

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 26 2009

PUBLIC SERVICE
COMMISSION

In the Matter of:

Application of Kentucky Water)	
Service Corporation of Kentucky)	Case No. 2008-00563
For an Adjustment of Rates)	

RESPONSES TO HEARING DATA REQUESTS

Water Service Corporation of Kentucky, by counsel, submits its responses to the requests for additional data made at the hearing of August 19, 2009:

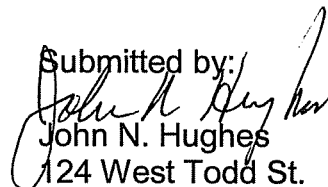
1. Updated rate case expenses (through August 19, 2009) - (see attached disk)
2. General ledger plant additions - post test year (see attached disk)
3. Source of Kentucky tax rates

KRS 141.040(1) - see attached

4. Status of WSC directors

The three directors referenced in the Attorney General's question, Stokes, Miller and Nevin are employees of Highstar.

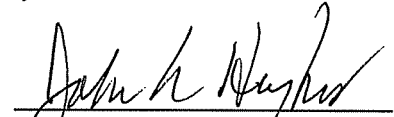
5. WSC of Ohio and Mississippi divestiture dates – see attached
6. List of Project Phoenix rate cases – see attached
7. Ahern ROE information – see attached

Submitted by:

John N. Hughes
124 West Todd St.
Frankfort, KY 40601

Attorney for Water Service
Corporation of Kentucky

Certificate of Service:

A copy of this response was delivered to parties of record, the 26th day of August,
2009.



John N. Hughes

Rate case invoices

WATER SERVICE CORPORATION OF KENTUCKY

Updated w/p [d]

Rate Case Expense

From July 1, 2008 thru August 19, 2009

Total incurred rate case expense per most recent general ledger dated 8/19/09 112,236

Reimbursement reports for WSKY employees travel for 8/19 Evidentiary Hearing and 8/12-8/13 Customer Hearings:

	<u>Travel</u>	<u>Lodging</u>	<u>Meals</u>	<u>Total</u>
CD	692	124	216	1,032
LG	821	333	95	1,249
ML Aug 12/13	-	452	69	520
ML Aug 18/19	743	202	60	1,005
JW	620	124	-	744
Total				<u>4,550</u>

Water Service Personnel Cap Time up to Aug 1 - Aug 19, 2009:

	<u>hours</u>	<u>rate</u>	<u>\$</u>
LG	86	45	3,870
LY	16	27	432
CD	5	123	615
ML	73	37	2,683
JW	18	57	1,026
JH	5	111	555
Total			<u>9,181</u>

Cost of Capital Witness (AUS Consultants)

Consulting	4,750
Out of Pocket Travel Expenses	662

Jack Unbilled Bills 14,225

Total Cost of current case 145,604

Amortized over 3 years 3

Amortization Expense per year

	<u>Water</u>	<u>Sewer</u>
	<u>\$ 48,535</u>	<u>\$ -</u>



My itineraries » My itinerary details »

Itinerary: Chicago, IL (ORD) to Lexington, KY (LEX)

Your confirmation number is [REDACTED]
 Ticket price: USD 587.20

[Print Itinerary](#) [View E-receipt](#)

Email Itinerary to: [Send](#)

Flight information

Tue, Aug 18, 2009 - Chicago, IL (ORD) to Lexington, KY (LEX)

United 5954 Operated by: United Express/skywest Airlines	Depart: ORD 8:03 AM Arrive: LEX 10:14 AM	Non-stop 1h 11m CRJ 323 miles traveled	Fare basis code: EE14N2NX Booking class: E Economy 323 Award miles No Meal Service	Flight: Confirmed Seats:03D Download to calendar
--	---	---	---	--

Thu, Aug 20, 2009 - Lexington, KY (LEX) to Chicago, IL (ORD)

United 5954 Operated by: United Express/skywest Airlines	Depart: LEX 10:45 AM Arrive: ORD 11:07 AM	Non-stop 1h 22m CRJ 323 miles traveled	Fare basis code: [REDACTED] Booking class: E Economy 323 Award miles No Meal Service	Flight: Confirmed Seats:04D Download to calendar
--	--	---	---	--

Penalty
 CXL BY FLT TIME OR NOVALUENONREF/CHGFEEPLUSFAREDIF/

[View ticket price breakdown](#)

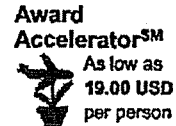
Additional information: Check-in information
 Please note that valid, government-issued photo identification must be presented at check-in.

[Travel Options](#) [Change itinerary](#) [Seats](#) [Upgrade](#) [Refund](#)

Passengers

Passenger	Seating	Mileage
LENA MS GEORGIEV Phone: [REDACTED] Email: [REDACTED] Special service request:	Flight: 5954 - 03D Flight: 5954 - 04D Change seats	Mileage Plus: [REDACTED]

Don't have a Mileage Plus number?
 Take advantage of these great ways to enhance your trip.
[Join Mileage Plus](#)



Multiply the Mileage Plus® miles you earn each time you fly, and reach travel awards faster.

Travel options

Don't check your Baggage

Stop leaving your luggage around. Send it ahead to your destination via FedEx Express. Available within 10 days of travel.

Buy now

Bag charges receipt

August 17, 2009

Chicago, IL (ORD) to Lexington, KY (LEX)

Baggage fee summary:

LENAMS GEORGIEV Purchasing 1 bags 15.00 USD

$\$$
 $\times 2 = 30$

Note: baggage fees are nonrefundable.

Total 15.00 USD*

Name GEORGIEV, LENA
Ticket number ~~0162160210555~~
Form of payment ~~XXXXXXXXXXXXX1234~~
Receipt number ~~XXXXXXXXXX1~~

Baggage fee terms and conditions

Your credit card will be billed immediately for this transaction. Baggage fee purchases are nontransferable. Void if sold or bartered.

To request a refund, please visit www.united.com/refunds.

Please keep this receipt as a record of your ticket number and receipt number, which are required for processing a refund request.

If you need to pay fees for additional bags that are within the baggage allowance, please return to EasyCheck-in Online® after completing your check-in. You may also pay for additional bags at an EasyCheck-in® kiosk at the airport.



It's time to fly.™

Printed from UNITED.COM

$\$ 15$ to KY
 $\$ 15$ to Chicago



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GEORGIEV I ENA [REDACTED] [REDACTED] US	name address	room number: [REDACTED] arrival date: 8/18/2009 11:37:00AM departure date: 8/20/2009 adult/child: 1/0 room rate: \$89.00
---	-----------------	--

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN LV1
 HH# [REDACTED]
 AL [REDACTED]
 BONUS AL [REDACTED] CAR

Confirmation [REDACTED]

8/20/2009 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here:

signature: _____

date	reference	description	amount
8/18/2009	877686	GUEST ROOM	\$89.00
8/18/2009	877686	STATE TAX	\$5.34
8/18/2009	877686	LOCAL ROOM TAX	\$4.72
8/18/2009	877686	CITY TAX	\$1.89
8/19/2009	877794	TELEPHONE-LD (INTERSTATE)	\$3.44
8/19/2009	877901	GUEST ROOM	\$89.00
8/19/2009	877901	STATE TAX	\$5.34
8/19/2009	877901	LOCAL ROOM TAX	\$4.72
8/19/2009	877901	CITY TAX	\$1.89
WILL BE SETTLED [REDACTED]			\$205.34
EFFECTIVE BALANCE OF			\$0.00

Hilton HHonors® stays are posted within 72 hours of checkout. To check your earnings for this or any other stay at more than 3,000 Hilton Family hotels worldwide, please visit HiltonHHonors.com.

Earn up to 10,000 Hilton HHonors® #174; bonus points Now through September 30, 2009, earn bonus points at participating hotels. Visit hampton.com for details. Subject to HHonors Terms and Conditions.

for reservations call 1.800.hampton or visit us online at hampton.com thanks.

account no.	date of charge	folio/check no.
card member name	authorization	initial
establishment no. and location <small>establishment agrees to transmit to card holder for payment</small>	purchases & services	
	taxes	
	tips & misc.	
signature of card member X	total amount	0.00



AIRPORT EXPRESS-O'HARE
18800 WEST O'HARE
CHICAGO, IL 60666

CREDIT I.D. : ~~XXXXXXXXXXXX~~
DEBIT I.D. : ~~XXXXXXXXXXXX~~

DISCOUNT TLR: 27
SALE
BATCH: 000201 INVOICE: 106209
DATE: AUG 20, 09 TIME: 13:52
AUTH NO: 020440

TOTAL \$38.00

LENA GEORGIEV

THANK YOU & HAVE A NICE DAY

I AGREE TO PAY ABOVE TOTAL AMOUNT
ACCORDING TO CARD ISSUER AGREEMENT
(MERCHANT AGREEMENT IF CREDIT VOUCHER)

Tip \$ 44

TAXI CAB SERVICE 53736
231-TAXI

Date 8/18 Cab No. _____ Driver _____
Charge To Lena Georgiev

Accl. # _____ /Auth. # _____
From _____

To _____
Additional Stops _____

Amount \$20

Mileage _____
Pick up _____ AM | PM Drop off _____ AM | PM

Passenger's Signature 

American Limousine & Cars Car# _____
877-770-2424

Name Lena Georgiev

Pick up ~~Chicago~~

Drop Off O'hare

Amount \$ 40. -

EXPENSE REPORT FORM

- 1) Complete all sections where applicable
- 2) Attach receipts onto separate page, attach to form
- 3) Explain ALL entertainment expenses on the back of form
- 4) Keep photocopies of all forms for your protection
- 5) Submit completed form to supervisor for approval

