

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF WATER)	
SERVICE CORPORATION OF KENTUCKY FOR)	
A GENERAL ADJUSTMENT IN EXISTING RATES)	CASE NO.
AND A CERTIFICATE OF PUBLIC)	2022-00147
CONVENIENCE AND NECESSITY TO DEPLOY)	
ADVANCED METERING INFRASTRUCTURE)	

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 November 30, 2022 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on November 30, 2022 in this proceeding;
- 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 November 30, 2022.

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 to view the digital video recording of the hearing may do so at <https://youtu.be/ZDyxxBgYJ1A>.

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 5th day of May 2023.



Linda C. Bridwell

Executive Director

Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

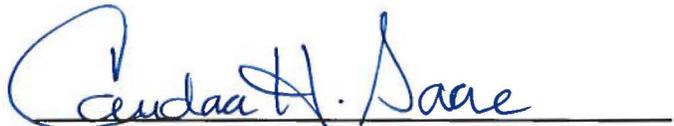
ELECTRONIC APPLICATION OF WATER)	
SERVICE CORPORATION OF KENTUCKY FOR)	
A GENERAL ADJUSTMENT IN EXISTING)	CASE NO.
RATES AND A CERTIFICATE OF PUBLIC)	2022-00147
CONVENIENCE AND NECESSITY TO DEPLOY)	
ADVANCED METERING INFRASTRUCTURE)	

CERTIFICATION

I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on November 30, 2022. The Formal Hearing Log, Exhibits List, and Exhibits are included with the recording on November 30, 2022;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of November 30, 2022; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of November 30, 2022, and the time at which each occurred.

Signed this 3rd day of May, 2023.



Candace H. Sacre
Administrative Specialist III



Stephanie Schweighardt
Kentucky State at Large ID# KYNP 64180
Commission Expires: January 14, 2027



Session Report - Detail

2022-00147 30Nov2022

Water Service Corporation of Kentucky (Water Service Kentucky)

Date:	Type:	Location:	Department:
11/30/2022	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Patrick Baryenbruch; Richard Baudino; Dylan D'Ascendis; Dante DeStafano; Shawn Elicegui; Randy Futral; James Kilbane; Corey Napier; Shannon Payne; Quentin Watkins; Seth Whitney; Colby Wilson
 Judge: Kent Chandler; Mary Pat Regan
 Clerk: Candace Sacre; Stephanie Schweighardt

Event Time	Log Event	
9:08:12 AM	Session Started	
9:08:43 AM	Chairman Chandler Note: Sacre, Candace	Good morning. We are on the record in Case No. 2022-00147, electronic application of Water Service Corporation of Kentucky for a general adjustment in existing rates and a Certificate of Public Convenience and Necessity to deploy advanced metering infrastructure.
9:09:01 AM	Chairman Chandler Note: Sacre, Candace	Ny name is Kent Chandler, Chairman of the Kentucky Public Service Commission, and will be presiding over the hearing today. Joining me, I understand, is Commissioner Mary Pat Regan.
9:09:11 AM	Chairman Chandler Note: Sacre, Candace	Hearing and videoconferencing recommendations. (Click on link for further comments.)
9:10:00 AM	Chairman Chandler Note: Sacre, Candace	The purpose of the hearing is to take evidence in this matter.
9:10:08 AM	Chairman Chandler Note: Sacre, Candace	Entry of appearance of counsel.
9:10:16 AM	Atty Osterloh Water Service Kentucky Note: Sacre, Candace	Todd Osterloh and Rebecca Price.
9:10:25 AM	Asst Atty General Goad Note: Sacre, Candace	Angela Goad.
9:10:29 AM	Atty Potter City of Clinton Note: Sacre, Candace	Mary Potter.
9:10:34 AM	Staff Atty Young PSC Note: Sacre, Candace	Justin Young, also Morgan Hall and Nancy Vinsel.
9:10:46 AM	Chairman Chandler Note: Sacre, Candace	Public notice. (Click on link for further comments.)
9:13:20 AM	Chairman Chandler Note: Sacre, Candace	Recess until 9:30.
9:14:02 AM	Session Paused	
9:58:23 AM	Session Resumed	
9:58:27 AM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2022-00147.
9:58:32 AM	Camera Lock Deactivated	
9:58:35 AM	Chairman Chandler Note: Sacre, Candace	Update as to public notice. (Click on link for further comments.)
10:02:27 AM	Chairman Chandler Note: Sacre, Candace	Anything take up this morning? (Click on link for further comments.)

10:06:12 AM	Chairman Chandler Note: Sacre, Candace	Regulation allows for Commission to receive evidence of public notice before hearing. (Click on link for further comments.)
10:07:14 AM	Chairman Chandler Note: Sacre, Candace	Outstanding motions. (Click on link for further comments.)
10:07:49 AM	Chairman Chandler Note: Sacre, Candace	Public comments. (Click on link for further comments.)
10:09:27 AM	Chairman Chandler Note: Sacre, Candace	Be presenting all witnesses today? (Click on link for further comments.)
10:10:44 AM	Chairman Chandler Note: Sacre, Candace	Call first witness.
10:10:46 AM	Chairman Chandler Note: Sacre, Candace	Quentin Watkins.
10:10:59 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
10:11:05 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Examination. Name and address?
10:11:23 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Direct Examination. By whom employed?
10:11:27 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Title?
10:11:31 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Prepare and cause be filed testimony, supplemental, rebuttal?
10:11:38 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Sponsor responses to data requests?
10:11:42 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Adopt that testimony and responses today?
10:11:51 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:11:58 AM	Atty Potter City of Clinton - witness Watkins Note: Sacre, Candace	Cross Examination. How many employees evaluate salaries?
10:12:05 AM	Atty Potter City of Clinton - witness Watkins Note: Sacre, Candace	How many in Clinton?
10:12:09 AM	Atty Potter City of Clinton - witness Watkins Note: Sacre, Candace	Did I misread that?
10:12:22 AM	Atty Potter City of Clinton - witness Watkins Note: Sacre, Candace	Other employees located?
10:12:43 AM	Atty Potter City of Clinton - witness Watkins Note: Sacre, Candace	When reviewed salaries, by locality or compared to similar jobs other places?
10:13:02 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:13:05 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Cross Examination. Provided testimony regarding wage and benefit survey performed for company?
10:13:17 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Filed supplemental direct testimony Aug 16 2022 where revised study due employee position changes?
10:13:29 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Accurate in supplemental direct base pay 2022 eight percent below market midpoint?

10:13:45 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Total compensation in 2022, including salary and benefits, eight percent above market midpoint?
10:14:00 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Indicate Water Services benefits richer packages than other companies in study?
10:14:58 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Do state when looked at total compensation package eight percent above market midpoint?
10:15:08 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Accurate in supplement direct, after aging market midpoint averages and incorporating projected pay increases for 2023, company's base pay be two percent below market midpoint?
10:15:29 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	For 2023?
10:15:35 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	In supplemental direct, pages three to four.
10:15:52 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	In supplemental direct, do not provide how total compensation including salary and benefits compare to market midpoint?
10:16:03 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Why not provide information?
10:16:44 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	Do not know answer how total compensation compares to market midpoint in 2023?
10:16:56 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	If total compensation in 2022 eight percent above market midpoint, fair to say total package in 2023 be higher than eight percent compared to market midpoint?
10:17:32 AM	Asst Atty General Goad - witness Watkins Note: Sacre, Candace	If AG Office asks in post-hearing request for total compensation 2023 compared to market midpoint, able provide response?
10:17:34 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST ATTY GENERAL GOAD - WITNESS WATKINS TOTAL COMPENSATION FOR 2023 COMPARED TO MARKET MIDPOINT
10:18:21 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:18:25 AM	Commissioner Regan - witness Watkins Note: Sacre, Candace	Examination. Proprietary program are running, no way bring nonbase rates forward?
10:18:37 AM	Commissioner Regan - witness Watkins Note: Sacre, Candace	Bring forward when did comparison in '22?
10:19:09 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Examination. When talk about market midpoint, what definition use for market?
10:19:46 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Rural in nature?
10:19:54 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	When say mix of rural and urban, what is mix?
10:20:16 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Positions of company, asking about market positions being compared to?

