

DAMON R. TALLEY, P.S.C.

112 N. LINCOLN BLVD.
P.O. BOX 150
HODGENVILLE, KENTUCKY 42748

TEL. (270) 358-3187
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DAMON R. TALLEY

ATTORNEY AT LAW

May 26, 2010

Mr. Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

RECEIVED

MAY 28 2010

PUBLIC SERVICE
COMMISSION

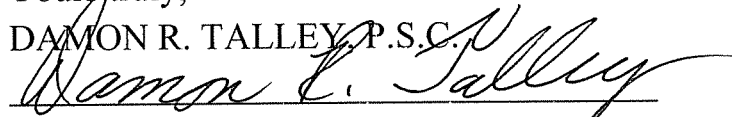
RE: Case No. 2009-00373
Hopkinsville Water Environment Authority

Dear Mr. Derouen:

Enclosed for filing are the original and six (6) copies of Hopkinsville Water Environment Authority's Notice of Filing of Evidence of Rate Case Expenses.

Yours truly,

DAMON R. TALLEY, P.S.C.



DAMON R. TALLEY, Counsel For
Hopkinsville Water Environment Authority

DRT:ms

Enclosures

cc: Hon Jack Hughes, Attorney for CCWD
James Owen, General Manager, CCWD
Hopkinsville Water Environment Authority

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE)
WHOLESALE SERVICE RATES OF) CASE NO.
HOPKINSVILLE WATER ENVIRONMENT) 2009-00373
AUTHORITY)

**NOTICE OF FILING OF EVIDENCE
OF RATE CASE EXPENSES**

RECEIVED

MAY 28 2010

PUBLIC SERVICE
COMMISSION

The Applicant, Hopkinsville Water Environment Authority (“HWEA”), hereby gives notice to the Commission and to the Christian County Water District (“CCWD”) that it is seeking to recover a portion of the rate case expenses that HWEA has incurred in this proceeding. HWEA submits the evidence set forth in **Exhibits 1 and 2** attached hereto and states as follows:

1. HWEA seeks to recover the sum of **\$153,416.81** in rate case expenses from its wholesale customer, CCWD. It proposes to amortize this sum over a three (3) year period and recover it in 36 equal monthly installments of **\$4,261.58** in lieu of increasing the volumetric rates above the amounts proposed in its original Application.

2. HWEA engaged the services of HDR Engineering, Inc. (“HDR”) to perform the Cost-of-Service Study (“COSS”) used in this rate case. HDR’s fee for preparing the COSS, preparing the Direct Testimony of Brent A. Tippey, P.E., and assisting with the preparation of responses to information requests was a lump sum fee of \$38,000.00.¹

3. Attached as composite **Exhibit 1** are three (3) invoices from HDR to HWEA which total **\$38,000.00**.

4. HWEA also engaged the services of Damon R. Talley, P.S.C. to serve as special counsel in all matters pertaining to the proposed adjustment of HWEA’s wholesale water service rates, including representing HWEA before the Commission in this rate case proceeding.

5. Attached as **Exhibit 2** is a detailed invoice from Damon R. Talley, P.S.C. to HWEA for the sum of **\$115,416.81**. This sum represents the legal fees performed and the expenses incurred by Damon R. Talley, P.S.C. on behalf of HWEA in this rate case proceeding.

¹ HDR would have been paid an additional fee if Mr. Tippey had been required to prepare for and attend a Formal Hearing.

6. It should be noted that HWEA also incurred legal fees to its outside counsel, Jack Lackey of the Hopkinsville firm of Deatherage, Myers & Lackey, PLLC, who performed services and rendered advice to HWEA throughout this proceeding. Nevertheless, HWEA is **not** seeking to recover the fees it paid to Deatherage, Myers & Lackey, PLLC.

7. Furthermore, HWEA is **not** seeking to recover the value of the time expended by its staff nor any other expenses which it incurred as a result of this rate case proceeding.