Name Martin Lashua
Company Water Service Corporation of Kentucky
Subdivision _____

Date	8/18/09	8/19/09							Total	Account Codes
Meals	333102	333102	60:39						\$60.39	7758370
Hotel (room, tax, phone calls)	201.90								\$201.90	7758365
Mileage Driven										
Mileage Value @ 0.585	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	6759010
Airfare (including penalties)	633.70								\$633.70	7758365
Car Rental (including fuel)	97.05								\$97.05	7758365
Parking	12.00								\$12.00	7758365
Tolls									\$0.00	7758365
Taxi - Limousine									\$0.00	7758365
Entertainment									\$0.00	7738399
Education									\$0.00	7048055
Other / Rate School registration									\$0.00	7048050
Other:									\$0.00	
Other:									\$0.00	
Other:									\$0.00	
Payment Recap.										
Total of the Front of the Expense Form:									\$1,005.04	
Subtract Any Advance:										
less										
Net Amount Due to the Employee:									\$1,005.04	

Purpose of the Expense: _____
 Business Benefit: _____
 # Days on Business: _____
 Explanation: _____

I hereby certify that the above expenditures represent cash spent for legitimate company business only and include no items of personal nature.

Employee Signature: Martin Lashua
 Date Signed: 8/27/09

Date	Amount	Name of Establishment Location	Customer/Company Name Individual Name	Description of Expenses (Purpose, City, Place)
08/18/2009	\$12.00	Charlotte International Airport Parking		Parking while traveling to KY for Rate Case Hearings (Project #2009577)
08/18/2009	\$633.70	US Airways		WSC of KY Rate Case Trip (Project #2009577)
08/18/2009	\$97.05	Hertz		WSC of KY Evidentiary Hearing (Project #2009577)
08/18/2009	\$201.90	Hampton Inn		WSC of KY Evidentiary Hearing (Project #2009577)
08/19/2009	\$60.39	Ricardo's Grill & Pub	Jack Hughes / Lena Georgiev / Martin Lashua	WSC OF KY Rate Case (Project #2009577)
	\$1,005.04			



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LASHUA, MARTIN
[REDACTED]
[REDACTED]
US

name
address

room number: [REDACTED]
arrival date: 8/18/2009 1:19:00PM
departure date: 8/20/2009
adult/child: 1/0
room rate: \$89.00

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution

RATE PLAN [REDACTED] LV1
HH# [REDACTED]
AL [REDACTED]
BONUS AL CAR

Confirmation: 8/20/2009
PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here
signature:

date	reference	description	amount
8/18/2009	877695	GUEST ROOM	\$89.00
8/18/2009	877695	STATE TAX	\$5.34
8/18/2009	877695	LOCAL ROOM TAX	\$4.72
8/18/2009	877695	CITY TAX	\$1.89
8/19/2009	877910	GUEST ROOM	\$89.00
8/19/2009	877910	STATE TAX	\$5.34
8/19/2009	877910	LOCAL ROOM TAX	\$4.72
8/19/2009	877910	CITY TAX	\$1.89
WILL BE SETTLED TO [REDACTED] EFFECTIVE BALANCE OF			\$201.90 \$0.00

WSC of ky
evidentiary hearing
travel
PROJ 2009577

Hilton HHonors(R) stays are posted within 72 hours of checkout. To check your earnings for this or any other stay at more than 3,000 Hilton Family hotels worldwide, please visit HiltonHHonors.com.

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for reservations call 1.800.hampton or visit us online at hampton.com thanks.

account no.	date of charge	folio/check no.
card member name	authorization	[REDACTED] A initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc.	
signature of card member X	total amount	0.00



Ricardo's Grill & Pub
 110 Frankfort Street
 Versailles, KY 40383
 ph 859-873-FOOD

Thank You for Visiting

TABLE: Bar 37 - 1 Guests
 Your Server was Clay
 8/19/2009 7:31:13 PM
 Sequence #0000099
 ID #0079519

ITEM	QTY	PRICE
Amstel Lite	1	\$3.50
- No Glass		
Hot Brown	1	\$13.00
- Green Beans		
- House Salad		
Ky Ale	1	\$3.50
- No Glass		
Ky Bourbon Barrel	(2@)	\$6.95 \$13.90
Park Tenderloin	1	\$16.00
- Broccoli		
- House Salad		
Sales Tax		\$2.99
Subtotal		\$49.90
		(Includes Sales Tax)
Grand Total		\$52.89

Credit Purchase

Name : LASHUA/MARTIN J
 CC Type : MasterCard
 CC Num :
 Reference :
 Approval :
 Server : Clay
 Ticket Name : Bar 37

Payment Amount: \$52.89

Tip: 7.50

Total: 60.39

x Dinner w/ Jack Hughes & Lena Georgiev
 CUSTOMER COPY

I agree to pay the amount shown above.
 WSC KY rate case hearing

Please Come Back!

Hertz

#01RN RR 370216512

CC

MARTIN LASHUA

VEHICLE 02298/7226350

CLS Q4 09NTBK LIC. IL 8964563

FUEL: 8/8 OUT 8/8 IN

CDP: - USAA

FF: /F

RES: /F

PREPARED BY: 8774/KYLEX11

COMPLETED BY: 8774/KYLEX11

RENTED 08/18/09 12:33 @ LEXINGTON AIRPORT

RETURN 08/20/09 11:59 @ LEXINGTON AIRPORT

PLAN IN: GOV1 RATE CLASS: F

PLAN OUT: GOV1

MILEAGE IN 10915 TR-X MILES

MILEAGE OUT 10825 MILES ALLOWED

MILES DRIVEN 90 MILES CHARGED

DAYS 2 @ \$ 37.00/DAY \$ 74.00

SUBTOTAL T\$ 74.00

CONCESSION FEE RECOVERY 11.10% T\$ 8.81

FF SURCHARGE T\$ 1.50

LDW DECLINED

LIS DECLINED

PAI, PEC DECLINED

CUST FAC CHG \$ 4.00

ENERGY SURCHARGE T\$ 1.03

VEHICLE LICENSE COST RECOVERY T\$ 2.64

TAX 8.000% ON TAXABLE TTL OF \$ 87.78 \$ 5.27

CHARGED ON
 RENT
 \$ 97.89

FF: US 0X500D0 100 MILES AWARDED

HOW WAS YOUR EXPERIENCE?
 WE'D LIKE YOUR FEEDBACK.

- 1) Call 1-800-278-1595, or Visit WWW.HERTZSURVEY.COM
- 2) Enter Access Code:
 3) Take Brief 4 Question Survey

WSC KY
 exoneratory
 travel

Proj # 2009577

STATEMENT OF CHARGES - NOT VALID FOR RENTAL
 Renting Company - The Hertz Corporation

Parking travel to KY
 for rate case hearing

CHARLOTTE
 INTERNATIONAL AIRPORT
 PARKING RECEIPT

*** Thank you ***

Entrance: 10:02 08/18/09 Lane # 64

Exit : 15:13 08/20/09 Lane # 61

Length of stay: 2 d. 05 h. 11 mn.

License plate : NC CC5422

Cashier: 014 Shift: 0102 SEQ# 24104

Amount paid \$ 12.00 Cash

EXPENSE REPORT FORM

- 1) Complete all sections where applicable
- 2) Attach receipts onto separate page, attach to form
- 3) Explain ALL entertainment expenses on the back of form
- 4) Keep photocopies of all forms for your protection
- 5) Submit completed form to supervisor for approval

Name
Company
Subdivision

Martin Lashua
Water Service Corporation of Kentucky

Date	8/12/09	8/13/09						Account
CB/sub	333102	333102	333102					668752
Meals	5.57	62.95						775865
Total (room tax; phone calls)	98.06	353.85						775865
Mileage Driven								
Mileage Value @ 0.566	0.00	0.00	0.00	0.00	0.00	0.00	0.00	675910
Airfare (including per diem)								775865
Car Rental (including fuel)								775865
Parking								775865
Tolls								775865
Taxi (including								775865
Entertainment								775865
Education								704805
Other (Rate, School registration)								704805
Other:								
Other:								
Other:								
Purpose of the Expense:								
Business Benefit:								
# Days on Business:								
Explanation:								

Total	\$520.49
Total of the Front of the Expense Form:	\$520.49
Submit Any Advance:	less
Net Amount Due to the Employee:	\$520.49
<small>I hereby certify that the above provided expenses were incurred in the course of my business and are not for my personal use.</small>	
Employee Signature:	<i>Martin Lashua</i>
Date Signed:	8/17/09

Date	Amount	Name of Establishment Location	Customer/Company Name Individual Name	Description of Expenses (Purpose, City, Place)
08/12/2009	\$5.57	Subway		Lunch WSCKY Rate Case (Project #2009577)
08/12/2009	\$98.06	Hampton Inn, Corbin, KY		WSCKY Rate Case (Project #2009577)
08/13/2009	\$37.70	Ruby Fayer Diner	Reba Standifer/Mike Pickard/James Leonard/Martin Lashua	Lunch WSCKY Rate Case (Project #2009577)
08/13/2009	\$25.25	Rafferty's of Paducah	Reba Standifer/James Leonard/Martin Lashua	Supper WSCKY Rate Case (Project #2009577)
08/13/2009	\$353.85	Hampton Inn, Paducah, KY	Reba Standifer / James Leonard / Martin Lashua	Rooms for WSCKY Rate Case (Project #2009577)

