. Elam re: hearing issues, auditor, etc.	0.40	\$120.00
5/6/2024	BHK	Call with M. Frost KRWA re: analysis for rate study to remove added employees.	0.30	\$90.00
5/6/2024	BHK	Conference with A. Mason re: issues from hearing and details for accounting of donations, Gateway program.	0.90	\$270.00
5/6/2024	BHK	Conference with A. Honaker re: MCWD rate study, general ledger, trial balance, auditor.	0.40	\$120.00
5/6/2024	BHK	Call to D. Talley re: hearing issues.	0.30	\$90.00
5/6/2024	BHK	Review and respond to multiple emails re: hearing issues and public comments. Review of public comments.	0.60	\$180.00
5/7/2024	BHK	Call with D. Talley re: KRWA scope and MCWD rate study.	0.40	\$120.00
5/7/2024	BHK	Conference with B. Wells, S. Elam, M. Frost, auditor re: hearing issues.	2.20	\$660.00
5/7/2024	BHK	Review of adjusted rate study from M. Frost with 5 positions removed.	0.40	\$120.00
5/7/2024	BHK	Conference with B. Miller re: rate study support, annual reports, auditor statements.	0.30	\$90.00
5/7/2024	BHK	Phone call from A. Mason re: golf tournament details.	0.10	\$30.00
5/8/2024	BHK	Discussion with A. Honaker re: rate study support and emergency rate hearing motion support.	0.40	\$120.00

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5/8/2024	BHK	Phone conference with A. Mason re: statement re: fire department charges.	0.20	\$60.00
5/8/2024	BHK	Multiple emails re: advise not to engage on social media and editing statement re: fire department tariff information.	0.50	\$150.00
5/8/2024	BHK	Phone conference with M. Frost re: adjustments to rate study.	0.30	\$90.00
5/8/2024	BHK	Phone conference re: Fire Department statements on social media re: Tariff with A. Mason.	0.20	\$60.00
5/8/2024	BHK	Review multiple emails re: general ledger and trial balance, multiple general ledgers from auditor and from utility, email re: Board meeting time change.	0.50	\$150.00
5/8/2024	BHK	Begin drafting post hearing brief.	0.80	\$240.00
5/9/2024	BHK	Discussion with M. Frost re: adjustment to rate study.	0.30	\$90.00
5/9/2024	BHK	Research record and review notes in preparation of post hearing brief regarding hearing issues and exhibits.	1.80	\$540.00
5/10/2024	BHK	Meeting to discuss rate study for MCWD with Bob Miller, Mark Frost, Ariel Miller, A. Honaker re: rate study support, hearing, scope of KRWA assistance to MCWD.	1.50	\$450.00
5/10/2024	BHK	Call with M. Frost to clarify re: rate study and emergency interim rate increase and other hearing issues.	0.20	\$60.00
5/10/2024	BHK	Phone call with A. Miller re: rate study and auditor issues with emergency hearing exhibits.	0.30	\$90.00
5/10/2024	BHK	Phone call with B. Miller re: follow-up to discussion re: rate study and emergency interim rate motion.	0.40	\$120.00
5/10/2024	LAH	Participate in virtual conference with M. Frost, B. Miller, A. Miller and B. Koenig re hearing, post-hearing data requests and brief.	1.00	\$315.00
5/11/2024	BHK	Review emails from A. Mason, S. Elam re: video recording policy and social media comments. Responses re: open meetings rules to allow recording. Email re: assignment of information requests to consultants and utility staff and texts with A. Honaker re: board meeting issues. Begin drafting responses to Staff's DR-2.	1.40	\$420.00
5/13/2024	BHK	Review and respond to email from A. Mason re: recording in closed session. Sent opinion email re: open meetings and board policy.	0.80	\$240.00