8. HWEA seeks to allocate 100% of the rate case expense, **\$153,416.81**, to its wholesale customer, CCWD. The sole purpose of engaging the services of HDR was to prepare the COSS for this rate case proceeding. HWEA used its own staff, not HDR, to determine the amount of the retail rate increase that was recommended to the Hopkinsville City Council during the summer of 2009. HDR did not perform any services whatsoever with respect to the retail rate increase enacted by the Hopkinsville City Council on August 20, 2009. Indeed, HWEA did not even engage the services of HDR until several months following the filing of this rate case.

9. HWEA submits that 100% of its rate case expenses are directly attributable to this rate case proceeding and should be borne by its wholesale customer, CCWD. HWEA would not have incurred any of the rate case expenses but for this proceeding.

For the foregoing reasons, HWEA respectfully submits that it should recover the sum of **\$153,416.81** in rate case expenses from its wholesale customer, CCWD. This sum should be recovered in 36 equal monthly installments of **\$4,261.58**.

This 26th day of May, 2010.

Respectfully submitted,

DAMON R. TALLEY, P.S.C.


DAMON R. TALLEY

PO BOX 150

HODGENVILLE, KY 42748

COUNSEL FOR HWEA

CERTIFICATE OF SERVICE

This is to certify that a true copy of the attached pleading was served by first class U.S. Mail, postage prepaid, this 26th day of MAY, 2010, to the following:

Hon. Jack N. Hughes
124 W. Todd St.
Frankfort, KY 40601

Mr. James Owen, Gen. Mgr.
Christian Co. Water District
PO Box 7
Hopkinsville, KY 42241-0007

Mr. Len F. Hale, Gen. Mgr.
HWEA
PO Box 628
Hopkinsville, KY 42241-0628

DAMON R. TALLEY, P.S.C.

BY: 

DAMON R. TALLEY

EXHIBIT 1

HDR ENGINEERING, INC. INVOICES

EXHIBIT 1

HDR ENGINEERING, INC. INVOICES

DATE	INVOICE NO.	AMOUNT
1-30-2010	174080-H	\$ 1,618.80
2-27-2010	183112-H	8,261.20
3-27-2010	187963-H	28,120.00
TOTAL		\$ 38,000.00

Note: A copy of each invoice is attached.

Invoice

Please send remittance with copy of invoice to
P.O. Box 3480
Omaha, NE 68103-0480

HDR Engineering, Inc.
Lexington, KY
Phone: (859) 223-3755

HDR Invoice No. 174080-H
Group ID No. 4425
Invoice Date January 30, 2010
Period Ending January 30, 2010
Project No. 134269

PROJECT: Cost of Service Study

ATTN: Mr. Derrick Watson
Director of Technical Services
Hopkinsville Water Environment Authority
401 East 9th Street
P.O. Box 628
Hopkinsville, KY 42240

Invoice for Professional Services rendered through 1/30/10 (01)

<u>Scope of Services</u>	<u>Fee</u>	<u>Percent Invoiced</u>	<u>Amount Invoiced To Date</u>	<u>Less Previously Invoiced</u>	<u>Amount Due This Invoice</u>
Cost of Service Study	\$38,000	4.26%	\$1,618.80	0.00	\$1,618.80
Total Amount Invoiced to Date				\$1,618.80	
Less Amount Paid to Date				0.00	

TOTAL AMOUNT OF THIS INVOICE \$1,618.80

Please make check payable to HDR Engineering, Inc. and send to address shown above.

BY: _____



Invoice

Please send remittance with copy of invoice to
P.O. Box 3480
Omaha, NE 68103-0480

HDR Engineering, Inc.
Lexington, KY
Phone: (859) 223-3755

HDR Invoice No. 183112-H
Group ID No. 4583
Invoice Date February 27, 2010
Period Ending February 27, 2010
Project No. 134269 \$7,320.00
134285 \$941.20

PROJECT: Cost of Service Study

ATTN: Mr. Derrick Watson
Director of Technical Services
Hopkinsville Water Environment Authority
401 East 9th Street
P.O. Box 628
Hopkinsville, KY 42240

Invoice for Professional Services rendered through 2/27/10 (02)

