

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CEDARBROOK WASTEWATER TREATMENT) CASE NO.
PLANT REQUEST TO CEASE OPERATIONS) 2014-00091

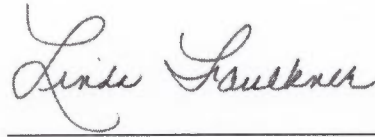
NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on March 3, 2015 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on March 3, 2015.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at http://psc.ky.gov/av_broadcast/2014-00091/2014-00091_03Mar15_Inter.aspx. Parties wishing an annotated digital video recording may submit a written request by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 4th day of March 2015.

A handwritten signature in cursive script that reads "Linda Faulkner".

Linda Faulkner
Director, Filings Division
Public Service Commission of Kentucky

Gregory T Dutton
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KENTUCKY 40601-8204

Stefanie J Kingsley
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Suite 200
Frankfort, KENTUCKY 40601-8204

Ron Osborne
Cedarbrook Wastewater Treatment Plant
P.O. Box 54441
Lexington, KENTUCKY 40505

R. A. Williams Development Co., Inc.
d/b/a Cedarbrook Treatment Plant
153 Prosperous Place
Suite 1A
Lexington, KY 40509

John M Williams
Rajkovich, Williams, Kilpatrick, & True, PLLC
3151 Beaumont Centre Circle
Suite 375
Lexington, KENTUCKY 40513

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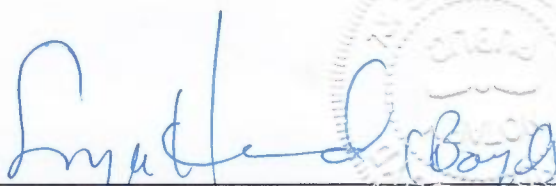
CEDARBROOK WASTEWATER TREATMENT PLANT) CASE NO.
REQUEST TO CEASE OPERATIONS) 2014-00091


CERTIFICATE

I, Sonya Harward, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on March 3, 2015. Hearing Log and Witness List are included with the recording on March 3, 2015.
2. I am responsible for the preparation of the digital recording.
3. The digital recording accurately and correctly depicts the Hearing of March 3, 2015.
4. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the Hearing of March 3, 2015 and the time at which each occurred.

Given this 3rd day of March, 2015.


Sonya Harward (Boyd), Notary Public
State at Large
My commission expires: August 27, 2017





Date:	Type:	Location:	Department:
3/3/2015	Other	Public Service Commission	Hearing Room 1 (HR 1)

Judge: David Armstrong; Jim Gardner; Dan Logsdon
 Witness: Scott McCauley - Harrison County Sanitation District; Danny Northcutt - Harrison County Water Association; Ron Osborne - R.A. Williams/Cedarbrook
 Clerk: Sonya Harward

Event Time	Log Event
10:02:22 AM	Session Started
10:02:23 AM	Chairman David Armstrong opening remarks Note: Harward, Sonya Introduces Vice Chairman Armstrong and Commissioner Dan Logsdon.
10:02:43 AM	Commissioner Logsdon Note: Harward, Sonya General comments about his background.
10:03:20 AM	Atty. John Williams - R.A. Williams/Cedarbrook Note: Harward, Sonya And introduces Ron Osborne, president of R.A. Williams Construction.
10:03:34 AM	Attys. Stephanie Kingsley and Jennifer Hans - Attorney General's Office
10:03:42 AM	Attys. Jonathan Beyer and Ann Ramser - PSC Staff
10:04:03 AM	Call for Public Comments
10:04:43 AM	Danny Tolson - Public Note: Harward, Sonya Lives in Cedarbrook subdivision, and family has lived there since 1978. Speaks about his concerns about this case and the community not knowing what to do.
10:06:37 AM	William Mallard - Public Note: Harward, Sonya Lives in Cedarbrook subdivision. Speaks of his concern about his community and an elderly neighbor.
10:10:04 AM	Public Notice has been published
10:10:15 AM	Pamela Tolson - Public Note: Harward, Sonya Lives in Cedarbrook subdivision. Speaks of her concerns about this case and reads from her latest bill about not paying for March service.
10:12:10 AM	Atty. Williams - Opening Comments Note: Harward, Sonya Gives some details about the case.
10:15:37 AM	Witness Ron Osborne takes the stand and is sworn in. Note: Harward, Sonya Chairman Armstrong asks a few general questions.
10:18:12 AM	Witness Osborne response to Chairman Armstrong Note: Harward, Sonya Explains the day-to-day work at the treatment plant.
10:19:22 AM	Atty. Williams Direct Exam of Witness Osborne Note: Harward, Sonya Asking how many customers are in Cedarbrook and if all are current on their bills.
10:21:58 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya Asking about the financial operations of the plant and if it has been profitable.
10:23:28 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya Asks Witness to explain what is meant by carrying "receivables."
10:25:10 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya Asking Witness how R.A. Williams came to operate the Cedarbrook Treatment Plant.