\$520.43



125 Adams Road Corbin KY 40701 phone [606] 523.5696 fax [606] 523.1130

LASHUA, MARTIN [REDACTED] [REDACTED] US	name address	room number: 319/SXQL arrival date: 8/12/2009 7:53:00PM departure date: 8/13/2009 adult/child: 1/0 room rate: 89.00
--	-----------------	---

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out.	RATE PLAN [REDACTED] LVO AL: US [REDACTED] 0 BONUS AL: [REDACTED] CAR:
---	--

CONFIRMATION NUMBER: [REDACTED] 8/13/2009 PAGE 1	Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit of \$.75 will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here: <input type="checkbox"/> signature:
---	---

date	reference	description	amount
8/12/2009	455205	GUEST ROOM	\$89.00
8/12/2009	455205	ROOM TAXES	\$9.06
WILL BE SETTLED TO MC *9750 EFFECTIVE BALANCE OF			\$98.06 \$0.00
EXPENSE REPORT SUMMARY			
ROOM & TAX	09 00:00:00 STAY TOTAL	\$98.06	\$98.06
DAILY TOTAL		\$98.06	\$98.06

WSC KY rate case
Proj 2009577

(333102)

You have earned approximately 1023 HHonors points and approximately 89 miles with US Airways for this stay. To check your earnings for this stay or any other stay at any of more than 3,000 Hilton Family hotels, visit www.hilton.com. Earn up to 10,000 Hilton HHonors[®] #174; bonus points Now through September 30, 2009, earn bonus points at participating hotels. Visit hampton.com for details. Subject to HHonors Terms and Conditions.

for reservations call 1.800.hampton or visit us online at www.hampton.com

ACCOUNT NO	date of charge	folio/check no.
card member name	authorization	184891 A initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc.	
signature of card member	total amount	
X	0.00	



thanks



3901 COLEMAN CROSSING CIRCLE

PADUCAH, KY 42001

TELEPHONE 270-442-0200

FAX 270-442-0201

official sponsor U.S. Olympic Team



ASHUA, MARTIN

name
address

room number: 425/SDQL
arrival date: 8/13/2009 8:41:00PM
departure date: 8/14/2009 6:21:00AM
adult/child: 1/0
room rate: 104.00

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN LVO
AL: US
CAR:

CONFIRMATION NUMBER: [REDACTED]

8/14/2009 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here:

signature:

date	reference	description	amount
8/13/2009	213002	GUEST ROOM	\$104.00
8/13/2009	213002	ROOM OCCUPANCY TAX	\$6.61
8/13/2009	213002	ROOM TRANSIENT TAX	\$1.10
8/13/2009	213002	ROOM STATE TAX	\$6.24
8/14/2009	213020	[REDACTED]	(\$117.95)
** BALANCE **			\$0.00

EXPENSE REPORT SUMMARY

ROOM & TAX	09 00:00:00	STAY TOTAL	
DAILY TOTAL	\$117.95	\$117.95	
	\$117.95	\$117.95	

	CHARGE TOTAL	ROOM OCCUPANCY TAX	ROOM STATE TAX	OM TRANSIENT TAX
ROOM & TAX	\$104.00	\$6.61	\$6.24	\$1.10
TOTAL PAID	\$104.00	\$6.61	\$6.24	\$1.10

Room for Reba Standifer
proj # 2009577

(388104)

You have earned approximately 1196 HHonors points and approximately 104 miles with US Airways

for reservations call 1-800-Hampton or go online to hampton.com

thanks

account no. [REDACTED] Earn up to 10,000 Hilton HHonors & #174; bonus points now through September 30, 2009, earn bonus points at participating hotels. Visit hampton.com for details. Subject to HHonors Terms and Conditions.

card member name
LASHUA, MARTIN

establishment no. and location

establishment agrees to transmit to card holder for payment

authorization 8/13/2009 8:41:00P 87646 A

initial

purchases & services

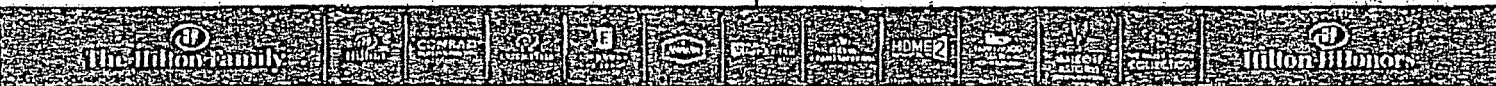
taxes

tips & misc.

signature of card member

X

total amount -117.95





Paducah, KY 42001
 TELEPHONE 270-442-0290 FAX 270-442-0201

official sponsor U.S. Olympic Team

ASHUA, MARTIN
 [redacted] name
 [redacted] address

room number: 225/SXQL
 arrival date: 8/13/2009 8:40:00PM
 departure date: 8/14/2009 6:21:00AM
 adult/child: 1/0
 room rate: 104.00

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN LVO
 AL: [redacted]
 CAR: [redacted]

CONFIRMATION NUMBER [redacted]
 8/14/2009 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here:
 signature:

date	reference	description	amount
8/13/2009	212958	GUEST ROOM	\$104.00
8/13/2009	212958	ROOM OCCUPANCY TAX	\$6.61
8/13/2009	212958	ROOM TRANSIENT TAX	\$1.10
8/13/2009	212958	ROOM STATE TAX	\$6.24
8/14/2009	213019	[redacted]	(\$117.95)
** BALANCE **			\$0.00

EXPENSE REPORT SUMMARY

ROOM & TAX DAILY TOTAL	00 00:00:00 STAY TOTAL	\$117.95	\$117.95
		\$117.95	\$117.95

	CHARGE TOTAL	ROOM OCCUPANCY TAX	ROOM STATE TAX	OM TRANSIENT TAX
ROOM & TAX TOTAL PAID	\$104.00	\$6.61	\$6.24	\$1.10
	\$104.00	\$6.61	\$6.24	\$1.10

*room for James Leonard
 WSS ky rate card
 Proj
 2009577*

*(333104)
 (333102)*

You have earned approximately 1196 HHonors points and approximately 104 miles with US Airways

for reservations call 1-800-hampton or visit us online at hampton.com thanks

Earn up to 10,000 Hilton HHonors & \$174 bonus points Now through September 30, 2009, earn bonus points at participating hotels. Visit hampton.com for details. Subject to HHonors Terms and Conditions.

account no. [redacted] date of charge 8/13/2009 8:40:00P follow check no. 88650 A

card member name LASHUA, MARTIN authorization [redacted] initial

establishment no. and location establishment agrees to transmit to card holder for payment purchases & services

taxes _____

tips & misc. _____

signature of card member X total amount -117.95





3901 COLEMAN CROSSING CIRC. E
 PADUCAH, KY 42001
 TELEPHONE 270-442-0200 FAX 270-442-0201

official sponsor U.S. Olympic Team

ASHUA, MARTIN
 name address
 room number: 218/SXQL
 arrival date: 8/13/2009 8:41:00PM
 departure date: 8/14/2009 6:21:00AM
 adult/child: 1/0
 room rate: 104.00

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN LVO
 AL: US
 CAR:

CONFIRMATION NUMBER :
 8/14/2009 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges. I have requested weekday delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here:
 signature:

date	reference	description	amount
8/13/2009	212955	GUEST ROOM	\$104.00
8/13/2009	212955	ROOM OCCUPANCY TAX	\$6.61
8/13/2009	212955	ROOM TRANSIENT TAX	\$1.10
8/13/2009	212955	ROOM STATE TAX	\$6.24
8/14/2009	213021		(\$117.95)
** BALANCE **			\$0.00

EXPENSE REPORT SUMMARY

ROOM & TAX	09 00:00:00	STAY TOTAL	
DAILY TOTAL	\$117.95	\$117.95	
	\$117.95	\$117.95	

TAX SUMMARY

ROOM & TAX	CHARGE TOTAL	ROOM OCCUPANCY TAX	ROOM STATE TAX	OM TRANSIENT TAX
TOTAL PAID	\$104.00	\$6.61	\$6.24	\$1.10
	\$104.00	\$6.61	\$6.24	\$1.10

wsc ky
rate case
pro# 2009577

(333102)
(-345104)

You have earned approximately 1196 HHonors points and approximately 104 miles with US Airways

for reservations call 1.800.hampton or visit us online at hampton.com thanks

account no.

Earn up to 10,000 Hilton HHonors & IH174; bonus points Now through September 30, 2009, earn bonus points at participating hotels. Visit hampton.com for details. Subject to HHonors Terms and Conditions.