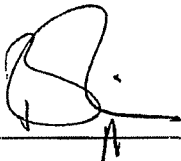
<u>Scope of Services</u>	<u>Fee</u>	<u>Percent Invoiced</u>	<u>Amount Invoiced To Date</u>	<u>Less Previously Invoiced</u>	<u>Amount Due This Invoice</u>
Cost of Service Study	\$38,000	26.00%	\$9,880.00	(1,618.80)	\$8,261.20
Total Amount Invoiced to Date				\$9,880.00	
Less Amount Paid to Date				0.00	
Less Amount Previously Invoiced (Unpaid)*				(1,618.80)	

TOTAL AMOUNT OF THIS INVOICE \$8,261.20

Unpaid Balance*
Invoice No. 174080-H, dated January 30, 2010 **1,618.80**

TOTAL AMOUNT DUE TO DATE \$9,880.00

*As of February 27, 2010, this invoice remains unpaid. If payment has been sent, please disregard this notice.

BY: 

Invoice

Please send remittance with copy of invoice to
P.O. Box 3480
Omaha, NE 68103-0480

HDR Engineering, Inc.
Lexington, KY
Phone: (859) 223-3755

HDR Invoice No.	187963-H
Group ID No.	4623
Invoice Date	March 27, 2010
Period Ending	March 27, 2010
Project No.	134269 \$5,761.00
	134285 \$9,359.00
	134286 \$3,000.00
	134289 \$10,000.00

PROJECT: Cost of Service Study

ATTN: Mr. Derrick Watson
Director of Technical Services
Hopkinsville Water Environment Authority
401 East 9th Street
P.O. Box 628
Hopkinsville, KY 42240

Invoice for Professional Services rendered through 3/27/10 (03)

<u>Scope of Services</u>	<u>Fee</u>	<u>Percent Invoiced</u>	<u>Amount Invoiced To Date</u>	<u>Less Previously Invoiced</u>	<u>Amount Due This Invoice</u>
Cost of Service Study	\$38,000	100.00%	\$38,000.00	(9,880.00)	\$28,120.00
Total Amount Invoiced to Date				\$38,000.00	
Less Amount Paid to Date				0.00	
Less Amount Previously Invoiced (Unpaid)*				(9,880.00)	

TOTAL AMOUNT OF THIS INVOICE \$28,120.00

Unpaid Balance*
 Invoice No. 174080-H, dated January 30, 2010 1,618.80
 Invoice No. 183112-H, dated February 27, 2010 8,261.20

TOTAL AMOUNT DUE TO DATE \$38,000.00

*As of March 27, 2010, these invoices remain unpaid. If payment has been sent, please disregard this notice.


BY: 

EXHIBIT 2

DAMON R. TALLEY, P.S.C., INVOICE

DAMON R. TALLEY, P.S.C.
ATTORNEY AT LAW
PO BOX 150
HODGENVILLE, KENTUCKY 42748
TEL. 270-358-3187
FAX 270-358-9560
E-MAIL drtalley@windstream.net

May 26, 2010

HOPKINSVILLE WATER ENVIRONMENT AUTHORITY
PO BOX 628
HOPKINSVILLE, KY 42241

RE: INVOICE NO.: HWEA 2010-01

LEGAL SERVICES PERFORMED ON BEHALF OF CLIENT IN
PSC CASE NO. 2009-00373 PERTAINING TO THE PROPOSED
ADJUSTMENT OF THE WHOLESALE WATER SERVICE
RATES CHARGED BY HWEA TO THE CHRISTIAN COUNTY
WATER DISTRICT AS ITEMIZED IN **SCHEDULE A**
(412.5 HOURS @ \$275 PER HOUR) \$ 113,437.50