10:20:43 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Nothing for Western Kentucky, use Middlesboro, have data set or bigger region, around Middlesboro have data from that?
10:21:25 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Know location of four regulated utilities in Kentucky?
10:21:45 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Do you know location of those four utilities?
10:21:52 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Rural or urban, mix of utilities, know where employees live?
10:22:17 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Location matters, know where are, are they rural or urban?
10:22:54 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Company assertion market for employees midpoint in Clinton for nonallocated positions, market is both mix of rural and urban, been to Middlesboro?
10:23:20 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Been to Clinton?
10:23:25 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Either urban areas?
10:23:28 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	What nearest urban area to Middlesboro?
10:23:38 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Knoxville closest, not down the road?
10:23:48 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Clinton, know nearest urban area?
10:24:00 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Nashville, Memphis?
10:24:05 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Paducah, what definition of urban using?
10:24:22 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Consistent application between different proprietary studies?
10:24:38 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Why reasonable use any urban data sets determine nonallocated cost positions, be reasonable to use any urban data determine market for nonallocated positions?
10:25:39 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Goes to weight of evidence, telling me I can't see data sets, location, can't see where utilities are, all four PSC jurisdictional?
10:26:09 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Not like talking about municipal system?
10:26:11 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	If utilities are Kentucky American, Columbia Gas, Duke Kentucky, and LG&E, utilities that serve urban areas, but agree not comparable to Middlesboro for positions?
10:26:46 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Use as example, if data set exclusively urban or almost primarily urban, not fair comparison to jobs exclusively rural?
10:27:25 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Know how many individual data points in Middlesboro, data set with 61?
10:27:45 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	One has Middlesboro as location and only has six to eight data points?
10:27:59 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Of those, any have survey results from Middlesboro or Bell County?

10:28:13 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Post-hearing data, of two proprietary studies, how many surveys have from Middlesboro/Bell County?

10:28:18 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace CHAIRMAN CHANDLER - WITNESS WATKINS
Note: Sacre, Candace OF TWO PROPRIETARY STUDIES, RESPONSES/SURVEYS IN TOTAL DATA SET USED IN COMPARED MARKET FROM MIDDLESBORO/BELL COUNTY

10:28:32 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Know answer for Clinton is zero or expect it be zero?

10:28:51 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Utilities comparing it to, know what service they provide?

10:28:52 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Utilities you are comparing to, know what service they provide, the third study?

10:29:22 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Jobs talking about here identical between service offerings?

10:30:04 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Base compensation is why, argue Commission should look at base compensation and other perks separately to determine what are reasonable wages and salaries or advocate Commission look at total compensation?

10:30:58 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace For tax purposes, rural water districts prefer provide free health insurance as opposed pay more in salary and employee pay percentage of health insurance, if one of utilities did that, pay less in base comp but pickup up entirety premiums for health insurance, skew results compared to utility that provides higher base compensation, going to change base compensation?

10:31:59 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace No evidence for four, but dozens of cases before us wide differences in way provide benefits and salaries, base compensation not applies to applies comparison but what your comparison exclusively based on?

10:33:16 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace For four utilities?

10:33:22 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace And those are investor-owned utilities?

10:33:26 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Have experience with differences in way member-owned utilities provide total compensation to employees compared to publicly-owned utilities?

10:33:50 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Agree should be taken into account when determining market, differences in those practices?

10:33:56 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Something needed to take into account when comparing Water Service to Kentucky utility peer group?

10:34:18 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace Agree midpoint just matter of math?

10:34:34 AM Chairman Chandler - witness Watkins
Note: Sacre, Candace If salaries and wages, part of market, asking Water Service same information, if attempt by utilities to get to midpoint has mathematical effect, midpoint like average, have to have data points above and below it?

10:35:22 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Bad thing to be below midpoint?
10:35:30 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Bad thing to be above midpoint?
10:35:37 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Basis for proposal, exclusively about below market midpoint, what other basis is there, retention, significant cost training and overtime, recovered from customers, what problem increase in salaries supposed to fix?
10:36:42 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:36:47 AM	Commissioner Regan - witness Watkins Note: Sacre, Candace	Examination. Looked at 19 salaries, did you include Chicago position or looking strictly at Kentucky position?
10:37:40 AM	Commissioner Regan - witness Watkins Note: Sacre, Candace	Position in Kentucky and then move it to Chicago, way under midpoint for a bigger city, agree?
10:38:11 AM	Commissioner Regan Note: Sacre, Candace	Looking for over/under eight percent midpoint, skews numbers when cities much larger, wanted to clarify that.
10:38:31 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:38:41 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Redirect Examination. Six allocated positions in study, employees for allocated positions are not based in Kentucky?
10:38:48 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Remaining 13 direct employees based in Kentucky?
10:38:53 AM	Chairman Chandler - witness Watkins Note: Sacre, Candace	Aware whether all Kentucky employees are operators including manager?
10:39:05 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Job roles of Kentucky direct employees?
10:39:10 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Describe what are?
10:39:20 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Folks on the ground having to do work with utilities?
10:39:26 AM	Atty Osterloh Water Service Kentucky - witness Watkins Note: Sacre, Candace	Six allocated positions only portion of salaries/responsibilities pertain to Kentucky?
10:39:48 AM	Chairman Chandler Note: Sacre, Candace	Call next witness.
10:39:50 AM	Atty Osterloh Water Service Kentucky Note: Sacre, Candace	Patrick Baryenbruch.
10:40:00 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
10:40:07 AM	Chairman Chandler - witness Baryenbruch Note: Sacre, Candace	Examination. Name and address?
10:40:24 AM	Atty Osterloh Water Service Kentucky - witness Baryenbruch Note: Sacre, Candace	Direct Examination. What name of company?
10:40:30 AM	Atty Osterloh Water Service Kentucky - witness Baryenbruch Note: Sacre, Candace	Title?
10:40:35 AM	Atty Osterloh Water Service Kentucky - witness Baryenbruch Note: Sacre, Candace	Cause to prepare and file testimony?

10:40:42 AM Atty Osterloh Water Service Kentucky - witness Baryenbruch
Note: Sacre, Candace Likewise sponsor responses to data requests?

10:40:45 AM Atty Osterloh Water Service Kentucky - witness Baryenbruch
Note: Sacre, Candace Corrections to testimony or responses?

10:40:50 AM Atty Osterloh Water Service Kentucky - witness Baryenbruch
Note: Sacre, Candace Adopt testimony/responses today?

10:41:17 AM Chairman Chandler
Note: Sacre, Candace Call next witness. (Click on link for further comments.)

10:41:54 AM Chairman Chandler
Note: Sacre, Candace Will take 15-minute break; recess until 11. (Click on link for further comments.)

10:42:55 AM Session Paused

11:08:07 AM Session Resumed

11:08:13 AM Chairman Chandler
Note: Sacre, Candace Back on the record in Case No. 2022-00147.