8/13/2009 8:41:00P 88643 A

card member name LASHUA, MARTIN

establishment no. and location _____ establishment agrees to transmit to card holder for payment

signature of card member **X**

total amount -117.95



GUEST CHECK™

Date	Table	Guests	Server	634698
------	-------	--------	--------	--------

APPT-SOUP/SAL-ENTREE-VEG/POT-DESSERT-BEV

wsc ky rate case	Clinton NC	
	(388/02)	
	Ruby Faye's Diner	
	total	31.70
	TAX	6.00
	tip	
	8/13/09	(37.70)
	lunch w/	
	Reba Standifer	
	Mike Pickard Tax	
James Leonard Total		

Menu Item G3632-MGRM

reorder #120383

(388/02)
wsc ky rate case
supper w/
Reba & James

0276

Server: PAULA D (H130)

Rec: 136

08/13/09 21:39, Swiped

T: 73 Term: 3

Rafferty's of Paducah

3750 Hinkleville Road

Paducah, KY 42001

(270)442-1014

MERCHANT #: 154936393000

CARD TYPE ACCOUNT NUMBER

MASTERCARD XXXXX [REDACTED]

Name: MARTIN J LASHUA

OO TRANSACTION APPROVED

AUTHORIZATION #: 01307P

Reference: [REDACTED]

TRANS TYPE: Credit Card SALE

CHECK: 21.25

TIP: 4.00

TOTAL: 25.25

x Martin Lashua

PHONE: () -

CARDHOLDER WILL PAY CARD ISSUER ABOVE AMOUNT PURSUANT TO CARDHOLDER AGREEMENT PLEASE SIGN AND TOTAL BOTH COPIES

Thank you for making Subway
the World's Best Sandwich!

*** RECEIPT IS REPAINTED ***

lunch w/ wsc ky rate case

(388/02)

jnhughes

From: Hertz Reservations [alpha@hertz.com]
Sent: Thursday, August 13, 2009 4:32 PM
To: Carl Daniel
Subject: Your Hertz Reservation



Confirmation Number [REDACTED]
Thank you for your reservation, CARL DANIEL
Service Type: Service: Gold Counter

◀ [MODIFY/CANCEL RESERVATION](#) ▶ ◀ [RESERVE ANOTHER](#) ▶

APPROXIMATE TOTAL: 70.33 USD

Your Itinerary

Pick-Up Date
Tue, Aug 18, 2009 at 01:00 PM

Return Date
Wed, Aug 19, 2009 at 10:00 AM

Pick-Up Location:
Lexington Bluegrass Field Airport
4000 Terminal Drive
Suite 105
Lexington, Kentucky
40510-8645
Phone: 859-254-3496
Fax: 859-254-5060

Return Location:
Lexington Bluegrass Field Airport
4000 Terminal Drive
Suite 105
Lexington, Kentucky
40510-8645
Phone: 859-254-3496
Fax: 859-254-5060

Hours of Operation: Mo-Fr 0630-2330, Sa 0700-2300, Su 0630-2330
Location Type: Corporate

Hours of Operation: Mo-Fr 0630-2330, Sa 0700-2300, Su 0630-2330
Location Type: Corporate

Arrival Information
US Airways
Flight Number: 2464

Discounts
CDP Number: [REDACTED]
Your Rate Has Been Discounted By 15 %

Your Vehicle



Toyota Rav 4 or similar
Automatic Air

Your Extras : NoneSelected.

YOUR RATE DETAILS

Vehicle:

Day: 1 Day at 55.66 USD
UNLIMITED FREE MILES

Rate Code: MCLD

Taxes, Fees & Extras:

Taxes	3.87 USD
Airport Concession Fee Recovery	6.44 USD
Vehicle Licensing Cost Recovery	1.32 USD
Contract Facility Charge	2.00 USD
ENERGY SURCHARGE:	1.03 USD

OPTIONAL ITEMS NOT INCLUDED IN QUOTE

the optional items below are available for purchase when you arrive at the location.

Liability Insurance Supplement	
PER DAY	12.95 USD
Loss Damage Waiver	
PER DAY	27.99 USD
Personal Accident Insurance / Personal Effects Coverage	
PER DAY	5.95 USD
additional items (additional optional items not included in the approximate total price):	

Discounts:

CDP Discount Plan: AAA WEB ID
Your Rate Has Been Discounted By 15 %

Inclusive Items:

Total Approximate Charge: 70.33 USD

RATE IS GUARANTEED. TAXES, FEES AND EXTRAS, IF NOT INCLUDED IN THE RATE, ARE SUBJECT TO CHANGE.

Total Approximate Charge

70.33 USD

WARNING MESSAGES

MINIMUM AGE 25 OUTSIDE US - EXCEPTIONS MAY APPLY
GOLD SERVICE CONFIRMED - PLEASE PROVIDE FLIGHT INFO

Approximate rental charges are based on available information at the time of reservation. Additional fees or surcharges may be applied at time of rental. A Frequent Flyer Surcharge of up to \$1.00 per day up to a maximum of \$5.25 per rental may apply when renters choose to take miles or credits from a U.S. Frequent Flyer program.

This reservation is based on information you have provided Hertz, including information regarding your current geographic location. Hertz reserves the right to demand proof of what you have told us. In particular, if you have indicated that you are located outside your country of residence, you may, at the time of rental, be required to prove where you were when this reservation was made, through evidence such as an air or rail carrier ticket receipt, a hotel bill or a utility bill addressed to you at the location where you say you were. Failure to provide such substantiation may invalidate the rates you have been quoted, or in validate the entire reservation. Providing false information to Hertz in connection with this reservation would also breach your rental agreement and could violate the law.

This electronic-mail message contains confidential information intended only for the use of the individual or entity named. If the reader of this message is not the intended recipient, the reader is hereby notified that any dissemination, distribution, copying or other use of this message is strictly prohibited and is hereby instructed to return or destroy this copy of this message.

The Hertz Corporation
14501 Hertz Quail Springs Parkway
PO Box 269033
Oklahoma City, OK
73126-9033
U.S.A

◀ **MODIFY/CANCEL RESERVATION** ▶ **RESERVE ANOTHER** ▶

From: Carl Daniel
Sent: Wednesday, August 19, 2009 3:22 PM
To: Ronnie Stanis
Subject: Emailing: Reservation Confirmation #81054852 (18 Aug 2009 - 19 Aug 2009).htm

<https://secure.hilt>

Reservation confirmation for CARL DANIEL
Confirmation number: 81054852

Hampton Inn Frankfort
 1310 U.S. 127 South
 Frankfort, Kentucky USA 40601
 1-502-223-7600

Check-In date: 18 Aug 2009
 Check-Out date: 19 Aug 2009

Rate Information:

Rate Type: STANDARD RATE
 Rate per night: 109.00 USD

Total for Stay per Room:
 Rate (USD) 109.00
 Taxes 14.63
 Total 123.63

Total for Stay: 123.63 USD
 Includes tax and service charges

Tax & Service Charges:

- Taxes are estimated based on a 11.30 % per room per night tax. Changes in taxes or fees applied after booking may affect the total rate for your stay.

Rules & Restrictions:

- There is a Credit Card required for this reservation.
- If you wish to cancel, please do so by 6pm, hotel local time, on the day of arrival to avoid cancellation penalties.
- A maximum of one room per night at a specific hotel for the Diamond VIP Member to occupy may be validly booked in accordance with the Hilton HHonors Terms and Conditions Diamond VIP Membership 48 hour guaranteed reservations benefit. Additional rooms booked at the same hotel for the same date(s) utilizing the 48 hour guaranteed reservations benefit are invalid and will be cancelled by the hotel and accommodations denied without any liability for such cancelled rooms. Rooms booked utilizing the 48 hour guaranteed reservations benefit are booked at the prevailing rates and pre-negotiated rates and/or corporate rates cannot be utilized with this benefit and cannot be honored.

Room Information:

STANDARD RATE

1 Room: 1 Adult

Preferences: Away from Elevator

Room Type: 1 KING W/ SOFABED

Your room type preferences have been submitted with your reservation, and are subject to hotel availability. To make changes to the preferences stored in your profile, please log into your account.

Map & Directions:

<http://maps.hilton.com/mq2/mqserver.dll?e=0&Ge>

From I-75: 64 west, exit 53B onto Highway 127 and travel one block. From Louisville: 64 East to exit 53B, onto Highway 127 and travel one block.

jnhughes

From: Carl Daniel [CDDaniel@uiwater.com]
Sent: Wednesday, August 19, 2009 3:24 PM
To: Ronnie Stanis
Subject: Emailing: Manage Reservation.htm



U.S. AIRWAYS

Confirmation AQW2SG
Date Issued 8/13/2009
Form of Payment [REDACTED]
Grand Total \$589.80
Unflown Value \$6.10



Passenger Information

Party of (1) **Dividend Miles #** **Ticket #** **Seats**
 CARL DANIEL [REDACTED] [REDACTED] 3F, 3F, 15A

If you have selected an exit row, please view [Emergency exit row/Airport check in kiosk notice](#)

Contact Information

Contact Name **Day Phone** **Destination Phone**
 CARL DANIEL (704) 301-3091

Passenger Itinerary

Depart	Arrive	Flight # and Details	Meal	Travel Time
11:18 AM 18 Aug 2009 Charlotte, NC	12:30 PM 18 Aug 2009 Lexington, KY	Flight: 2464 Class: Coach ✈ Canadair Regional Jet On-Time: N/A	Meal: None	1 h 12 m
4:11 PM 19 Aug 2009 Lexington, KY	5:24 PM 19 Aug 2009 Charlotte, NC	Flight: 2550 Class: Coach ✈ Canadair Regional Jet On-Time: N/A	Meal: None	1 h 13 m
6:00 PM 19 Aug 2009 Charlotte, NC	6:57 PM 19 Aug 2009 Raleigh/Durham, NC	Flight: 1915 Class: Coach Boeing 737-300 On-Time: 90-100%	Meal: None	0 h 57 m
✈ Flight operated by PSA Airlines doing business as US Airways Express				
			Summary (1 Passenger)	
			Base Fare	\$524.00
			Taxes and Fees	\$65.10
Grand Total				\$589.10

Terms and Conditions

- Ticket is non-transferable.
- Ticket is non-refundable.
- Unused tickets must be cancelled by midnight on the date of departure to retain value.
- Any change to this reservation, including flights, dates, or cities, is subject to a fee per passenger. The new itinerary will be priced at the lowest available published fare at the time of change, which may result in a fare increase.
- PSA Airlines will operate one or more flights in this itinerary.
- Due to smaller-sized overhead compartments on our Express aircraft, carry-on bag size is limited to the following dimensions for these flights: 19"x15"x11".
- Ticket expires one year from date of purchase. Unflown value expires one year from date of purchase.
- Checked baggage fees may apply.
- Changes to the country of origin are not permitted, except for changes between the United States and U.S. territories.