REIMBURSEMENT OF EXPENSES AS ITEMIZED IN
SCHEDULE B 1,979.31

GRAND TOTAL: \$ 115,416.81

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
8-13-09	Receipt and review of memo from Hale re proposed wholesale rate increase to CCWD and attachments	0.4
8-28-09	Two (2) lengthy telephone conferences with Hale re facts of case and PSC procedure	0.6
8-28-09	Preparation and review of draft letter from HWEA to CCWD re proposed rate increase; Preparation and review of draft letter from HWEA to PSC	0.9
8-29-09	Preparation and review of proposed Wholesale Tariff Sheet	0.3
8-31-09	Revised draft letter to CCWD; Telephone conference with Hale; Prepared email with instructions to Hale	0.6
8-31-09	Prepared official Notice to CCWD	0.7
9-1-09	Numerous telephone conferences with HWEA staff; Reviewing documents to file with PSC; memo to file; Receipt and preliminary review of Timeline of Events and supporting documents	2.6
9-3-09	Filed Rate Increase Application with PSC; Telephone conference with client	0.5
9-4-09	Checked PSC website to verify filing; Obtained copy of CCWD's official objection and request to intervene; Prepared email to client and forwarded CCWD's letter to client	0.8
9-16-09	Receipt and review of letter from HWEA to Mayor Kemp refuting CCWD's allegations; Telephone conference with client re various issues; memo to file	0.5
9-16-09	Reviewed PSC website re recent filings; Obtained copy of and reviewed letter from Attorney Hughes to PSC; Telephone conference with client re same	0.4
9-29-09	Receipt and review of PSC Order dated 9-28-09; Prepared memo to client; Telephone conference with client re same	0.9
9-30-09	Reviewed list of Questions in Information Request No. 1 from PSC; Telephone conference with Rate Consultant; Lengthy telephone conference with client re Information Request	1.6
10-7-09	Compiled list of Topics to discuss with clients and List of Documents needed; Organized files; Prepared for trip to Hopkinsville	2.5

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
10-8-09	Met with Hale & Watson at HWEA office in Hopkinsville to review PSC Information Request and reviewed various maps and documents; memo to file	10.5
10-10-09	Received and reviewed group of documents from client	1.5
10-12-09	Telephone conference with Attorney Hughes; memo to file; Prepared Entry of Appearance; Prepared letter to PSC	1.1
10-12-09	Lengthy telephone conference with client re responses to PSC Data Request; memo to file; reviewed documents	1.6
10-13-09	Receipt and review of memo from Hale re 2005 Settlement Agreement and method for calculating Wholesale rate	0.3
10-14-09	Lengthy telephone conference with client re strategy; memo to file	0.3
10-14-09	Reviewed numerous documents provided by HWEA; memo to file re additional information needed	2.5
10-15-09	Reviewed additional documents received from client; Compiled list of questions re documents	2.7
10-16-09	Dictated first draft of Motion for Informal Conference and Motion for Extension of Time; Reviewed additional documents	3.4
10-17-09	Reviewed Municipal Orders and Bond Authorizing Ordinance for 2005A and 2005B Bonds; Reviewed other documents; memo to file	2.8
10-17-09	Reviewed Settlement Agreement and PSC Order in Case No. 2005-174; memo to file; Reviewed additional documents provided by HWEA	2.2
10-19-09	Reviewed and revised first draft of Motion; Reviewed and revised second draft of Motion; Telephone conference with client re same; Made additional revisions to Motion; Preparation and review of letter to PSC	3.7
10-22-09	Reviewed documents; Prepared for meeting with HWEA Staff	2.8
10-23-09	Conference with HWEA Staff and attorney Lackey to prepare responses to PSC First Information Request, Reviewed documents and discussed strategy; memo to file	11.4