11:08:19 AM Chairman Chandler
Note: Sacre, Candace Next witness.

11:08:21 AM Atty Osterloh Water Service Kentucky
Note: Sacre, Candace Shawn Elicegui.

11:08:31 AM Chairman Chandler
Note: Sacre, Candace Witness is sworn.

11:08:38 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Examination. Name and address?

11:08:56 AM Atty Osterloh Water Service Kentucky - witness Elicegui
Note: Sacre, Candace Direct Examination. By whom employed?

11:09:07 AM Atty Osterloh Water Service Kentucky - witness Elicegui
Note: Sacre, Candace Title?

11:09:10 AM Atty Osterloh Water Service Kentucky - witness Elicegui
Note: Sacre, Candace Prepare and cause filed direct testimony?

11:09:16 AM Atty Osterloh Water Service Kentucky - witness Elicegui
Note: Sacre, Candace Likewise sponsor responses to data requests?

11:09:25 AM Atty Osterloh Water Service Kentucky - witness Elicegui
Note: Sacre, Candace Corrections?

11:09:29 AM Atty Osterloh Water Service Kentucky - witness Elicegui
Note: Sacre, Candace Adopt testimony and responses today?

11:09:36 AM Chairman Chandler
Note: Sacre, Candace Questions?

11:09:46 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Examination. Have a few questions about direct, clarification, have idea of magnitude total cost reduction when two companies merged?

11:10:40 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Do you know?

11:10:46 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Have expectation was savings or merely taking two vertical companies turning into a single horizontal pool?

11:11:27 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Copy of testimony in front of you?

11:11:33 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Water Service Corporation of Kentucky, this Commission regulates, has no employees?

11:11:46 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace What kind of legal entity is Water Service Corporation of Kentucky?

11:12:01 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Have officers?

11:12:07 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Who are officers employees of?

11:12:25 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Agreement reference in testimony about Water Service Corporation required provide services necessary Water Service Corporation meet statutory obligations, remember testimony?

11:12:43 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Agreement approved by this Commission?

11:12:44 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace CHAIRMAN CHANDLER - WITNESS ELICEGUI
Note: Sacre, Candace PROVIDE INFORMATION AS TO AGREEMENT REFERENCED IN TESTIMONY APPROVED BY COMMISSION

11:12:59 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Page 4, direct testimony, question 7, summarize conclusions and recommendations for Commission, see that?

11:13:30 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace See question just recounted?

11:13:36 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace In response, reading (click on link for further comments), read correctly?

11:14:07 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Do you know when Water Service Corporation first requested share of Corix costs?

11:14:26 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace My confusion, when Water Service Corporation requested rate recovery of Corix costs?

11:14:56 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Not written to indicate that Water Service Corporation requested share in costs of Corix from Corix, not requested allocation?

11:15:12 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Know when Water Service Corporation first received allocation of expenses from Corix?

11:15:33 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace And then WSC costs first allocated?

11:15:54 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Know when WSCK last had employees?

11:16:05 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Know who reviews allocations determine reasonableness costs from Corix?

11:16:22 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Agree matter of truth no employee at WSCK to review allocations?

11:17:08 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace You are an attorney?

11:17:11 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Have general appreciation for duties employees/executives have to firms in which employed?

11:17:29 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Have perspective fiduciary duty WSC employees to Water Service Corporation of Kentucky in event divergence of issue?

11:18:07 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Ask this way, have a perspective that Water Service Corporation and Water Service Corporation of Kentucky always aligned in interests?

11:18:46 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Aware corporate policy or manual that informs 13 employees of obligation to WSCK, know even though work for Water Service Corporation have some duty to WSCK similar to one just mentioned?
11:19:37 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	If ask as post-hearing data request documentary support, could provide that?
11:19:38 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS ELICEGUI DOCUMENTARY SUPPORT FOR WATER SERVICE CORPORATION DUTY TO WATER SERVICE CORPORATION OF KENTUCKY
11:19:44 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Know who employs individual whose job is to review allocated costs?
11:20:06 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Know if one of 13 individuals dedicated to Water Service Corporation of Kentucky?
11:20:24 AM	Chairman Chandler Note: Sacre, Candace	Will ask as post-hearing data request, who is it and nature of employment, responsible on behalf of WSCK review invoices and allocations of expenses.
11:20:25 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS ELICEGUI EMPLOYEE RESPONSIBLE ON BEHALF OF WSCK TO REVIEW INVOICES/ALLOCATIONS OF EXPENSES AND NATURE OF EMPLOYMENT
11:20:53 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Going to screen share WSCK most recent annual report filed with Commission, filed by Kilbane, on page 13 of 74, see on screen?
11:21:41 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Top is 6000800 Water Service Corporation of Kentucky Jan 1 2021 through Dec 31 2021, what states at top?
11:22:15 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	See person send correspondence Kilbane?
11:22:22 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Number of titles, know who currently work for or worked for 10 months ago, what entity?
11:22:35 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Kilbane who worked for now part of testimony, what about Catherine Heigel?
11:22:57 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Know whether salary allocated to WSCK?
11:23:09 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Steve Lubertozi, Senior President, what entity?
11:23:32 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Still in similar position today?
11:23:49 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Both Whitney and Lubertozi salaries allocated to WSCK?
11:24:01 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Shawn Elicegui, is that you?
11:24:24 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	What entity vice president and secretary of?
11:24:40 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Still VP and Secretary of Water Service Corporation?
11:24:55 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Part of salary allocated to WSCK?

11:25:01 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Jim Devine still VP?

11:25:22 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Part of salary allocated to WSCK?

11:25:30 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Lisa Sparrow CEO of what?

11:25:38 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Allocated salary?

11:25:41 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Jim Andrejko treasurer of what?

11:25:55 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Allocated salary to WSCK?

11:26:07 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Know if any officers of WSCK?

11:28:47 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Not only utility operating company that Water Service Corporation has?

11:29:00 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Assume involved in front of other regulatory agencies?

11:30:22 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace In other jurisdictions, other commissions ability initiate investigations acts or omissions officers, employees, and agents?

11:30:55 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace KRS 278.260, Commission has authority initiate investigation into utilities, rates, practices, in addition has authority under 278.990 assess penalties against any officer, agent, or employee or any person violates statutes, regulations, or Commission's orders, how Commission know who officers WSCK are in order to name them?

11:32:24 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Annual report filed with Commission is not of use to indicate officers of WSCK?

11:33:13 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Practice have in other jurisdictions that officers change throughout given years without notice to regulatory agency?

11:33:56 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Be up for individual commission to go to secretary of state or other agency registers organizations in state?

11:34:19 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Does WSCK have a manager?

11:35:30 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Think individual defined as manager or just an agent?

11:36:11 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Pursuant to agreement discussing earlier?

11:36:28 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace In charge of all legal for Water Service Corporation?

11:36:44 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace First case seen where as part of rate case application applicant employs two separate law firms, aware of situation in this case?

11:37:04 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Practice other Water Service Corporation companies employ in other jurisdictions?

11:37:15 AM Chairman Chandler - witness Elicegui
Note: Sacre, Candace Kilbane is witness that provides responses indicate utilities provide invoices, you be person to ask about necessity or determination hire two firms or Kilbane?