Travel Tips

January 23, 2007: All U.S. citizens (including infants and children) must have a valid passport to travel to and from Bermuda, Canada, Mexico, Central and South America, and the Caribbean (excluding Puerto Rico and the U.S. Virgin Islands). You need a valid passport to re-enter the U.S. This policy also applies to foreign nationals of Canada, Bermuda and Mexico.

International travel

Required documents and helpful information on [international travel](#).

Carry-on update

Get the latest [carry-on updates](#).

jnhughes

From: Carl Daniel [CDDaniel@uiwater.com]
Sent: Wednesday, August 19, 2009 4:21 PM
To: Lowell Yap
Cc: Lena Georgiev
Subject: RE: Kentucky Trip

Lowell, I am attaching what I have so far for Carl's trip – Will send you the rest next week.

Attached:

7/18-7/19 Hampton \$123.63
7/18-7/19 US Air \$589.80
7/18-7/19 Hertz (approx.) \$70.33

To send copies next week:

7/18-7/19 Airport Parking \$32.00
7/18 Misc. Meal \$4.50
7/18 Misc. Meal \$2.76
7/18 Meal w/Lena, John Williams, Martin Lashua, Paula Ahern, John Hughes \$133.42
7/19 Meal w/Lena, John Williams, James Leonard, Martin Lashua, Paula Ahern, John Hughes \$75.46
Hertz final bill

Ronnie Stanis
Executive Assistant
Utilities, Inc.

5701 Westpark Dr., Suite 101
Charlotte, NC 28217
Phone 704-525-7990
Fax 704-525-8174
rmstanis@uiwater.com

This message is for the named person's use only. This communication, including any attachments, may contain information that is proprietary, privileged, confidential, including information that is protected under the HIPAA privacy and security rules, or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately by email and delete all copies of this message.

From: Lowell Yap
Sent: Wednesday, August 19, 2009 3:08 PM
To: Lena Georgiev; John Williams; Martin Lashua; Carl Daniel; 'Pauline Ahern'
Subject: Kentucky Trip

Hello all,

I require copies of your reimbursement reports and any unbilled bills from your trip to Kentucky.

Thank you very much,

Lowell.

Lowell M. Yap Jr.
Regulatory Accountant
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062
phone 847-498-6440
fax 847-498-6711



PAULINE M. AHERN
Principal

AUS CONSULTANTS

155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054
856.234.9200, ext. 204 • Tel
856.234.8371 • Fax
pahern@ausinc.com

June 10, 2009

Ms. Lena Georgiev, CPA
Senior Regulatory Accountant
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062

Re: Water Service of Kentucky, Inc. – Project ID: 2009577-2910

Dear Lena:

Enclosed please find our billing for services rendered through May 31, 2009 in connection with the above-mentioned case.

I believe the invoice is self-explanatory and would appreciate it if you would place the enclosed in line for payment.

Best regards.

Sincerely,

A handwritten signature in cursive script that reads 'Pauline'.

Pauline M. Ahern

PMA/s
enc.

3007048

Batch 9244

175689



AUS Consultants, Inc.
155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054
856 234 9200

Doc	Invoice Number	112888
	Invoice Date	June 10, 2009
	PO Number	
	Contract	ROR
	Project	13-0196
	Page	1
	Incorporated	FID# 22-1943906
	www.ausinc.com	
	Consultant:	
	PAULINE M. AHERN	
	PAHERN@AUSINC.COM	

Lena Georgier, CPA
Water Service Corp-Kentucky
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062

PROJECT ID: 2009577-2910

Professional Services

4,043.81

Invoice Total

345

4,043.81

Joe
JD

Please make check payable to:
AUS Consultants
155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054

6/15/09

Invoice due upon presentation

70WAT01

JUL 07 2009

AUS

3007048

Batch

48201

Doc

141468

Invoice Number 111390
 Invoice Date February 11, 2009
 PO Number
 Contract ROR
 Project 13-0196
 Page 1
 Incorporated FID# 22-1943906
 www.ausinc.com
 Consultant:
 PAULINE M. AHERN
 PAHERN@AUSINC.COM

AUS Consultants, Inc.
 155 Gaither Drive, Suite A
 Mt. Laurel, NJ 08054
 856 234 9200

Lena Georgier, CPA
 Water Service Corp-Kentucky
 Utilities, Inc.
 2335 Sanders Road
 Northbrook, IL 60062

PROJECT ID: 2009577-2910

Professional Services

345

du 2/19/09

ENTERED

FEB 24 2009

6,000.00

Invoice Total

RECEIVED

6,000.00

FEB 23 2009

Please make check payable to:
 AUS Consultants
 155 Gaither Drive, Suite A
 Mt. Laurel, NJ 08054

Invoice due upon presentation

70WAT01



PAULINE M. AHERN
Principal

AUS CONSULTANTS

155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054
856.234.9200, ext 204 • Tel
856.234.8371 • Fax
pahern@ausinc.com

August 24, 2009

Ms. Lena Georgiev, CPA
Manager – Regulatory Accounting
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062

Re: Water Service of Kentucky, Inc. – Project ID: 2009577-2910

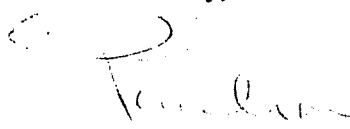
Dear Lena:

Enclosed please find our billing for services rendered through August 21, 2009 in connection with the above-mentioned case.

I believe the invoice is self-explanatory and would appreciate it if you would place the enclosed in line for payment.

Best regards.

Sincerely,



Pauline M. Ahern

PMA/s
enc.



AUS CONSULTANTS

155 Gaither Drive, Suite A
Mt. Laurel, NJ 08054
856.234.9200 • Tel
856.234.8371 • Fax
www.ausinc.com

Employer I.D. #22-1943906 Incorporated

August 24, 2009
Job No. 13-0196

WATER SERVICE OF KENTUCKY, INC.

For professional services rendered in connection with preparation for, travel to and attendance at evidentiary hearings in Frankfort, KY on August 19, 2009 as well as responding to Post-Hearing Data Requests and assistance with the Company's Post-Hearing Brief

\$4,750.00

Reimbursement at cost for out-of-pocket travel expenses

661.94

TOTAL

\$5,411.94

PROJECT ID: 2009577-2910

OFFICETEAM®

Specialized Administrative Staffing

3001756

Batch 50124

Doc 148088

Page: 1
Invoice Date: 03/12/2009
Invoice No: 23416028
Customer Number: 01300-000961-000
Fed Tax ID: 94-1648752

Labor Invoice - DUE UPON RECEIPT

PERSONAL & CONFIDENTIAL

Laura Blomquist
UTILITIES INCORPORATED
2335 SANDERS RD
NORTHBROOK IL 60062-6108

Please Remit To:
OfficeTeam
12400 COLLECTIONS CENTER DRIVE
CHICAGO IL 60693

Line	Employee Name	Wk-Ended	"Report-To" Supervisor	Qty	UOM	Bill Rate	Amount
1	Kirkland, Janet	03/06/2009	Casados, Jim	40.00	HRS REG	\$ 22.36	\$ 894.40
2	Feathergill, Adam	03/06/2009	Lingman, Sam	15.00	HRS REG	\$ 17.73	\$ 265.95
3	Gomez, Maria R	03/06/2009	Casados, Jim	40.00	HRS REG	\$ 22.36	\$ 894.40
4	Gomez, Maria R	03/06/2009	Casados, Jim	6.50	HRS OVT	\$ 33.54	\$ 218.01
Subtotal for Week-Ended: 03/06/2009				101.50	HRS		\$ 2,272.76

see attach

Adrienne R Krugler
2003520

ENTERED
MAR 20 2009

MAR 19 2009

Invoice Subtotal: \$ 2,272.76

TOTAL AMOUNT DUE : \$ 2,272.76

We provide more timely and accurate information to the business community by sharing our accounts receivable information with National Credit Reporting Agencies.