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
10-26-09	Receipt and review of email from PSC re Informal Conference; Prepared email memo to client; Reviewed email memo from client re various issues	0.5
10-27-09	Receipt and review of PSC Staff's Notice of Informal Conference; Forwarded Notice to client; Reviewed various documents from PSC Order Vault re prior cases	3.6
10-29-09	Prepared letter to PSC enclosing Audits for FYE 2006, 2007 & 2008	0.4
10-29-09	Attended Informal Conference at PSC; Conference with HWEA Management afterwards	4.8
11-3-09	Reviewed Informal Conference Memo	0.3
11-6-09	Received and reviewed Hale's 11-2-09 memo to me and attachments	0.9
11-17-09	Reviewed documents and prepared for 11-19-09 meeting with client	2.8
11-19-09	Met with HWEA Management to compile information and documents needed to answer PSC Data Request and to discuss legal issues	10.9
11-20-09	Reviewed and organized documents obtained from client on 11-19-09; memo to file	1.8
11-25-09	Receipt and review of memo from Watson and 5 page spreadsheet detailing depreciation categories on new WTP Expansion; memo to file	1.7
12-3-09	Receipt and review of email memo from King re Employee Benefits, Depreciation and other issues	0.4
12-8-09	Received and reviewed letter from client and chart re usage by wholesale customer; Telephone conference with client	0.5
12-8-09	Reviewed various documents provided by client and drafted responses to some of the questions in the PSC Data Request	2.7
12-14-09	Prepared email memo to other attorney in case; Reviewed and summarized documents provided by client	1.8
12-22-09	Prepared letter to PSC foregoing submittal of legal issue to PSC for formal decision; revised letter	0.9

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
12-22-09	Compiled list of information needed from Watson and King; Telephone conference with Watson; Prepared memo to Watson; Prepared memo to King; Reviewed other documents previously provided by HWEA	3.2
12-23-09	Prepared draft responses to PSC Data Request	2.8
12-30-09	Drafted responses to PSC First Data Request and analyzed information provided by client	6.3
12-31-09	Reviewed and analyzed information provided by client; Drafted responses to PSC First Data Request	8.6
1-1-10	Drafted Responses to PSC First Data Request; Reviewed documents	4.3
1-2-10	Analyzed documents provided by client; Drafted responses to PSC First Data Request	6.2
1-3-10	Reviewed, analyzed and organized various documents provided by client; Drafted Responses to PSC First Data Request	8.5
1-4-10	Reviewed and analyzed additional documents, including documents filed in 2005 Rate Case; Drafted Responses to PSC First Data Request	5.3
1-5-10	Drafted Responses to PSC First Data Request; Reviewed additional documents from 2005 Rate Case	11.3
1-6-10	Reviewed and analyzed documents filed in 2005 Rate Case; Drafted Responses to PSC First Data Request; Reviewed provisions to 2005A & 2005B Bond Ordinance	12.7
1-7-10	Reviewed and analyzed additional documents; Drafted remainder of draft Responses to PSC First Data Request; Revised some responses; Telephone conferences with client	18.8
1-8-10	Reviewed and revised responses to PSC; Preparation and review of cover letter to PSC; Telephone conferences with client; Final review and revision of Responses to PSC First Data Request	9.5
1-8-10	Filed Responses to PSC First Data Request with the PSC	N/C
1-12-10	Preparation of letter to HDR Engineers compiled certain documents; Shipped documents to HDR	0.8

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
1-16-10	Prepared outline of topics to discuss with rate consultant; Obtained copies of documents needed for meeting; Reviewed and analyzed other documents; Started compiling list of potential adjustments to Test Year expenses	5.6
1-18-10	Met with Brent Tippey in Lexington to discuss Cost-of-Service Study (COSS); Provided documents to him; reviewed proposed adjustments to Test Year Revenue Requirements; memo to file	9.2
1-20-10	Reviewed prior COSS performed by Tippey; memo to file	1.8
1-22-10	Commenced preparing outline of topics to include in pre-filed testimony of Hale, Watson and King; Prepared for meeting with HDR Engineers and client on 1-25-10	3.7
1-25-10	Met with HDR Engineers and HWEA staff at Hopkinsville; Separate follow-up meetings with HWEA staff; memo to file	10.3
1-28-10	Received and reviewed email memo and spreadsheets from Watson re historical high usage days; Telephone conference with Watson re same; memo to file	0.8
2-8-10	Lengthy telephone conference re timing of new debt needed to complete WTP Expansion and other rate issues; memo to file	0.4
2-12-10	Receipt and review of memo from Watson re WTP production and attached spreadsheet; Receipt and review of memo from Watson re meter sizes and attached spreadsheet	0.5
2-16-10	Prepared for meeting with Rate Consultant (Tippey); Compiled information re adjustments to Test Year Expenses for Depreciation and New Debt Service	3.5
2-17-10	Conference with Tippey in Lexington to review preliminary documents and schedules; memo to file	8.8
2-18-10	Reviewed 2-12-10 memo from client and 3 documents that were attached	1.6
2-19-10	Reviewed portions of draft version of COSS	4.2
2-22-10	Reviewed provisions of KRS 278.190 re implementing proposed Wholesale rates; Dictated first draft of Notice of Intention to Implement Rates	1.8