11:38:09 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Know whether firms engaged by Water Service Corporation or WSCK?
11:38:44 AM	Chairman Chandler - witness Elicegui Note: Sacre, Candace	Reason ask appear invoices not sent to anybody that works or is an officer of WSCK, Kilbane work for WSCK?
11:39:14 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:40:28 AM	Chairman Chandler Note: Sacre, Candace	Break for lunch until 1 o'clock.
11:40:44 AM	Session Paused	
1:06:04 PM	Session Resumed	
1:06:13 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2022-00147.
1:06:22 PM	Chairman Chandler Note: Sacre, Candace	Test connection. (Click on link for further comments.)
1:06:44 PM	Chairman Chandler Note: Sacre, Candace	Call next witness.
1:06:47 PM	Atty Osterloh Water Service Kentucky Note: Sacre, Candace	Dylan D'Ascendis.
1:06:58 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
1:07:03 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Examination. Name and address?
1:07:31 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Direct Examination. By whom employed?
1:07:39 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Title?
1:07:41 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Prepare and cause be filed direct and rebuttal?
1:07:50 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Sponsor responses?
1:07:53 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Corrections?
1:07:59 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Adopt testimony and responses?
1:08:06 PM	Chairman Chandler Note: Sacre, Candace	Questions?
1:08:18 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Examination. Testimony talk about equity and debt ratio estimated as 13-month average year ending Dec 31 2023?
1:08:39 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Is that actual expected ratio of capitalization of Water Service Corporation of Kentucky?
1:09:08 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Not got that from your testimony?
1:09:31 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	GWD-1 has that?
1:10:30 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Page 2, short cite Water Service Corporation of Kentucky to WSCK or Company?
1:10:56 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Recommended cost of capital for Water Service Corporation of Kentucky, line 23, respond?

1:11:10 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Overall rate of return of 7.64 based on, reading (click on link for further comments)?
1:11:45 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Let you and counsel talk about errata, imputed to Water Services Corporation of Kentucky ratio of direct to equity at direct parent company?
1:14:08 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	This is ratio of what company, Corix?
1:14:41 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Aware whether are legal entities are intermediaries between Corix Regulated Utilities, Inc., and Water Service?
1:14:49 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Corix have parent company?
1:15:05 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Know whether Corix Regulated Utilities, Inc., seeks financing, markets and receives financing?
1:15:30 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Reason ask, theory on not just capitalization of regulated utilities are but what capital structure of parent companies might be, entity that holds capital structure, entirety of capital 100 percent owned by Corix?
1:18:12 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Was issue addressed in discovery or testimony that this is hypothetical ratio?
1:18:57 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Provide cost of capital testimony in other states?
1:19:15 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Page 4, in addition to DCF, risk premium model, CAPM, and app, all those to utility proxy group, and applied DCF, RPM, and CAPM to domestic nonprice regulated companies, any other states that have adopted that latter methodology in setting return on equity amounts?
1:20:35 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Suspect, as is custom in testimony, attached a CV with representative cases, if not as post-hearing data provide copy of order from South Carolina just referenced?
1:21:15 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	2017 case with Bluegrass Water Company?
1:21:50 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Present for number of different entities, conduct studies?
1:22:14 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	I suspect you determine input into those, choose propose ROE, or left to client within recommendation?
1:23:32 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Copy of testimony, page 4, table, DCF output, would be wholly prerogative of 9.63?
1:23:55 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Same with risk premium model?
1:23:57 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	CAPM?
1:23:59 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	At no point take input from company where says look at 5-year beta, prefer use 10-year beta, is all you do, this specific case?

1:24:52 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Did all these numbers and have just set range, value of four different methodologies conducted?
1:25:33 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Size adjustment of one percent, explain to me the basis for your size adjustment?
1:27:55 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Absolute volatility or relative volatility?
1:28:07 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Of itself, not compared to market?
1:29:43 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	One thing on which get confused, size of holding company, publicly-traded company?
1:32:49 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Notice provided literature to support size premium position, holding company versus parent company, Michael Paschell and George Hawkins, article, small stock premium troublesome issue, providing ammunition for IRS, smaller firms have larger audit risk?
1:34:30 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Reading, (click on link for further comments), not understand why relevant determination risk of operating company of company relatively large?
1:35:16 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Basis of question, not have appreciation for testimony, particular components of risk that make smaller company more riskier, applicable to smaller company owned by larger company, not have appreciation for what risk small company still have verse disappear no longer publicly traded, risk not present at all for Water Service Corporation of Kentucky?
1:37:33 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Talk about risks that small firms have but might not have if part of holding company?
1:38:57 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Read Elicegui testimony, benefits Water Service Corporation Company gets, page 6, testimony, AIA notes obligates Water Service Corporation provide complete suite of corporate support services, significant benefit to Water Service Corporation of Kentucky, Corix family beneficial services as standalone would not get, reduce risk?
1:41:44 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Chart you have that looks at volatility as indication of risk and relationship between size of firm and volatility, agree size of equity float or volume of trade direct impact on price moves?
1:42:17 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Number of outstanding shares contributing factor to volume?
1:42:25 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Does your analysis control for that?
1:42:29 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Know what impact that would have?
1:42:45 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	One of the buckets of risk not be risk that entity having all stock owned by parent entity, not have liquidity risk same that WSKC clone publicly traded have?
1:45:18 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Just do cost of capital testimony, done other things related regulated rate cases?

1:45:30 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Part of any case business development cost been issue, whether customers pay for cost of individuals or groups to expand size of utility?
1:45:43 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Company removed business development costs, were in most recent case of Bluegrass Water?
1:46:12 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Been an issue where Commission expressed concern about ratepayers subsidizing expansion, cost incurred to benefit shareholders, have a perspective on whether seems like customers pay either way, utility small or utility big, benefit to utility customers being served by larger utility?
1:48:49 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Benefit cost analysis for making utility larger, benefit avoiding risk premium for size adjustment?
1:49:28 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Revenue requirement perspective, proposing customers pay more?
1:49:47 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Because utility investor has higher risk than proxy group?
1:49:57 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Dollar cost per year?
1:50:05 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	If dollars spent to make utility bigger, every dollar premium spent making utility bigger cost benefit to customers?
1:50:30 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Avoiding need for risk premium?
1:50:34 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	One issue constantly in front of us, size adjustment, not have any nonrisky big utilities, never testify less than proxy group?
1:51:42 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	At what point Water Service/Corix large enough not receive size adjustment, when is utility big enough not demand size risk premium?
1:54:08 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	If comparing risk of Water Service Corporation of Kentucky to Kentucky American and essential utilities and Coca Cola, never, not have net income near Coca Cola?
1:54:52 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Other price-regulated entities?
1:54:56 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Did not adjustment apply to that as well?
1:57:20 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	WD-8, 1 of 2?
1:57:30 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Far right column, ten deciles?
1:57:37 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Holdup not linear?
1:57:45 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Little smaller, been eight decile, size premium relative to CAPM is lower?