Any questions regarding this invoice please call:
(800) 776-3770



For qualified administrative professionals please call:
(847) 480-2073

Vendor Name: 23416028 Invoice Date 3/12/2009

Office Team Vendor Invoice: 23416028 Invoice Date 3/12/2009

Name: Feathergill, Adam

Date

Date	Hours	Rate	Amount	Book to:	Manager	Date Approved	Signature
3/5/2009	8	17.73	141.84	2009577.2908.00901	Georgiev, Lena	3/7/09	
3/6/2009	7	17.73	124.11	2009531.2908.00901	Dryjanski, Michael	3/7/09	
			265.95				

John N. Hughes, PSC

Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
2335 Sanders Road
Attn: Accounts Payable
Northbrook IL 60062-6196

August 20, 2009

Invoice #1163

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
7/6/2009 Review PSC order; several messages LG	0.33 300.00/hr	100.00
7/13/2009 Telephone AG re: case issues; messages to LG; tele. LG re: PSC conference and hearing issues	1.50 300.00/hr	450.00
7/14/2009 Tele. PSC re: Clinton meeting and prehearing conference	0.25 300.00/hr	75.00
7/15/2009 Draft hearing notice; message LG; response to ML re: hearing notice; review case file for hearing issues and witness preparation outline.	3.50 300.00/hr	1,050.00
7/16/2009 Response to ML re: Clinton meeting; review data responses and exhibits for witness issues	2.75 300.00/hr	825.00
7/24/2009 Review case issues; draft witness preparation and questions	4.83 300.00/hr	1,450.00
7/28/2009 Several messages to LG re: hearing issues	0.25 300.00/hr	75.00
7/29/2009 Tele. LG, JH re: case issues	0.50 300.00/hr	150.00
8/4/2009 Tele. LG re: PSC conference; witness/hearing preparation; several messages re: PSC notice for Middlesboro meeting; tele. PSC re: Middlesboro meeting	4.25 300.00/hr	1,275.00
8/11/2009 Conference PSC re: hearing issues	0.33 300.00/hr	100.00
8/12/2009 Case review and hearing preparation	3.42 300.00/hr	1,025.00

	<u>Hrs/Rate</u>	<u>Amount</u>
8/13/2009 Case review and hearing preparation	5.00 300.00/hr	1,500.00
8/14/2009 Case review and hearing preparation; messages to LG and PA re: ROE issues	4.50 300.00/hr	1,350.00
8/17/2009 Prepare and file revised PA testimony; several messages to LG re: hearing; hearing preparation	5.50 300.00/hr	1,650.00
8/18/2009 Client meeting - hearing preparation, witness review	5.00 300.00/hr	1,500.00
8/19/2009 Client meeting and PSC hearing	5.50 300.00/hr	1,650.00
	<hr/>	<hr/>
For professional services rendered	47.42	\$14,225.00
Previous balance		\$7,794.17
Accounts receivable transactions		
8/13/2009 Payment - Thank You		(\$7,794.17)
		<hr/>
Total payments and adjustments		(\$7,794.17)
		<hr/>
Balance due		\$14,225.00
		<hr/>

Account Reference 2009577.2906

3007192

JH ✓
LG ✓

John N. Hughes, PSC

Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
2335 Sanders Road
Attn: Accounts Payable
Northbrook IL 60062-6196

Batch 61488

Doc 184546 RECEIVED

JUL 1 2009

July 06, 2009

Invoice #1158

2009577,2906,00901

7794,17

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
5/1/2009 Prepare and file confidential exhibits 4, 12, 16; review PSC data requests; tele. LG; several messages re: data requests	1.17 300.00/hr	350.00
5/4/2009 Draft responses to PSC data requests; respond to several drafts from LG	4.25 300.00/hr	1,275.00
5/5/2009 Research and reply to ML re: compounding late payment fees; draft response to PSC data request 8;	1.42 300.00/hr	425.00
5/6/2009 Draft responses to PSC data requests; review LG's draft responses	2.25 300.00/hr	675.00
Tele. PA re: PSC responses	0.42 300.00/hr	125.00
5/7/2009 Responses to LG and ML re: PSC responses	0.33 300.00/hr	100.00
5/8/2009 Review AG responses; message LG re: confidentiality issues, several PSC responses	1.50 300.00/hr	450.00
5/12/2009 Review AG responses, revise and prepare for filing	0.75 300.00/hr	225.00
5/13/2009 Review PSC responses and prepare exhibits; numerous messages to LG, LY	2.83 300.00/hr	850.00
5/15/2009 Prepare and file AG/PSC responses	0.50 300.00/hr	150.00
5/29/2009 Review PSC requests; tele. AG; message LG re: PSC question	0.50 300.00/hr	150.00

Approved by Legal

JUL 1 2009

	<u>Hrs/Rate</u>	<u>Amount</u>
6/1/2009 Tele. LG re: PSC data request	0.17 300.00/hr	50.00
6/19/2009 Tele. AG re: settlement issues	0.50 300.00/hr	150.00
6/22/2009 Response LG re: tariff issues	0.25 300.00/hr	75.00
6/23/2009 Tele. AG re: settlement issues; several messages to LG	0.75 300.00/hr	225.00
6/24/2009 Tele. LG re: AG settlement issues (2)	0.33 300.00/hr	100.00
Tele. AG re: settlement issues	0.17 300.00/hr	50.00
6/25/2009 Conference AG re: settlement; message LG	1.42 300.00/hr	425.00
6/26/2009 Tele. AG re: settlement; message LG; draft settlement issues for AG	0.92 300.00/hr	275.00
6/29/2009 Conference with AG re: settlement	1.25 300.00/hr	375.00
Several messages re: PSC notice of Clinton public meeting; response to PSC	0.33 300.00/hr	100.00
For professional services rendered	22.00	\$6,600.00
Additional Charges :		
5/1/2009 Copy confidential exhibits 4, 12, 16;		129.19
5/15/2009 AG/PSC response		1,064.98
Total additional charges		\$1,194.17
Total amount of this bill		\$7,794.17
Previous balance		\$5,652.59
Accounts receivable transactions		
6/2/2009 Payment - Thank You		(\$5,652.59)
Total payments and adjustments		(\$5,652.59)

Utilities, Inc

Balance due

Amount

\$7,794.17

Account Reference 2009577.2906

vdg

715109

2009577.2906

John N. Hughes, PSC

Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

JH ✓
LG —

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
~~2335 Sanders Road~~
Attn: Accounts Payable
Northbrook IL 60062-6196

May 07, 2009

Invoice #1157

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
4/3/2009 Review PSC data request; tele. LG	0.50 300.00/hr	150.00
4/6/2009 Review PSC data request; 12 for LG; tele. PSC/AG re;; general ledger issues; prepare draft responses for several questions	1.75 300.00/hr	525.00
4/7/2009 Draft responses for PSC data requests	1.17 300.00/hr	350.00
4/10/2009 Tele. JS re: Ambleside issues	0.25 300.00/hr	75.00 ^{0.25}
4/13/2009 Several messages, responses to LG re: PSC issues/exhibits	0.75 300.00/hr	225.00
4/14/2009 Review and edit final PSC responses, prepare exhibits, documents for filing; tele. LG	4.83 300.00/hr	1,450.00
4/15/2009 File PSC responses	0.50 300.00/hr	150.00
Research and respond to ML re: PSC regulations for local office	0.50 300.00/hr	150.00
4/16/2009 Additional research and respond to ML re: PSC regulations for local office	0.75 300.00/hr	225.00
Additional research and respond to ML re: PSC regulations for local office; review AG data requests; message LG; tele. LG re: AG issues	1.75 300.00/hr	525.00
4/17/2009 Prepare and file response to PSC data request 29	0.58 300.00/hr	175.00


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MAY 18 2009

	<u>Hrs/Rate</u>	<u>Amount</u>
4/17/2009 Prepare and file response to PSC data request 29; tele. AG re: WSCK board minutes	0.92 300.00/hr	275.00
4/20/2009 Research and respond to several messages from JS and LG re: AG data requests	0.75 300.00/hr	225.00
Respond to several messages from LW re: AG data requests	0.42 300.00/hr	125.00
4/27/2009 Review PSC letters denying confidentiality for Application exhibits; message LG re: filing options and response to PSC	0.50 300.00/hr	150.00
Review PSC letters denying confidentiality for Application exhibits; message LG re: filing options and response to PSC	0.50 300.00/hr	150.00
For professional services rendered	16.42	\$4,925.00
Additional Charges :		
4/15/2009 Copies - PSC responses		727.59
Total additional charges		\$727.59
Total amount of this bill		\$5,652.59
Previous balance		\$18,998.72
Accounts receivable transactions		
4/23/2009 Payment - Thank You		(\$18,998.72)
Total payments and adjustments		(\$18,998.72)
Balance due		\$5,652.59

Account Reference 20095772906

5/26/09 

306719C

JH ✓
LG ✓

John N. Hughes, PSC
Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

Batch 5 1991

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
2335 Sanders Road
Attn: Accounts Payable
Northbrook IL 60062-6196

Doc 155016

APR 13 2009

April 07, 2009

Invoice #1155

20090577.2906.00901

1898.72

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
2/16/2009 Research paperless document storage and PSC regulations for LG	2.25 300.00/hr	675.00
2/17/2009 Response to LG re: PSC annual report	0.25 300.00/hr	75.00
2/23/2009 Response to LG re: tariff issues; request certificate of authority from Sec. State office	0.92 300.00/hr	275.00
2/24/2009 Revise tariffs; draft new tariff sections; draft JW testimony w/ tariff changes	5.50 300.00/hr	1,650.00
2/25/2009 Draft new tariffs; revise testimony	4.50 300.00/hr	1,350.00
2/26/2009 Respond to several messages and revise tariffs	1.25 300.00/hr	375.00
2/27/2009 Finalize PSC application and exhibits; document preparation	4.75 300.00/hr	1,425.00
3/2/2009 Responses to LG re: customer notices and PSC procedures	0.83 300.00/hr	250.00
3/4/2009 Response to several messages	0.25 300.00/hr	75.00
3/12/2009 File PSC application; responses to several messages re: customer notices and customer complaints	0.75 300.00/hr	225.00
3/18/2009 Responses to several messages	0.25 300.00/hr	75.00