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5/13/2024	BHK	Prepare opinion email for B. Wells, S. Elam, A. Mason, A. Franklin, A. Honaker, M. Frost, A. Miller, B. Miller, re: exhibits for post hearing brief and required information and sent to clients for follow-up to requests made May 3, 2024.	0.90	\$270.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5/13/2024	BHK	Meeting with S. Elam, A. Mason, and A. Franklin re: exhibits for DR-2 and post hearing brief.	1.00	\$300.00
5/13/2024	BHK	Attend and advise during MCWD Board meeting.	2.30	\$690.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5/13/2024	BHK	Review of exhibits for loans, receipts, charges for charitable donations.	0.40	\$120.00
5/13/2024	BHK	Call to A. Honaker re: MCWD rate issues, board discussions re: DR-2 and post hearing brief issues.	0.30	\$90.00
5/13/2024	BHK	Call to B. Miller re: accountant and peer review with KRWA.	0.20	\$60.00
5/14/2024	BHK	Prepared DR-2 draft responses template and verifications for client.	0.80	\$240.00
5/14/2024	BHK	Call with M. Frost re: billing software and calculation of rate study with adjustments.	0.50	\$150.00
5/14/2024	BHK	Texts with A. Honaker re: CPCN issue.	0.20	\$60.00
5/14/2024	BHK	Research re: charity, CPCN Issues, financing re: billing and issues for post hearing brief.	0.60	\$180.00
5/15/2024	BHK	Respond to emails re: DR-2-19 from A. Mason re: Anthem records.	0.30	\$90.00
5/15/2024	BHK	Call with S. Elam re: public comment.	0.10	\$30.00
5/15/2024	BHK	Drafting Post Hearing Brief Arguments, compiling exhibits from inquiries.	3.30	\$990.00

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5/15/2024	BHK	Call with B. Miller re: rate study communications.	0.30	\$90.00
5/15/2024	BHK	Review email exhibit from B. Miller re: rate study communication.	0.10	\$30.00
5/16/2024	BHK	Multiple phone calls with A. Mason to obtain exhibits to Post Hearing for receipts, accounting.	0.80	\$240.00
5/16/2024	BHK	Drafting and editing final drafts of post hearing brief.	1.80	\$540.00
5/16/2024	BHK	Multiple phone calls and emails with M. Frost, A. Miller, B. Miller re: revised revenue requirement preparation and adjustments for 5 and 3 positions, removing golf, dinners, etc.	2.70	\$810.00
5/16/2024	BHK	Revisions to post hearing brief with hearing time stamps citations and legal references.	1.40	\$420.00
5/16/2024	BHK	Preparation of exhibits to post hearing brief and calls with A. Mason and S. Elam to clarify exhibits.	1.60	\$480.00
5/17/2024	BHK	Final formatting of brief for filing, cover letter, verification, approval obtained from B. Wells to file, calls with A. Mason re: exhibits.	2.70	\$810.00
5/20/2024	BHK	Edit draft of DR-2 Responses and sent emails re: information provided and still due from MCWD.	1.80	\$540.00
5/20/2024	BHK	Call with S. Elam re: DR-2 Responses due Friday deadline and remaining requirements.	0.30	\$90.00
5/20/2024	BHK	Email and phone discussion with A. Miller re: missing financial information needed for Responses to DR-2.	0.30	\$90.00
5/21/2024	BHK	Call with M. Frost re: DR-2 responses.	0.30	\$90.00
5/21/2024	BHK	Review email from B. Miller re: DR-2 responses.	0.10	\$30.00
5/21/2024	BHK	Call with B. Wells re: DR-2 responses and update on rate case.	0.40	\$120.00
5/21/2024	BHK	Sent emails to S. Elam, A. Mason, A. Franklin, M. Frost requesting information and exhibits for individual responses to DR-2 still requiring information.	2.10	\$630.00
5/21/2024	BHK	Format exhibits for Responses to DR-2 from S. Elam's files for Cave Run, Employees, Loan documents, Leases, trailers, Amazon receipts,	1.30	\$390.00
5/21/2024	BHK	Email discussion with M. Frost and MCWD re: required information missing for financial analysis.	0.40	\$120.00
5/22/2024	BHK	Call with M. Frost re: billing analysis exhibits.	0.20	\$60.00