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
2-24-10	Prepared letter to PSC re implementing Wholesale rates; Telephone conference with client re same; Telephone conference with rate consultant re scheduling conference call and other matters	0.7
2-25-10	Reviewed and revised Notice of Intention to Implement Rates; Telephone conference with Rate Consultant; Reviewed portions of draft COSS	2.5
3-1-10	Participated in conference call with Rate Consultant and clients; memo to file	1.2
3-2-10	Reviewed portions of draft COSS; Reviewed operational and financial records of HWEA to prepare for conference call; Prepared outline of topics to cover during conference call	2.7
3-2-10	Participated in conference call with clients; memo to file; Follow-up telephone conference with clients; Telephone conference with rate consultant; Prepared memo to client summarizing conference call	1.5
3-4-10	Prepared for meeting with Rate Consultant (Tippey); Compiled information re adjustments to Test Year Expenses for Depreciation and New Debt Service	2.5
3-5-10	Conference with Rate Consultant in Lexington to review 3-5-10 Draft COSS; Conference call with clients; memo to file	7.5
3-5-10	Receipt and review of PSC Order authorizing HWEA to place proposed rates into effect, subject to refund; Telephone Conference with client; Forwarded Order to client	0.4
3-6-10	Reviewed additional portions of 3-5-10 draft COSS; Verified accuracy of data in certain exhibits; Prepared list of corrections and questions	3.2
3-9-10	Reviewed portions of 3-9-10 draft COSS and prepared list of corrections	2.8
3-10-10	Reviewed additional portions of 3-9-10 draft COSS; Prepared additional list of corrections and questions; Prepared checklist of items to discuss with client; memo to file	7.6

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
3-10-10	Lengthy telephone conference with rate consultant to discuss corrections and to verify data sources; Telephone conference with client; Reviewed additional portions of 3-9-10 draft COSS	2.4
3-11-10	Reviewed 3-10-10 draft COSS and Appendices; prepared list of corrections; Lengthy telephone conference with Tippey to discuss corrections; Telephone conference with King re Fire Protection revenues; memo to file	8.3
3-11-10	Reviewed 3-11-10 draft version of COSS and Appendices; Telephone conference with Tippey; Prepared memo to Tippey	5.6
3-12-10	Additional review of Appendices to 3-11-10 draft version of COSS; Telephone conference with Tippey re list of corrections	1.8
3-15-10	Conference with Tippey; Reviewed Final Draft of COSS; Filed COSS with PSC; Telephone conference with client; memo to file	7.1
3-16-10	Receipt and review of email memo from PSC Staff attorney re scheduling Informal Conference; Telephone conference with attorney Hughes re procedural issues; memo to file	0.5
3-16-10	Researched law and PSC procedures re amending Rate Increase Application and effect upon 10 month statutory deadline; Reviewed PSC Orders and other documents from City of Cynthiana rate case	5.3
3-17-10	Additional research of law and PSC Procedures re Amending Rate Application and effect on 10 month statutory deadline; memo to file	3.7
3-18-10	Additional research re KRS 278.190 and amending Application	2.7
3-18-10	Telephone conference with client; Prepared reply email to PSC Staff attorney re Informal Conference; Prepared email to client re same; Prepared outline of topics to discuss in Hale's Direct Testimony	0.9
3-20-10	Reviewed Depreciation Expense Adjustments; Dictated first draft of King's Direct Testimony	4.1
3-20-10	Dictated Direct Testimony of Watson	3.0
3-25-10	Receipt and review of PSC Order dated 3-24-10 setting Procedural Schedule	0.3