APR 17 2009

Approved by Legal

APR 14 2009

	<u>Hrs/Rate</u>	<u>Amount</u>
3/26/2009 Responses to message re: back billing	0.75 300.00/hr	225.00
For professional services rendered	<u>22.25</u>	<u>\$6,675.00</u>
Additional Charges :		
2/23/2009 Certificate of authority fee - Sec. State office		10.00
3/3/2009 Application copies		1,098.02
Application covers		85.50
Postage		30.20
Total additional charges		<u>\$1,223.72</u>
Total amount of this bill		<u>\$7,898.72</u>
Previous balance		\$15,400.00
Accounts receivable transactions		
2/13/2009 Payment - Thank You		(\$4,300.00)
Total payments and adjustments		<u>(\$4,300.00)</u>
Balance due		<u>\$18,998.72</u>

ADJ

4/14/09

2009577.2909

3007190

John N. Hughes, PSC

Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

JH ✓

LG ✓

Batch 51991

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
2335 Sanders Road
Attn: Accounts Payable
Northbrook IL 60062-6196

Doc 155015

February 04, 2009

Approved by Legal

Invoice #1148

APR 03 2009

Professional Services

11,100.00

2009577.2906.00001

	<u>Hrs/Rate</u>	<u>Amount</u>
1/2/2009 Research non-recurring fee examples for tariff revisions	0.75 300.00/hr	225.00
1/5/2009 Message LG re: PSC notice; review 2004 testimony and LG's draft testimony	1.75 300.00/hr	525.00
1/6/2009 Review and respond to LG questions re: testimony; review JW testimony; respond to LG re: customer notice, various rate issues; respond to ML re: revisions to tariffs;	4.50 300.00/hr	1,350.00
1/8/2009 Review draft testimony; draft various exhibits; rate petition; prepare exhibit list	5.25 300.00/hr	1,575.00
1/9/2009 Review draft testimony and exhibits; respond to numerous messages	3.50 300.00/hr	1,050.00
1/12/2009 Revise tariffs per PSC comments and file w/PSC	2.75 300.00/hr	825.00
Review draft testimony; respond to several messages	1.50 300.00/hr	450.00
1/14/2009 Review exhibits; case preparation	3.00 300.00/hr	900.00
1/15/2009 Review exhibits; case preparation and document assembly	4.00 300.00/hr	1,200.00
1/16/2009 Review CD testimony	0.75 300.00/hr	225.00
1/22/2009 Research and respond to numerous messages	2.50 300.00/hr	750.00

APR 17 2009

	<u>Hrs/Rate</u>	<u>Amount</u>
1/23/2009 Review exhibits, testimony for LG, PA; respond to messages	3.75 300.00/hr	1,125.00
1/26/2009 Review draft tariffs and notices; respond to numerous messages	2.25 300.00/hr	675.00
1/27/2009 Respond to several messages	0.75 300.00/hr	225.00
For professional services rendered	37.00	\$11,100.00
Previous balance		\$4,300.00
Balance due		\$15,400.00

ds ✓
ds
3/30/09
2009577 ✓
2904

John N. Hughes, PSC

Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

JAN 05 2009

JH ✓
LG ✓

3007190

Batch 46608

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
2335 Sanders Road
Attn: Accounts Payable
Northbrook IL 60062-6196

Approved by Legal 134251

JAN 07 2009

December 31, 2008

2009577.2906.00901

Invoice #1141

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
11/12/2008 Response to James Leonard re: Ambleside fire hydrant issues; research tariffs; PSC order re: fire protection issues	2.75 300.00/hr	825.00
12/1/2008 Review PSC letter re: revisions to 2005 rate case tariffs letter LG re: revisions	0.75 300.00/hr	225.00
12/5/2008 Response to LG re: allocations, various rate issues	0.50 300.00/hr	150.00
12/8/2008 Responses to several emails	0.33 300.00/hr	100.00
12/10/2008 Responses to LG re: various rate case issues; filing requirements	1.50 300.00/hr	450.00
12/11/2008 Tele conference re: rate case issues	0.75 300.00/hr	225.00
Prepare 2005 case documents for LG; several messages re: tariffs, rate issues	2.50 300.00/hr	750.00
12/12/2008 Review 2004 rate application; prepare issues list for 2009 application; copy of customer notice to LG; response to LG re: conference exhibits	2.75 300.00/hr	825.00
12/19/2008 Research electronic customer billing tariffs for possible tariff revision	1.50 300.00/hr	450.00
12/29/2008 Prepare notice of intent to file rate application	0.50 300.00/hr	150.00
12/30/2008 File notice of intent to file rate application w/PSC	0.50 300.00/hr	150.00

	<u>Hours</u>	<u>Amount</u>
For professional services rendered	14.33	\$4,300.00
Previous balance		\$9,678.27
Accounts receivable transactions		
5/28/2008 Payment - Thank You		(\$9,678.27)
Total payments and adjustments		(\$9,678.27)
Balance due		\$4,300.00

\$4,300.00

DS

11/6/09

2009577

3007190 JH ✓
LG

John N. Hughes, PSC

Attorney at Law
124 West Todd St.
Frankfort, KY 40601
jnhughes@fewpb.net

RECEIVED
MAY 12 2008

Batch 25031

Doc 59234

Invoice submitted to:
Utilities, Inc
Water Service Corp KY
2335 Sanders Road
Attn: Accounts Payable
Northbrook IL 60062-6196

BY: _____

245

March 10, 2008

2009664, 2906.00901

Invoice #1110

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
1/17/2008 Research motion to dismiss issues	6.50 250.00/hr	1,625.00
1/18/2008 Draft motion to dismiss issues	4.50 250.00/hr	1,125.00
1/22/2008 Draft motion to dismiss	5.50 250.00/hr	1,375.00
1/23/2008 Draft motion to dismiss	2.00 250.00/hr	500.00
1/29/2008 Motion to dismiss; Conference PSC re: fire tariffs	7.83 250.00/hr	1,958.33
1/30/2008 Motion to dismiss	2.83 250.00/hr	708.33
2/1/2008 Revision to motion to dismiss	2.50 250.00/hr	625.00
2/4/2008 Several responses to Lena Georgiev re: fire service tariff issues	1.50 250.00/hr	375.00
2/11/2008 Several messages to LG re: tariffs	0.33 250.00/hr	83.33
2/12/2008 Review tariff revisions; response top JL re; tariffs; file motion to dismiss w/PSC	1.33 250.00/hr	333.33
2/19/2008 Several messages LG re: tariffs	0.33 250.00/hr	83.33

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	<u>Hrs/Rate</u>	<u>Amount</u>
2/20/2008 Response to LG re: tariffs; research pre-2005 tariffs for LG	1.15 250.00/hr	287.50
2/21/2008 Conference w/client call re: tariff issues	1.00 250.00/hr	250.00
For professional services rendered	37.32	\$9,329.15
Additional Charges :		
2/12/2008 Copies motion to dismiss		331.32
postage		17.80
Total additional charges		\$349.12
Total amount of this bill		\$9,678.27
Balance due		\$9,678.27

NO 5/19/08

WSC OF KY - Protect 2009664

Post Test Year G/L Additions

WSC of KY
 General Ledger Plant Additions
 7/1/08 thru 8/19/09

Account Number	Description	Amount	per PSC DR item 7	Difference
1045	Land & Land Rights General Plt	\$ (2,656)	\$ -	\$ (2,656) [a]
1050	Struct & Improv Source Supply	10,091	10,091	0
1080	Wells & Springs	6,594	6,594	0 [c]
1090	Supply Mains	7,794	8,821	(1,027) [b]
1105	Electric Pump Equip WTP	2,224	2,206	18
1110	Electric Pump Equip Trans	977	977	0
1115	Water Treatment Eqpt	1,763	1,696	67
1120	Dist Resv & Standpipes	1,632	294	1,338
1125	Trans & Distr Mains	34,390	21,356	13,034
1130	Service Lines	7,981	2,454	5,527
1135	Meters	41,800	21,162	20,638
1140	Meters Installations	11,283	2,358	8,925
1145	Hydrants	5,717	5,717	0
Total post test-year additions		\$ 132,248	\$ 83,726	\$ 48,522

[a] Allocations for 3rd quarter 2009 are not complete yet. They will be booked once the quarter is closed out. This figure should be zero since land allocations do not change.

[b] PO Adjustments - please see GL Plant.

[c] \$6,594 of Project 2004768 filed in the RC filing on w/p j was closed out in account 1080 on 9/30/08. The remaining support for pro-forma project 2004768 was supplied in PSC DR 1 item 7.