10:28:22 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya	Asking Witness what the estimate cost would be to upgrade the sewer operation.
10:28:45 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya	Asking Witness if R.A. Williams has sought someone to buy or take over the sewer operations.
10:32:06 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya	Asking Witness if there have been discussions about taking over the plant with private parties since 2008-2009, and any recent discussions with government officials.
10:34:35 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya	Asking Witness about his experience with running a wastewater plant and other questions about his background and education.
10:35:26 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya	Asking about remarks made during public comments about not paying a bill for March.
10:37:07 AM	Atty. Williams to Witness Osborne Note: Harward, Sonya	Asking Witness why he wants to discontinue the sewer service.
10:37:24 AM	Atty. Kingsley Cross Exam of Witness Osborne Note: Harward, Sonya	Asking Witness if he has operated the sewer plant for 20-25 years and how many rate increases there have been in that time.
10:39:50 AM	Atty. Kingsley to Witness Osborne Note: Harward, Sonya	Referencing Witness's response to a request for information, Item 4, regarding amount a customer paid to settle a delinquent account, and asks other questions about outstanding accounts.
10:41:42 AM	Atty. Beyer Cross Exam of Witness Osborne Note: Harward, Sonya	Asking about Becks Construction's relation to R.A. Williams.
10:42:55 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking about water service being provided by Harrison County Water Association to Cedarbrook customers, and when the water association told Witness that they would not discontinue water service due to non-payment of sewer bill.
10:45:05 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness to give a brief physical description of the treatment plant.
10:48:18 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness how long the current operator has run the plant.
10:49:05 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness about breakdown of expenses to run the plant.
10:49:54 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness if plant is in compliance with all state regulations.
10:51:39 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking if Witness has tried to obtain low-interest loans for improvements.
10:52:20 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking why Witness has not sought a rate increase due to the \$200,000+ owed to R.A. Williams.
10:53:17 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness if residents have asked for a rate increase or have suggested they would refused to pay if there was a rate increase.
10:54:53 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness about assessing the late fee and returned-check fees.

10:56:41 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Continues to ask about 18 customers who still have outstanding bills.
10:57:15 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness about contact with the city of Cynthiana.
10:57:59 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking Witness about ceasing to operate the plant as of the end of March.
10:59:04 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking about discussions concerning residents taking over the treatment plant.
11:00:24 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking about Harrison County forming a sanitation district.
11:02:34 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking about potential revenues of \$3200 versus its \$3400 expenses.
11:03:45 AM	Atty. Beyer to Witness Osborne Note: Harward, Sonya	Asking how R.A. Williams will shut the treatment plant down if that is approved.
11:04:47 AM	Vice Chairman Gardner Cross Exam to Witness Osborne Note: Harward, Sonya	Asking about the \$200 deficit per month being accurate only if all customers pay.
11:05:50 AM	Vice Chairman Gardner to Witness Osborne Note: Harward, Sonya	Asking Witness how R.A. Williams came to run the treatment plant.
11:08:16 AM	Vice Chairman Gardner to Witness Osborne Note: Harward, Sonya	Asking Witness about any deeds for the property.
11:10:05 AM	Commissioner Logsdon Cross Exam of Witness Osborne Note: Harward, Sonya	Asking when Becks Construction was created and its relationship to R.A. Williams.
11:11:23 AM	Commissioner Logsdon to Witness Osborne Note: Harward, Sonya	Asking what the \$3400 monthly expense goes to.
11:13:11 AM	Commissioner Logsdon to Witness Osborne Note: Harward, Sonya	Asking Witness what residents typically voice concerns about.
11:14:51 AM	Commissioner Logsdon to Witness Osborne Note: Harward, Sonya	Asking about reporting losses each year.
11:15:22 AM	Atty. Williams Re-Direct Exam of Witness Osborne Note: Harward, Sonya	Asking what is currently owed by customers, and the expenses paid as "recievables."
11:17:34 AM	Atty. Beyer Re-Cross Exam of Witness Osborne Note: Harward, Sonya	Asking about time period for R.A. Williams to wind down operations of treatment plant.
11:18:52 AM	Witness Osborne is dismissed from the stand.	
11:19:04 AM	Member of the Public to Chairman Armstrong Note: Harward, Sonya	Chairman Armstrong informs the member of the public that he may ask any questions privately.
11:19:36 AM	Witness Danny Northcutt takes the stand and is sworn in. Note: Harward, Sonya Manager of Harrison County Water Association	
11:20:33 AM	Atty. Ramser Direct Exam of Witness Northcutt Note: Harward, Sonya	Asking about Witness's duties at the water association.
11:22:41 AM	Atty. Ramser to Witness Northcutt Note: Harward, Sonya	Asking about arrangements with sewer providers to disconnect service due to non-payment of sewer service.