1:58:51 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Coca-Cola, look at Hope and Bluefield, location specific comparison, not know what pass constitutional muster, what consideration given to firm has similar risk, similiar size in actual area, consideration of returns of those firms relative to utility?
2:01:53 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Not remember comments this case referencing this, nobody in area making this type of money, geographic reference in controlling cases cite, taken that into account?
2:03:05 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	When say they, pronoun, utility?
2:03:19 PM	Chairman Chandler - witness D'Ascendis Note: Sacre, Candace	Forecasted test periods reduce that risk?
2:03:52 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Capital trackers?
2:03:58 PM	Chairman Chandler Note: Sacre, Candace	Questions?
2:04:00 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Redirect Examination. Recommended cost of common equity this case is 10.6?
2:04:06 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Where fall in recommended range?
2:04:19 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Range includes a one-percent size adjustment?
2:04:23 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Recommended range for size adjustment, range for size adjustments?
2:04:37 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Develop a range for size adjustment?
2:04:50 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	What referencing specifically for analysis on Water Service Corporation?
2:04:56 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	Also compared if evaluating Corix and had a range between one percent and one-point-six percent?
2:05:07 PM	Atty Osterloh Water Service Kentucky - witness D'Ascendis Note: Sacre, Candace	One percent even on low end of that range as well?
2:06:01 PM	Chairman Chandler Note: Sacre, Candace	Full 15-minute break, back at 2:20.
2:06:16 PM	Session Paused	
2:34:14 PM	Session Resumed	
2:34:23 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case 2022-00147.
2:34:28 PM	Chairman Chandler Note: Sacre, Candace	Additional witnesses?
2:34:30 PM	Atty Osterloh Water Service Kentucky Note: Sacre, Candace	James Kilbane.
2:34:41 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
2:34:48 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Examination. Name and address?
2:35:05 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Direct Examination. By whom employed?

2:35:11 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Title?

2:35:22 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Prepare and cause be filed testimony and rebuttal?

2:35:28 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Sponsor responses in this case?

2:35:32 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Adopt testimony and data responses as testimony today?

2:35:39 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Questions?

2:35:46 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Cross Examination. Filed direct as well as rebuttal?

2:35:53 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In rebuttal, responding primarily to direct testimony of Atty General and City of Clinton witness Randy Futral?

2:36:04 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Accurate to state in rebuttal agree with Futral to remove Clinton wastewater expenses from company's proposed revenue requirement?

2:36:18 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Reduction in proposed revenue requirement approximately \$12,038 after gross up for assessment fees and bad debt expense?

2:36:49 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In rebuttal, agree Futral recommendation to remove \$50,838 depreciation expense due to calculation error made by company?

2:37:09 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Reduction in proposed revenue requirement of \$53,027 after gross up assessment fees and bad debt expense?

2:37:27 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Agree with Futral recommendation to use historic 401(k) participation rates calculate 401(k) match costs forecasted test period?

2:37:38 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Reduction in proposed revenue requirement \$16,496 after gross up?

2:37:52 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Discuss Futral recommendation reduce proposed fuel expense by over \$5,000 in test year?

2:38:04 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Company proposed include \$33,000 in fuel expense in proposed rates based on gas price May 5 2022 \$3.92 per gallon?

2:38:25 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Refer to Water Service Kentucky Response to AG Second Request, Item 64?

2:39:55 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Did AG ask Water Service Kentucky to provide current price gallon of gas at local station utilized by company?

2:40:23 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Read response into record?

2:40:55 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Based on lower blended gas cost spreadsheet provided \$28,371 in fuel expense?

2:41:11 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Recall Futral testimony due to price being fluid and volatile most current price of gas pendency of case could be used?

2:41:23 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In rebuttal seem to agree with assertion?

2:41:28 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace But instead of providing updated gas prices local gas stations provided average cost of regular and diesel for entire state of Kentucky?

2:41:48 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Based on entire State of Kentucky average price of gas Nov 15 2022 stated \$3.80 per gallon?

2:42:43 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Why not provide gas prices from local gas prices and instead provide whole State of Kentucky?

2:43:12 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Web site relied on average cost of gas, gasprices.AAA.com?

2:43:41 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Take time look through rebuttal at page 6?

2:44:16 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace When using AAA gas cost web site, notice can move cursor around to different counties in the state?

2:44:27 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace To left gives state average, can hover over each county and will give daily gas price, accept that as of Nov 29 Bell County average price for unleaded \$2.962 and Hickman County \$3.199?

2:44:59 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Agree, according to web site, appears Bell County and Hickman County lower gas prices than state averages in testimony?

2:45:18 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Agree updated price of gas at gas stations utilized by company in Clinton and Middlesboro more accurate reflection of company's fuel expense?

2:45:42 PM Asst Atty General Goad
Note: Sacre, Candace Ask post-hearing for updated gas price information based on local gas companies they utilize in Middlesboro and Hickman.

2:45:43 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace ASST ATTY GENERAL GOAD - WITNESS KILBANE
Note: Sacre, Candace UPDATED GAS PRICE INFORMATION BASED ON LOCAL GAS COMPANIES IN MIDDLESBORO AND HICKMAN UTILIZED BY WSCK

2:46:01 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In application, WSK requesting rate increase \$1,047,688 per year?

2:46:13 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Also correct WSK initial estimate rate case expense \$459,316?

2:46:27 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace For every dollar of rate increase requested, WSK proposing spend 44 cents in rate case cost?

2:47:10 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Admit that in case where revenue request over \$1 million having \$459,316 rate case expense seems high?

2:47:32 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Have opinion whether reasonable rate case expenditure?

2:47:53 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Examination. Work for Water Service Corporation?

2:48:02 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace What level expense would it have to be incurred by WSCK for you believe unreasonable?

2:48:21 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Employer incurred expenses to bring rate case, within realm of these numbers your position not unreasonable?

2:49:21 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Guess point is, not believe any amount, actual, estimate, whatever, within realm of half a million dollars is unreasonable?

2:49:50 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Revenue requirement requested?

2:49:52 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Around level of revenue requirement proposal by AG Office?

2:49:59 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Recommended adjustments to proposed revenue requirement?

2:50:04 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace If rate case expenses \$450,000 and rate increase is \$600,000 as ordered by Commission, frame of reference?

2:51:09 PM Chairman Chandler
Note: Sacre, Candace Questions?

2:51:11 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Cross Examination (cont'd). Refer to Exhibit 33 in application which is comparative income statement?

2:51:49 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Line 4, Operating Expenses?

2:52:02 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In 2020, operating expenses \$2,381,740?

2:52:10 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In 2021, operating expenses increased to \$2,855,773?

2:52:19 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Increase of 19.9 percent in one year?

2:52:33 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Refer to company response to AG First Request, Item 80, witness who sponsored?

2:53:09 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace From 2020 to 2021, bad debt increased by \$106,000?

2:53:19 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Legal expenses increased by \$20,000?

2:53:24 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Salaries increased \$100,000 that year?

2:53:33 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Salary increase due to reorganization, accounting of certain personnel and merit increases?

2:53:44 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Merit increases 3.1 percent 2021 equates to \$45,762?

2:53:56 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Remaining \$54,238 salary increases due to reorganization?

2:54:07 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Explain what reorganization and accounting changes were?

2:54:48 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Entire changes alluding to?

2:54:54 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Refer to Exhibit 32 application?

2:55:26 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Confirm is payroll analysis and executive compensation for base year and forecasted test year?