State Tax rates

KRS 141.040(1)

<http://www.lrc.state.ky.us/krs/141-00/040.pdf>

State Tax Rate

First \$25,000 @ 4.0%

\$25,001 to \$50,000 @ 5.0%

\$50,001 to \$100,000 @ 6.0%

\$100,001 to \$250,000 @ 7.0%

Over \$250,000 @ 8.0%

Ahern ROE Case List

Cost of Capital Testimony of Pauline M. Ahern, CFP® for Subsidiaries of Utilities, Inc. for the Twelve Months Ended August 19, 2009

Date of Filing	Client	Type of Filing Direct/Rebuttal	Commission	Docket Number	Recommended			Date of Order	Authorized		
					Common Equity Ratio	Return on Common Equity	Overall Rate of Return		Common Equity Ratio	Return on Common Equity	Overall Rate of Return
15-Sep-2008	Utilities Inc.	Rebuttal	Florida Public Service Commission	08006-W/S	100% - 40%	(1) 9.48% - 12.67%	(1)	12/31/2008	100% - 40%	9.48% - 12.67%	NA
25-Nov-2008	Spring Creek Utilities, Inc.	Rebuttal	Public Service Commission of Nevada	08-06036	44.75%	11.80%		1/15/2009	44.75%	11.80%	NA
5-Mar-2009	Water Service Corp. of Kentucky	Direct	Kentucky Public Service Commission	2008-00563	53.03%	11.60%-12.10%	(2)	(2)	9.24%-9.51%		
30-Jun-2009	Utilities Inc., of Nevada	Direct	Public Service Commission of Nevada	0906037	40.70%	12.050%		(2)	8.3100%		
6-Aug-2009	Massachusetts Public Service Corporation	Direct	Virginia State Corporation Commission		46.70%	11.95%		(2)	9.09%		

Notes:

- (1) Ms. Ahern's testimony was limited to the reasonableness of the results of the Florida leverage formula. Ms. Ahern's rebuttal testimony rebutted the position of the Office of Public Counsel that the entire leverage formula methodology was unreasonable. Ultimately, the Commission adopted the average formula in tab.
- (2) Active proceeding. No order issued as yet.

Ohio and Mississippi Divestiture dates

[Ohio:

Ohio Docket #: 03-1054-WW-AIR

Date of Filing: 5/27/2003

Date of Divestment: 6/5/2008

Mississippi:

Date of Filing: 2/14/2002

Date of Customer Notice sent out regarding filing: 3/13/2002

Date of Divestment: 5/31/2008

Project Phoenix Cases

State	System	Docket
Florida	Miles Grant Water & Sewer	070695 WS
	Lake Utilities Service Inc	070693 WS
	Wedgfield Utilities Inc	07094 WS
	Tierra Verde Utilities Inc	080248 SU
	Mid County Servces Inc	080250 SU
	Eagle Ridge	080247 SU
	Pebble Cre	
	Labrador Utilities Inc	080249 W[1]
Alafaya Utilities Inc	090121 SU [1]	
Louisiana	Louisiana Water Service	U 30553
Nevada	Spring Creek Utilities Co	08 060636
NC	Carolina WSI of NC	W 354 Sub 314
	CWS Systems	W 778 Sub 81
	Carolina Trace UI	W 1013 Sub 7
	Nero Utilities Services Inc	W 1152 Sub 6
	Carolina Pines UI	W 1151 Sub 5
TN	Tennessee Water Service	09 00017[2]

[1] Settled with Staff and Office of Public Counsel. Consummating Order due within the next thirty days. Company is extremely certain Commission will not disallow PP expenses.

[2] Settled with Staff and Attorney General. Consummating Order to be issued shortly. Company is extremely certain Commission will not disallow PP expenses.

VA State Corp Comm.

Order approving ERC allocation method

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, August 18, 2008

2008 AUG 18 A. 11: 52

APPLICATION OF

CASE NO. PUE-2008-00040

MASSANUTTEN PUBLIC SERVICE CORPORATION

For approval of amended
services agreement

ORDER GRANTING APPROVAL

On May 19, 2008, Massanutten Public Service Corporation ("MPSC") filed an application with the State Corporation Commission ("Commission") pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code") for approval of an amended services agreement.

MPSC is a Virginia public service corporation that provides water and sewer services in and around Massanutten Village, located in Rockingham County, Virginia. MPSC was first certificated by the Commission to provide such services in 1985. MPSC is a wholly owned subsidiary of Utilities, Inc., a holding company that owns and operates water and sewer companies in fifteen states. Water Service Corporation ("WSC") is also a wholly owned subsidiary of Utilities, Inc., that manages and operates the water and sewer companies owned or operated by Utilities, Inc.

Pursuant to Chapter 4 of Title 56 of the Code (the "Affiliates Act"), MPSC and WSC are deemed to be "affiliates" within the meaning of the Affiliates Act because of their relationship to Utilities, Inc. MPSC is required to file for prior approval under the Affiliates Act for any arrangements or agreements with WSC since MPSC's annual

operating revenues are equal to or greater than \$500,000. MPSC currently receives services from WSC under a services agreement ("Agreement") approved by the Commission on October 19, 2005, in Case No. PUE-2005-00063.

The Applicant has determined that certain provisions of the Agreement should be revised. The Agreement, as revised, ("the Revised Agreement") changes the allocation method of shared expenses from a "customer equivalent" ("CE") basis to an "equivalent residential customer" ("ERC") basis. Secondly, under the Revised Agreement, the allocation of expenses will be made on a monthly basis, rather than quarterly. Lastly, the provision of the Agreement that provided for specific allocation methods with respect to the cost of the corporate headquarters of Utilities, Inc., which, at the time, also served as the base of operations for the operating subsidiaries in the states of Illinois, Indiana, and Ohio, has been eliminated as those subsidiaries are no longer served out of the corporate headquarters and are now served from a regional headquarters.

MPSC represents that changes to allocate charges on a monthly basis and the elimination of costs attributed to the Illinois, Indiana, and Ohio subsidiaries are expected to have an insignificant impact on MPSC. In fact, it is expected that the elimination of costs from Illinois, Indiana, and Ohio will result in less costs being allocated to MPSC. However, in a response to a Staff data request, the Applicant states that these savings would be minimal.

As for the change in allocating costs based on CEs to ERCs, the Applicant states that it is expected to increase MPSC's costs by slightly less than two tenths of one percent (0.2%). In the Applicant's June 23, 2008, response to a Staff data request, the Applicant states that MPSC's share of total allocated costs will increase from 1.55% to

1.74% of the total. Based on 2007 data, the total increase in allocated costs to MPSC would be approximately \$67,383.81.

As represented by the Applicant, the purpose of the change in the allocation method is to create a uniform system of allocating costs across all of Utilities, Inc.'s subsidiaries. The Applicant states that the use of ERCs is required by all of Utilities, Inc.'s Florida subsidiaries, as mandated by the Florida Public Service Commission. The Florida subsidiaries make up approximately 29% of Utilities, Inc.'s subsidiaries. The Applicant further states that Utilities, Inc., and MPSC are currently implementing a new computer system. With the new computer system, it is anticipated that the only allocation method that will be used is ERCs. According to the Applicant, the continued use of CEs as MPSC's allocation method would result in increased costs for MPSC.



NOW THE COMMISSION, upon consideration of the application and representations of the Applicant and having been advised by its Staff, is of the opinion and finds that MPSC's participation in the Revised Agreement with WSC to obtain services deemed necessary to provide its public service function is in the public interest and should be approved. We continue to believe that there are certain economies of scale that could result from MPSC's affiliation with Utilities, Inc., and from obtaining needed services from WSC. However, MPSC should continue to evaluate services obtained from WSC on a regular basis. Services for which a market exists should be evaluated as to the cost of such services from the market to ensure that MPSC is paying WSC the lower of WSC's cost or the market price for such services. MPSC should bear the burden of proving during any rate proceeding that it paid WSC the lower of cost or market for such services. Our approval should include only those services specifically identified in the

Revised Agreement. Any other services, including any loans or other capital from affiliates to MPSC would require separate approval.

Accordingly, IT IS ORDERED THAT:

- 1) Pursuant to § 56-77 of the Code of Virginia, Massanutten Public Service Corporation is hereby granted approval to enter into the Revised Agreement with Water Service Corporation, as described herein.
- 2) Regarding services obtained from WSC for which a market exists, MPSC shall continue to make the necessary comparisons to ensure that it is paying the lower of cost or market for such services.
- 3) For purposes of cost recovery during any rate proceeding, MPSC shall bear the burden of proving that the pricing policy as described in Ordering Paragraph (2) was followed and shall maintain such records to support such compliance for Staff review upon request.
- 4) The approval granted herein shall include only the specific services identified in the Revised Agreement. Any other services, including loans or other capital to MPSC from its affiliates shall require separate approval.
- 5) Any changes in the terms and conditions of the Revised Agreement from those described herein, including additional services, pricing, and allocation methods, shall require Commission approval.
- 6) The approval granted herein shall not preclude the Commission from exercising the provisions of §§ 56-78 and 56-80 of the Code of Virginia hereafter.
- 7) The approval granted herein shall have no ratemaking implications for annual informational filings or future rate proceedings.

8) The Commission reserves the right to examine the books and records of any affiliate in connection with the authority granted herein, whether or not such affiliate is regulated by this Commission.

9) MPSC shall include the transactions covered under the Revised Agreement in its Annual Report of Affiliate Transactions submitted to the Commission's Director of Public Utility Accounting on or before May 1 of each year, which deadline may be extended administratively by the Commission's Director of Public Utility Accounting.

10) If Annual Informational and/or General Rate Case Filings are not based on a calendar year, then MPSC shall include the affiliate information contained in the Annual Report of Affiliate Transactions in such filings.

11) The approval granted herein shall supersede the approval granted in Case No. PUE-2005-00063.

12) There appearing nothing further to be done in this matter, it is hereby dismissed.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Donald G. Owens, Esquire, Troutman Sanders LLP, Troutman Sanders Building, 1001 Haxall Point, Richmond, Virginia 23219 and to the Commission's Office of General Counsel and Divisions of Public Utility Accounting and Energy Regulation.