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
3-25-10	Conference with clients to review draft version of testimony and discuss case strategy; memo to file	1.2
3-26-10	Reviewed and revised Direct Testimony of Hale and Watson; Reviewed various documents to obtain needed information and verify dates, etc; Telephone conferences with clients	5.5
3-26-10	Reviewed and revised Tippey Direct Testimony; Reviewed sources of data to verify accuracy of data, etc; Numerous telephone conferences with Tippey	1.9
3-27-10	Dictated Notice of Filing of Amended Tables to COSS; Revised Notice; Preparation and review of letter to PSC	1.8
3-29-10	Reviewed and revised King Testimony	1.7
3-29-10	Reviewed and revised Watson's Testimony	0.9
3-29-10	Prepared cover letter to PSC enclosing Direct Testimony of 4 witnesses	0.2
3-29-10	Conference with clients to review and execute Direct Testimony; Filed Direct Testimony with PSC	7.8
4-6-10	Receipt and review of PSC Second Data Request; Prepared memo to client; Telephone conference with client; Telephone conference with Tippey re response to Information Request	1.1
4-6-10	Forwarded PSC Approved Tariff to client - No Charge	0.0
4-7-10	Receipt and preliminary review of Data Requests from CCWD; Email to client re same; Telephone conference with client	0.7
4-7-10	Receipt and preliminary review of draft responses to PSC Second Data Request	0.6
4-7-10	Receipt, review and placed on calendar PSC Order re Hearing; Prepared memo to client and rate consultant re Hearing Date; Reviewed procedural Schedule; Prepared email memo to client re Hearing date	0.5
4-9-10	Reviewed draft Responses prepared by Hale to CCWD's Data Request; Commenced drafting Responses	2.8
4-12-10	Reviewed first draft of Responses prepared by Tippey to PSC Second Data Request; Reviewed COSS; memo to file	2.7

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
4-13-10	Lengthy telephone conference with Tippey to review and discuss first draft of Responses to PSC Second Data Request; Reviewed CCWD's Data Request and made notes to use to discuss Responses with clients	3.6
4-14-10	Conference call with clients and Tippey to review Responses to CCWD Data Requests	1.3
4-14-10	Filed electronic version of COSS with PSC via email	0.2
4-14-10	Made significant revisions and additions to draft Responses to PSC Second Data Request; Created Tables 1 & 2 to use as part of Responses	3.2
4-15-10	Reviewed and revised third draft of Responses to PSC's Second Data Request; Made additional Revisions; Forwarded Responses to client and Tippey for review	2.8
4-15-10	Dictated cover letter to PSC; Prepared Cover Page and Certification for Responses to PSC Second Information Request	0.8
4-15-10	Reviewed and revised draft Responses prepared by Tippey to some of CCWD's Data Requests; Drafted Responses to some of the other questions	4.7
4-16-10	Revised draft Responses; Received additional information from clients and Tippey; Drafted additional responses to CCWD Data Request	8.7
4-16-10	Drafted responses to additional questions contained in CCWD Data Request; Reviewed historical sales and usage data for past 5 years; Prepared Graph & Tables	3.6
4-17-10	Prepared Responses to CCWD Data Request	8.7
4-18-10	Revised Responses and prepared Responses to questions not yet answered	12.8
4-19-10	Completed Final Draft of HWEA's Responses to CCWD: Telephone conferences with client re same; Final Review of Final Version of Responses	7.1
4-19-10	Filed HWEA Responses to PSC Second Data Request and to CCWD's Data Request with PSC (No Charge = N/C)	N/C
5-11-10	Receipt and review of email from PSC Staff Attorney re Hearing procedure; Telephone conference with client re same	0.3