2:55:35 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Amounts in Exhibit 32 annualized amounts assuming full staffing entire year?
2:55:45 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Total salary and wages line 6 base year \$861,062 and \$936,694 forecasted test period?
2:55:57 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Increase of 8.8 percent salaries and wages from base wages forecasted test period?
2:56:06 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Correct company plans to implement pay increases 2023 above three percent merit increases?
2:56:33 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Only for half employees and employees are based in Kentucky?
2:57:03 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Rebuttal, company recorded allocated health insurance employees outside Kentucky in salary/wages account and base period, not in accounts described as health insurance costs?
2:57:21 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Forecasted test period recorded health insurance costs employees outside Kentucky?
2:57:30 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Why recorded health insurance costs in salaries and wages?
2:58:11 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Why record differently for forecasted test period?
2:58:34 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	See how could have been misinterpreted where costs in different account?
2:58:45 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	In rebuttal, allocated amount \$15,991 in base year?
2:59:02 PM	Asst Atty General Goad Note: Sacre, Candace	Ask for work papers associated with \$15,991 in health insurance cost as post-hearing request.
2:59:03 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST ATTY GENERAL GOAD - WITNESS KILBANE PROVIDE WORK PAPERS ASSOCIATED WITH \$15,991 HEALTH INSURANCE COST
2:59:19 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	In rebuttal, state company agrees with Futral remove health insurance costs \$1,045 for director of engineering/asset management in forecasted test period?
2:59:35 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Because position currently vacant?
2:59:39 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Also state amount included forecasted test period vacant position salaries/wages \$18,810 and \$1,467 payroll taxes?
2:59:58 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Agree also remove salaries/wages/payroll costs for position currently vacant from forecasted period?
3:00:16 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	When filed application, bad debt percentage set at 3.94 percent?
3:00:23 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Based on averaging ratio of per-books bad debt expense to service revenues 2019, 2020, and 2021?

3:00:35 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Bad debt results for 2020 and 2021 due to COVID-19?

3:00:45 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace In direct, Futral recommended forecasted bad debt percentage rate be adjusted reflect average bad debt percentage of 2.12 percent?

3:01:01 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace 2.12 percent average bad debt percentage rate based on results from years not impacted by COVID-19, 2017, 2018, 2019, and 2022?

3:01:44 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Agree trying to remove bulk of worst of pandemic how affected bad debt?

3:02:42 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Examination. Since pre-pandemic have increased rates?

3:02:49 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace During pandemic, applied for and received rate increase?

3:03:01 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Rate case 2020 docket number?

3:03:08 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Had any impact on bad debt expense?

3:03:21 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Higher rates go up less likely customer able to afford it?

3:03:36 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Realistic expectation?

3:04:00 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Cross Examination (cont'd). Base period twelve months ending Sept 30 2022?

3:04:14 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Filed base period update date on Oct 31 2022 showed actual results for annual base period?

3:04:24 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Recall what bad debt percentage was for base period?

3:04:34 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Two-point-eight percent actual bad debt percentage less than 3.93 percent proposed forecasted test year?

3:04:42 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Refer to AG First Request, Item 88, read response?

3:05:54 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Stating bad debt expense calculated over whole year?

3:06:36 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Confirm response sponsored state base period forecast provides expense calculated over whole year?

3:06:49 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Why in rebuttal appeared calculate bad debt percentage on nine months?

3:07:50 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Examination. First nine months of 2022 is 3.7 percent?

3:07:58 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace For service rendered last four months 2021 and first few months 2022?

3:08:32 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Not have another hearing after data request, bad debt expense is booked six months after account arrears?

3:09:03 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Six months after arrears?

3:09:09 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Six months after past due, a month billed and due, service rendered month before that?

3:09:25 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Seven months after last date service rendered, eight months after first date of service rendered?

3:09:36 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Revenues use calculation 3.7, revenues received in first nine months or revenues that correspond bills in arrears booked as bad debt expense?

3:10:05 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Unless receive money, not revenue?

3:10:15 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Not income?

3:10:33 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Bills rendered in first nine months, revenue amount?

3:10:49 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Revenue amount for 3.7 percent line up with arrearred bills?

3:11:15 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Realize 85 percent bad debt expense on bill six months post arrears?

3:11:30 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace When compare revenues to bad debt expense, use same time period revenues as bad debt expense?

3:12:07 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Reason ask, every utility calculates bad debt differently, if identified 85.5 percent bill in arrears bad debt in third month instead of six month post arrears, same calculation be different?

3:12:53 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Rebuttal testimony talk about this, table, bad expense of \$90,108?

3:13:14 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Realize that in January through September this year?

3:13:21 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Revenue from January through September 2022?

3:13:30 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace But \$90,108 not bad debt expense January through September, from some months prior to that?

3:14:01 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace That's fine, trying to appreciate time periods for revenue and bad debt expense, when goes through pipes?

3:14:14 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Bad debt expense not when goes through pipes, some period after in arrears?

3:14:20 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace That revenue not for revenue bad debt expense represents, current revenues compared to previous revenues resulted in bad debt expense?

3:14:55 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace A good portion of it?

3:15:00 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Not saying wrong, what represents, page 7 of rebuttal, reading, (click on link for further comments), seem bad debt lags revenues related to bad debt, stop paying bills COVID, not bad debt yet?

3:16:18 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Bad debt expense going into Jan 2020, two-and-a-half percent, billing in Jan, Feb, Mar, half customers not pay in Jan, not pay Feb, not pay Mar, bad debt expense not go through roof, not recognize until Mar, small percent, lags uncollectible?
3:17:06 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Trying to figure out, 3.93 thought going to be, now down to 3.7?
3:17:20 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Have information as to what level uncollectibles are so can see uncollectibles going down, 85 percent bad debt expense?
3:18:43 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Returned to pre-COVID collections in October?
3:19:03 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Assume put on notice, six months after see change?
3:19:16 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Earlier this year?
3:19:26 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Revenues are current revenues, bad debt expense percentage of bills over some period of time?
3:19:55 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	In meantime, uncollectible?
3:20:04 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	How long classified bad debt expense until written off?
3:20:27 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Write off part of 85 or write off 15?
3:20:53 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	\$90,108 bad debt expense, accumulation or total amount recognized or net?
3:21:31 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data request what entries were for year for bad debt expense.
3:21:32 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS KILBANE ENTRIES WITH ANY WRITE-OFF FOR LAST YEAR FOR BAD DEBT EXPENSE
3:21:44 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Uncollectibles and bad debt expense corporate policy determination/write-offs, have written policy on that?
3:21:45 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS KILBANE COPY OF WRITTEN POLICY ON BAD DEBT EXPENSES/UNCOLLECTIBLES DETERMINATION AND WRITE-OFFS
3:22:19 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Cross Examination (cont'd). Bad debt percentage rate for full 12-month base period 2.73 percent, still recommend 3.93 percent bad debt
3:22:49 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Refer back to response, AG First Request, Item 80, legal expenses \$20,000 higher in 2021?
3:23:06 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Legal costs higher due to personal injury lawsuit?
3:23:31 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Lawsuit spanned 2020, 2021, and 2022?
3:23:40 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Resolved this year?

3:23:44 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Aware any other personal injury lawsuits in last five years or so?

3:23:57 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Also costs related to termination of Clinton wastewater contract end of 2021?

3:24:05 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Clinton wastewater case completed?

3:24:09 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Company used average of 2020 and 2021 expenses forecast legal fee expense in forecast test period?

3:24:20 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace \$18,071 subject to check?

3:24:26 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace 2020 expense for legal \$9,642 and 2021 \$27,461?

3:24:45 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Subject to check, correct legal expenses in 2017 \$3,453, 2018 \$251, and 2019 \$2,615?

3:24:57 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Agree legal expenses two years Water Service Kentucky chose to average, 2020 and 2021, highest cost years out of last five years?

3:25:16 PM Asst Atty General Goad - witness Kilbane
Note: Sacre, Candace Highest cost years are five years between 2017 and 2021?

3:25:32 PM Chairman Chandler
Note: Sacre, Candace Questions?

3:25:38 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Cross Examination. No employees directly hired by WSK?

3:25:52 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Labor done in Clinton and Middlesboro systems, all contract labor?

3:26:04 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace With installation of Neptune AMI system, result in decrease of overtime?