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5/22/2024	BHK	Call with A. Honaker to discuss MCWD DR-2 Responses and legal issues.	0.50	\$150.00
5/22/2024	BHK	Review multiple email discussion with A. Mason, A. Franklin, M. Frost, re: Responses to DR-2.	0.60	\$180.00
5/22/2024	BHK	Revise exhibits re: Responses to DR-2 with exhibits and notes from A. Mason.	1.40	\$420.00
5/22/2024	BHK	Revise Draft of Responses to DR-2 with exhibits from A. Franklin.	1.60	\$480.00
5/22/2024	BHK	Review responses to DR-2 edits, additions and spreadsheets for billing analysis and responses from M. Frost.	0.60	\$180.00
5/23/2024	BHK	Call with A.Mason and L. Franklin re: Response to DR-2-3 receipts.	0.30	\$90.00
5/23/2024	BHK	Review cost justification sheets from S. Elam and format for exhibits to Responses.	0.40	\$120.00
5/23/2024	BHK	Call to B. Miller re: verification and review responses to DR-2. Email to B. Miller and review responses from B. Miller re: responses to edit witness.	0.40	\$120.00
5/23/2024	BHK	Multiple calls to MCWD, A. Mason, L. Franklin re: Response 3.	0.50	\$150.00
5/23/2024	BHK	Call to S. Elam, text and email re: review of responses and verification.	0.30	\$90.00
5/23/2024	BHK	Call with A. Honaker re: DR-2 Responses, exhibits, procedure, legal issues.	0.40	\$120.00
5/23/2024	BHK	Redact personal information from Responses to DR-2, DR 16, 24, 3. Calls with A. Mason, M. Frost and B. Wells for final approval.	1.90	\$570.00
5/24/2024	BHK	Call to A. Mason, L. Franklin re: DR-2 responses and adoption of responses.	0.30	\$90.00
5/24/2024	BHK	Call to B. Wells re: approval to file DR-2 Responses.	0.10	\$30.00
5/24/2024	BHK	Multiple calls to M. Frost re: remaining information for Response 24, Response 6, audit issues.	0.40	\$120.00
5/24/2024	BHK	Call with M. Frost and L. Franklin re: Response 24 and cost justification.	0.30	\$90.00
5/24/2024	BHK	Edit and format exhibits to Responses to DR-2 with edits from B. Miller.	1.50	\$450.00
5/24/2024	BHK	Edit and format Responses to DR-2 with exhibits sent from A. Franklin and sent final draft to B. Wells, S. Elam, MCWD team for review.	1.80	\$540.00

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5/24/2024	BHK	Review and edit exhibits and responses from S. Elam.	0.40	\$120.00
5/24/2024	BHK	Edit and revise Dr-2 responses with provided information from L. Franklin, A.Mason, M. Frost.	1.90	\$570.00
5/24/2024	BHK	Discussion with A. Honaker re: non-recurring charges	0.30	\$90.00
5/28/2024	BHK	Review Responses to Dr-2 for account numbers, employee names and redact.	1.20	\$360.00
5/31/2024	BHK	Send follow-up email to S. Elam re: KIA attorney letter.	0.10	\$30.00

Billable Hours / Fees: [REDACTED] [REDACTED]
 Billable Hours/Fees for Rate Case - **\$84.40** **\$25,326.00**

Timekeeper Summary

Timekeeper BHK worked [REDACTED] hours at \$300.00 per hour, totaling [REDACTED].
 Timekeeper LAH worked [REDACTED] hours at \$315.00 per hour, totaling [REDACTED].
 Timekeeper HST worked [REDACTED] hours at \$290.00 per hour, totaling [REDACTED].

Cost Detail

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Check No.</u>
5/2/2024	Mileage BHK 54 miles round trip from Lexington to Frankfort and back for emergency hearing on interim rates	\$34.02	
5/13/2024	Photocopies-52-Color copies of Board Member Training Presentation for MCWD Board Members52x.5/\$26	\$26.00	
5/13/2024	Photocopies-black and white for open meetings guide for MCWD Board Members and Staff for May 13, 2024 Board Meeting and Training-190x.25/47.50	\$47.50	
5/14/2024	Mileage BHK Roundtrip from Lexington to Morgan County Water District and back for the Board Training and Board meeting and DR-2 prep.	\$117.92	
Total Costs		\$225.44	

Current Invoice Summary

Prior Balance:	\$	████████
Payments Received:		\$0.00
Unpaid Prior Balance:		_____
	\$	████████
Current Fees:		████████
Advanced Costs:		\$225.44
TOTAL AMOUNT DUE:		_____
		=====

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.