SCHEDULE A - LEGAL SERVICES

DATE	LEGAL SERVICES RENDERED	TIME (Hours)
5-17-10	Participated in Conference call with PSC Staff Attorney and Attorney Hughes; memo to file; Telephone conference with client	0.7
5-18-10	Receipt and review of email memo from PSC Staff Attorney re rehearing rights if Public Hearing is waived; Telephone conference with client; Prepared reply to email	0.4
5-19-10	Telephone conference with client; Prepared email to PSC and Attorney Hughes re HWEA's official response to legal issues raised by PSC Staff and waiving Public Hearing; Prepared email to Hughes	0.5
5-26-10	Prepared Notice of Filing of Rate Case expense and prepared letter to PSC	0.8
Various Dates	No Charge - Receipt & review of dozens of additional e-mails; Receipt & review of misc. letters & various other documents; Numerous telephone conferences with client & others regarding various matters	0.0
	TOTAL (hours)	412.5

412.5 **LEGAL SERVICES Hours x \$275 Per Hour =**

\$ 113,437.50

SCHEDULE B - EXPENSES

DATE	EXPENSE	AMOUNT
9-3-09	Mileage from Hodgenville to Frankfort and return (160 miles @ \$0.50)	\$ 80.00
10-8-09	Mileage from Hodgenville to Hopkinsville and return (274 miles @ \$0.50)	\$ 137.00
10-12-09	Postage	\$ 2.71
10-12-09	Copies (26 @ \$.10)	\$ 2.60
10-19-09	Postage	\$ 2.81
10-19-09	Copies (204 @ \$0.10)	\$ 20.40
10-23-09	Mileage from Hodgenville to Hopkinsville and return (274 miles @ \$0.50)	\$ 137.00
10-29-09	Postage (Audits)	\$ 4.95
10-29-09	Mileage from Hodgenville to Frankfort and return (160 miles @ \$0.50)	\$ 80.00
11-19-09	Mileage from Hodgenville to Hopkinsville and return (274 miles @ \$0.50)	\$ 137.00
12-22-09	Postage	\$ 2.54
12-22-09	Copies (24 @ \$0.10)	\$ 2.40
1-8-10	Mileage from Hodgenville to Frankfort and return (160 miles @ \$0.50)	\$ 80.00
1-8-10	Postage	\$ 36.78
1-8-10	Copies (3,070 @ \$.10)	\$ 307.00
1-12-10	Postage	\$ 10.25
1-16-10	Copies (138 @ \$0.10)	\$ 13.80
1-18-10	Mileage from Hodgenville to Lexington and return (172 miles @ \$0.50)	\$ 86.00
1-25-10	Copies (117 @ \$0.10)	\$ 11.70
1-25-10	Mileage from Hodgenville to Hopkinsville and return (274 miles @ \$0.50)	\$ 137.00
2-17-10	Mileage from Hodgenville to Lexington and return (172 miles @ \$0.50)	\$ 86.00
2-25-10	Postage	\$ 3.05

SCHEDULE B - EXPENSES

DATE	EXPENSE	AMOUNT
2-25-10	Copies (45 \$ \$0.10)	\$ 4.50
3-5-10	Mileage from Hodgenville to Lexington and return (172 miles @ \$0.50)	\$ 86.00
3-15-10	Postage	\$ 11.40
3-15-10	Mileage from Hodgenville to Lexington and return via Frankfort (196 miles @ \$0.50)	\$ 98.00
3-29-10	Copies (855 @ \$0.10)	\$ 85.50
3-29-10	Postage	\$ 25.67
3-29-10	Mileage from Hodgenville to Frankfort and return (160 miles @ \$0.50)	\$ 80.00
4-16-10	Copies (181 @ \$0.10)	\$ 18.10
4-19-10	Copies (831 @ \$0.10)	\$ 83.10
4-19-10	Postage	\$ 26.05
4-19-10	Mileage from Hodgenville to Frankfort and return (160 miles @ \$0.50)	\$ 80.00
	TOTAL EXPENSES	\$ 1,979.31

10/HWEA/Schedule B - 8-1-09 thru 5-26-10