11:23:39 AM	Atty. Ramser to Witness Northcutt Note: Harward, Sonya	Asking if Harrison County WA would be willing to enter into an agreement with R.A. Williams to disconnect water service due to non-payment of sewer services.
11:25:00 AM	Atty. Ramser to Witness Northcutt Note: Harward, Sonya	Asking if Harrison County WA would be willing to enter into an agreement with Harrison County Sanitation District to disconnect water service due to non-payment of sewer services.
11:25:25 AM	Atty. Ramser to Witness Northcutt Note: Harward, Sonya	Asking if Harrison County WA would be willing to provide billing for sewer service for a fee.
11:27:27 AM	Vice Chairman Gardner Exam of Witness Northcutt Note: Harward, Sonya	Asking what the Harrison County WA charges other sewer providers to disconnect service.
11:28:01 AM	Commissioner Logsdon Exam of Witness Northcutt Note: Harward, Sonya	Asking if Witness knows of any payment problems with Cedarbrook residents.
11:28:22 AM	Witness Northcutt dismissed from the stand.	
11:28:33 AM	Witness Scott McCauley takes the stand and is sworn in.	
	Note: Harward, Sonya	Chairman of Harrison County Sanitation District
11:31:43 AM	Atty. Beyer Exam of Witness McCauley	
11:32:58 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking what steps have been taken to expand service to Cedarbrook.
11:33:58 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking Witness to discuss status of some legislation.
11:34:41 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking about applications being submitted for funding.
11:35:45 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking if request for \$1 million from KIA benefits Cedarbrook.
11:38:12 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking if Harrison County Sant. District is willing to take over operation of Cedarbrook with or without being awarded funding.
11:39:33 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking Witness about his knowledge of the intention of Cedarbrook's operations to cease.
11:40:50 AM	Atty. Beyer to Witness McCauley Note: Harward, Sonya	Asking if Witness knows what the result of the shutdown of the Cedarbrook plant would be for residents.
11:42:44 AM	Atty. Williams Cross Exam of Witness McCauley Note: Harward, Sonya	Asking Witness about the charges of the Harrison County Sanitation District.
11:44:26 AM	Atty. Williams to Witness McCauley Note: Harward, Sonya	Asking Witness about the problems in taking over operations without funding.
11:45:04 AM	Atty. Kingsley Cross Exam of Witness McCauley Note: Harward, Sonya	Asking Witness about discussions concerning a Memorandum of Understanding.
11:46:07 AM	Atty. Kingsley to Witness McCauley Note: Harward, Sonya	Asking for the purpose for the formation of the sanitation district.
11:46:49 AM	Atty. Beyer Re-Exam of Witness McCauley Note: Harward, Sonya	Asking Witness about operating Cedarbrook through a receivership.
11:47:12 AM	Vice Chairman Gardner Exam of Witness McCauley Note: Harward, Sonya	Asking Witness about funding versus physical structure.

11:48:27 AM	Commissioner Logsdon Exam of Witness McCauley	
	Note: Harward, Sonya	Asking Witness if they can take County general funds.
11:49:07 AM	Witness McCauley dismissed from the stand.	
11:49:20 AM	Atty. Kingsley - Comments	
	Note: Harward, Sonya	The AG made comments in response to the opening statements of R.A. Williams/Cedarbrook.
11:50:28 AM	Session Paused	
11:51:00 AM	Session Resumed	
11:51:06 AM	Chairman Armstrong - Opens the floor for additional Public Comments	
11:51:45 AM	Atty. Williams - Asks about briefs	
	Note: Harward, Sonya	Not needed.
11:52:47 AM	Hearing Adjourned	
11:53:11 AM	Session Paused	
11:53:40 AM	Session Resumed	
11:53:44 AM	Recording continued for additional Public Comments	
11:53:48 AM	Jim Howard - Public	
	Note: Harward, Sonya	Lives in Cedarbrook subdivision. Asked a question of Mr. Osborne about the \$32,000 owed to R.A. Williams.
11:54:30 AM	Atty. Beyers - Interjection	
	Note: Harward, Sonya	No questions allowed from the public unless they are intervenors, therefore, Mr. Osborne cannot answer at this time.
11:54:49 AM	Danny Tolson - Public	
	Note: Harward, Sonya	Adds additional comments concerning his non-payment.
11:56:31 AM	Chairman Armstrong	
	Note: Harward, Sonya	Asks Mr.Tolson if he knew that he could have asked to intervene in this case.
11:57:56 AM	Proceeding Adjourned	
11:58:01 AM	Session Paused	
12:02:09 PM	Session Ended	

*Gregory T Dutton
Assistant Attorney General
Office of the Attorney General Utility & Rate
1024 Capital Center Drive
Suite 200
Frankfort, KENTUCKY 40601-8204

*Stefanie J Kingsley
Assistant Attorney General
Office of the Attorney General Utility & Rate
1024 Capital Center Drive
Suite 200
Frankfort, KENTUCKY 40601-8204

Ron Osborne
Cedarbrook Wastewater Treatment Plant
P.O. Box 54441
Lexington, KENTUCKY 40505

*R. A. Williams Development Co., Inc. d/b/a
153 Prosperous Place
Suite 1A
Lexington, KY 40509

*John M Williams
Rajkovich, Williams, Kilpatrick, & True, PLLC
3151 Beaumont Centre Circle
Suite 375
Lexington, KENTUCKY 40513