3:26:35 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace On application. Exhibit 29-3, salaries and wages general and forecasted salaries and wage general, how much for vacant director of engineering and asset management?

3:27:29 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Asking about forecasted period?

3:27:37 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Applied to those two positions?

3:27:49 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace How much for vacant position of director of engineering and asset management?

3:28:08 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Already in record?

3:28:19 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Forecasted salaries and wages \$936,694, how much associated with other vacant positions?

3:28:39 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Application forecast capitalized labor costs, how much of forecasted capital labor costs associated with proposed Neptune AMI project?

3:29:36 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Converts into average cost, diesel vs nondiesel, how calculate average?

3:30:05 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace What legal services being provided in Kentucky current rate case Ice Miller LLP?

3:30:40 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace One acting in-house and acting on rate case directly?

3:30:55 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace WSK or Corix sold any of its accounts receivable?

3:31:02 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Know who can ask that question?

3:31:03 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace STAFF ATTY YOUNG PSC - WITNESS KILBANE
Note: Sacre, Candace WATER SERVICE KENTUCKY OR CORIX SOLD ACCOUNTS RECEIVABLE

3:31:11 PM Staff Atty Young PSC - witness Kilbane
Note: Sacre, Candace Explain why Corix not able complete lead/lag study for WSK?

3:31:37 PM Chairman Chandler
Note: Sacre, Candace Questions?

3:31:52 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Examination. Aware estimate number of hours Water Service estimated counsel have to work in this case?

3:32:07 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Filed rate case, are witness supports rate case expense supplemental filings?

3:32:17 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Reviewed those spreadsheets before?

3:32:22 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace In Column P, where legal fees included for Ice Miller and Sturgill Turner, has estimated hours to be worked, aware included in sheet?

3:32:40 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Be surprised if company's estimated hours for attorneys in this case in excess of 1,100 hours?

3:33:04 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Asking be surprised to know that is amount, does 1100 sound what was imputed into spreadsheet?

3:33:28 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Not surprising or is surprising?

3:33:37 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Average hourly rate of \$413?

3:33:58 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Spreadsheet Tab C, Column P for legal fees, 484 hours and other is 625 hours?

3:34:27 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Combined in excess of 1100 hours?

3:34:33 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Sturgill Turner rate?

3:34:38 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Ice Miller?

3:34:50 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace How many attorneys Ice Miller working on case any given time?

3:35:08 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Estimate what work \$200,000 just this case in addition to Sturgill Turner?

3:35:26 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Half of hours what expect, not half the rate?

3:35:42 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Asked Elicegui what individual chose to hire both sets of outside counsel, your decision?

3:36:04 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace What individual chose on WSK behalf engage two different law firms?

3:37:14 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Generally aware Elicegui testimony in this case?

3:37:30 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace In room when asking D'Ascendis?

3:37:36 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace One of things asking D'Ascendis about was AIA, allows Water Service Corporation provide suite of corporate services to WSCK, remember questioning?

3:37:54 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Page 6 of Elicegui testimony bullet points, executive services, another accounting services, another legal services, general what benefit is having AIA, WSC provides WSCK, allow fulfill statutory obligation, what is Ice Miller doing for WSCK that Water Service Corporation not do under AIA?

3:39:51 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace That's why Sturgill Turner was hired?

3:40:16 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Looking through items earlier, November filing, maybe October, were attorneys at Sturgill Turner researching the CPC standard in Kentucky?

3:40:51 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Have five attorneys working on cases?

3:41:06 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Some at average of \$413 an hour at Ice Miller?

3:41:18 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace How many attorneys unreasonable?

3:41:35 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Had to have at least five?

3:41:46 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace That rests with Commission?

3:41:51 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace You have to support it, do rate cases in other states?

3:42:14 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Usually hire two firms to do rate cases?

3:42:20 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Been in one other rate case and did two firms?

3:42:25 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Not participated in any other?

3:42:31 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace What was rate case expense relative to request in that state?

3:42:38 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Here about half of request?

3:42:46 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Here, in this case?

3:42:58 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace That million forty-seven initial request or amended request?

3:43:02 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Know what amended request is post-rebuttal, below a million?

3:43:10 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Fifty, alone, gets you below million?

3:43:15 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Depreciation adjustment about fifty-three thousand?

3:43:32 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Whitney who need talk to about engagement of law firms?

3:43:39 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Talked about bad debt expense, ask in post-hearing data request what kind of accounting guidance have how uncollectibles supposed to look, what bad debt expense calculated, and how write-off process is.

3:43:40 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace CHAIRMAN CHANDLER - WITNESS KOLBANE
Note: Sacre, Candace ACCOUNTING GUIDANCE ON UNCOLLECTIBLES, BAD DEBT EXPENSE CALCULATION, AND WRITE-OFF PROCESS

3:43:59 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace How often in Kentucky?

3:44:03 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Physically?

3:44:08 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Couple times a year, couple times a month?

3:44:13 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace How often in communication with folks manage Kentucky utility?

3:44:31 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Aware vacancies in last couple of years?

3:44:40 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Who would?

3:44:51 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace File annual report on behalf of utility, at least most recent?

3:45:00 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Annual report provides entire row salary identified officers, aware of that?

3:45:13 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Annual report, page 13 of 74, prepared report, Seth Whitney ultimately supports it?

3:46:04 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Whitney also in Cleveland with you?

3:46:10 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Cuyahoga County?

3:46:15 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Familiar with page?

3:46:19 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Right-hand column indicated salaries be provided there?

3:46:33 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Directed not provide them?

3:46:39 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Have SOP says not required?

3:47:00 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Have expectation report filed in 2021 for 2020 also not include those?

3:47:26 PM Chairman Chandler - witness Kilbane
Note: Sacre, Candace Have information available if be filing requirement?

3:47:33 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Not something this is need to know, can request it but not give it to you, put in file, not something had issue with in past?
3:47:56 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Expectation be respondent for bad debt expense?
3:48:18 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Documentary evidence wha policy is, if not written policy, if practice, indicate individual have personal knowledge?
3:48:41 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Corix Regulated Services, Inc. parent company WSCK?
3:49:17 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Know whether supported data request filing with copy of organizational chart?
3:49:45 PM	Chairman Chandler Note: Sacre, Candace	Redirect?
3:49:49 PM	Atty Osterloh Water Service Kentucky Note: Sacre, Candace	Post-hearing data request discussion. (Click on link for further comments.)
3:51:43 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Redirect Examination. Rate case expense, reduced estimate by \$100,000?
3:52:00 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Incurred expense?
3:52:08 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Complexity of case increase rate case expense?
3:52:15 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	To process rate case, all utilities have legal expenses?
3:52:27 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	In 2020 rate case, Commission ordered company base rates on rate base rate of return?
3:52:41 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Require return on equity testimony?
3:52:45 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Return on equity testimony sponsored through third-party consultant?
3:52:52 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Are expenses associated with that?
3:52:53 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Also requirement provide salary and wage study?
3:53:04 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Company incurred expense for study?
3:53:20 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	In 2020 case, Commission determined reasonable rates be going forward?
3:53:33 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	For rates to WSCK customers?
3:53:40 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Higher bad debt expense due to higher rates?
3:54:02 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Rates approved by Commission?
3:54:15 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Because effective in Jan 2021, revenue likely been stable from that period forward to today?

3:54:35 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Based on testimony, revenue number likely stable since Jan 2021?

3:55:00 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Ice Miller specifically working on this rate case?