Date	Client	Description	Hours	Amount
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6/12/2024	BHK	Review email from M. Frost re: DR-3.	0.20	\$60.00
6/14/2024	BHK	Prepare verification for S. Elam for DR-3 and obtain signature, notarize for DR-3 responses.	0.30	\$90.00
6/17/2024	BHK	Edit DR-3 responses and sent to team for review.	0.40	\$120.00
6/19/2024	BHK	Multiple emails with M. Frost, and S. Elam re: DR-3 responses.	0.40	\$120.00
6/19/2024	BHK	Phone calls with M. Frost and S. Elam.	0.40	\$120.00
6/19/2024	BHK	Edit to DR-3 responses and email to client for review and approval.	0.30	\$90.00
6/20/2024	BHK	Draft cover letter for DR-3 and format for filing.	0.20	\$60.00
6/20/2024	BHK	Format DR-3 for filing and add verification. File Responses and cover letter in the electronic filing system of PSC and sent confirmation to client and Board members.	0.40	\$120.00

Billable Hours / Fees: [REDACTED] [REDACTED]
 Billable Hours/Fees for Rate Case - **4.9 \$1470.00**

Timekeeper Summary

Timekeeper BHK worked [REDACTED] hours at [REDACTED] per hour, totaling [REDACTED].

Payment Detail

Date	Description	Amount
6/14/2024	Check Number 13559 against Inv# 827)	[REDACTED]
6/14/2024	Check Number 13559 against Inv# 827)	[REDACTED]
Total Payments Received:		[REDACTED]

Client Number: 04685
Matter Number: 04685-0001

7/8/2024
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Current Invoice Summary

Prior Balance:	██████████	
Payments Received:	██████████	Last Payment: 6/14/2024
Unpaid Prior Balance:	██████████	
Current Fees:	██████████	
Advanced Costs:	\$0.00	
TOTAL AMOUNT DUE:	██████████	

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.



L. Allyson Honaker
allyson@hloky.com
(859) 368-8803 (office)
(859)396-3172 (mobile)

1795 Alysheba Way, Ste 1203
Lexington, KY 40509

August 07, 2024

Invoice No. 967

Mr. John Coffey, Acting Gen Mgr
1009 Highway 172
West Liberty, KY 41472

Client Number: 04685 Morgan Co Water District
Matter 04685-0001 Morgan Co Water - General
For Services Rendered Through 7/31/2024.

Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	BHK	[REDACTED]	[REDACTED]	[REDACTED]
7/11/2024	BHK	Review email and respond to S. Elam re: charitable contributions.	0.50	\$150.00
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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Date	Timekeeper	Description	Hours	Amount
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7/17/2024	BHK	Review PSC email reports, sent information to client and review response emails.	0.30	\$90.00
7/26/2024	BHK	Review PSC Order RE: emergency rate increase.	0.30	\$90.00
7/26/2024	BHK	Draft email with opinion and forwarding PSC Order, including questions re: resignations, etc.	0.30	\$90.00
7/26/2024	BHK	Review emails from MCWD Commissioners, Adams, and Cordiero.	0.10	\$30.00
[REDACTED]	BHK	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Billable Hours / Fees: [REDACTED] / [REDACTED]
Billable Hours/Fees Rate Case **1.5 \$450.00**

Timekeeper Summary

Timekeeper BHK worked [REDACTED] hours at \$300.00 per hour, totaling [REDACTED].

Client Number: 04685
Matter Number: 04685-0001

8/7/2024
Page: 3

Current Invoice Summary

Prior Balance:	██████████
Payments Received:	\$0.00
Unpaid Prior Balance:	██████████
Current Fees:	\$██████████
Advanced Costs:	\$0.00
TOTAL AMOUNT DUE:	\$██████████

Thank You for Letting Us Serve You.
Payment Due Upon Receipt.