3:55:16 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Mentioned serve somewhat as in-house counsel?

3:55:22 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Ice Miller work with other Corix subsidiaries?

3:55:33 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Corix familiar with structure and policies of Corix?

3:55:42 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Translate to policies of WSCK?

3:55:54 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace With base line knowledge across company, efficiencies put in place?

3:56:25 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace May take local counsel more time?

3:56:48 PM Atty Osterloh Water Service Kentucky
Note: Sacre, Candace Two exhibits to distribute. (Click on link for further comments.)

3:56:49 PM APPLICANT EXHIBIT 1 - MARKED FOR IDENTIFICATION
Note: Sacre, Candace ATTY OSTERLOH WATER SERVICE KENTUCKY - WITNESS KILBANE
Note: Sacre, Candace KENTUCKY AMERICAN WATER CASE NO. 2018-00358 BASE YEAR
ADJUSTMENT REGULATORY EXPENSE 12 MONTHS ENDING JUNE
30 2020

3:56:50 PM APPLICANT EXHIBIT 2 - MARKED FOR IDENTIFICATION
Note: Sacre, Candace ATTY OSTERLOH WATER SERVICE KENTUCKY - WITNESS KILBANE
Note: Sacre, Candace STOLL KEENON OGDEN INVOICE NO. 890701 KENTUCKY
AMERICAN WATER COMPANY MATTER NAME: 2018 RATE CASE

3:58:21 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Page 9, rebuttal, 2018-00358, costs significantly more than
estimated legal expense associated with WSCK case?

3:58:43 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Exhibit 1 response by KAW to request by LFUCG Post-Hearing Data
Request No. 5, page 63, see that?

3:59:02 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace In that case, line 5, legal services?

3:59:10 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Consultant referred to law firm in Kentucky?

3:59:17 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Line 5, the law firm, Stoll Keenon Ogden law firm in Kentucky?

3:59:25 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Column that is 2018 rate case expense estimate, what Kentucky
American rate case expense estimate 2018 forecasted test year
case?

3:59:40 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace More or less than initial estimate our case of roughly \$439,000?

3:59:48 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace More or less than revised estimate of \$300,000?

4:00:00 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Actual invoices week before hearing \$320,000 for legal expenses in
that case?

4:00:14 PM Atty Osterloh Water Service Kentucky - witness Kilbane
Note: Sacre, Candace Exhibit just filed earlier, expenses incurred through end of October
shown to be ninety-three or -four thousand dollars?

4:00:41 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Significantly less than what was Kentucky American fees?
4:00:52 PM	Chairman Chandler Note: Sacre, Candace	Lay foundation, what this document actually is? (Click on link for further comments.)
4:03:15 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Document marked as Exhibit No. 2, in front of you?
4:03:21 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Kentucky American Supplemental Response to LFUCG Post-Hearing Data Request No. 5, filed on Jun 14 subset of 90 pages, one invoice, turn to last page, page 22 of 90, see that?
4:04:04 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Very bottom, summary of attorney and paralegal time, this invoice one-month period, summary at bottom?
4:04:20 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	See three individuals at top rank listed as member, next one associate, next one of counsel, see that?
4:04:30 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Member, associate, of counsel reflect terms for attorney?
4:04:37 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Kentucky American 2018 case utilized five attorneys in its filing?
4:04:48 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Sixth one is paralegal?
4:04:54 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Reflects different attorneys with different billable hours?
4:04:58 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Also reflects some attorneys more involvement in case than others?
4:05:04 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Also be consistent with what have seen this case?
4:05:22 PM	Chairman Chandler Note: Sacre, Candace	Going to move for introduction? Objection? (Click on link for further comments.)
4:05:23 PM	APPLICANT EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY OSTERLOH WATER SERVICE KENTUCKY - WITNESS KILBANE KENTUCKY AMERICAN WATER CASE NO. 2018-00358 BASE YEAR ADJUSTMENT REGULATORY EXPENSE 12 MONTHS ENDING JUNE 30 2020
4:05:24 PM	APPLICANT EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	ATTY OSTERLOH WATER SERVICE KENTUCKY - WITNESS KILBANE STOLL KEENON OGDEN INVOICE NO. 890701 KENTUCKY AMERICAN WATER COMPANY MATTER NAME: 2018 RATE CASE
4:07:32 PM	Chairman Chandler Note: Sacre, Candace	Additional questions?
4:07:42 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	What types legal issues come up utility might consult attorney for?
4:08:20 PM	Atty Osterloh Water Service Kentucky - witness Kilbane Note: Sacre, Candace	Fair to say utility cannot predict what may come up in 2023 for those?
4:08:28 PM	Chairman Chandler Note: Sacre, Candace	Questions?
4:08:34 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Recross Examination. Are you familiar 2018-00358 subject of exhibits handed out by counsel?

4:08:51 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Know how much water revenues Kentucky American requesting that case?
4:09:02 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Accept were requesting \$19,865,003 rate increase?
4:09:14 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Subject to check, accept that?
4:09:20 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	Almost 20 times rate increase requested in current case?
4:09:28 PM	Asst Atty General Goad - witness Kilbane Note: Sacre, Candace	19 times?
4:09:37 PM	Chairman Chandler Note: Sacre, Candace	Questions?
4:09:48 PM	Commissioner Regan Note: Sacre, Candace	Discussion of exhibits. (Click on link for further comments.)
4:11:09 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Examination. Have experience with Ice Miller providing services to company outside rate cases?
4:11:17 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Aware any review, study, analysis WSC or Corix looked at hiring in-house counsel?
4:11:43 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Asking personal knowledge, unaware any analysis?
4:11:54 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Aware past practice where WSCK affiliates provided services to utility as part of rate case and charged them as rate case expense?
4:12:17 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Not look at past cases allocation of rate case expenses?
4:12:28 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Aware any contract with WSC and Ice Miller unrelated to rate cases?
4:12:41 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	WSC not incurring expenses of Ice Miller between rate cases?
4:12:49 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Have a contract, all goes through rate case expenses and gets recovered from customers?
4:13:00 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	If not ongoing contract and instead based off instances need them and in rate case, provides for cost recovery through rate case expense?
4:13:43 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Incur expense get to recover expense?
4:13:49 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	But expense incur between rate cases not necessarily recoverable?
4:14:05 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	If hired in-house counsel as employee, would be incurring expense for salary between rate cases?
4:14:22 PM	Chairman Chandler - witness Kilbane Note: Sacre, Candace	Forget allocation, WSC incurring salary expenses whether able allocate or not?
4:14:40 PM	Chairman Chandler Note: Sacre, Candace	Discussion of exhibits and procedure. (Click on link for further comments.)
4:16:06 PM	Chairman Chandler Note: Sacre, Candace	Call next witness.

4:16:08 PM Atty Osterloh Water Service Kentucky
Note: Sacre, Candace Dante DeStafano.

4:17:05 PM Chairman Chandler
Note: Sacre, Candace Witness is sworn.

4:17:10 PM Chairman Chandler - witness DeStafano
Note: Sacre, Candace Examination. Name and address?

4:17:31 PM Atty Osterloh Water Service Kentucky - witness DeStafano
Note: Sacre, Candace Direct Examination. By whom employed?

4:17:38 PM Atty Osterloh Water Service Kentucky - witness DeStafano
Note: Sacre, Candace Title?

4:17:42 PM Atty Osterloh Water Service Kentucky - witness DeStafano
Note: Sacre, Candace Cause to prepare and be filed rebuttal?

4:17:49 PM Atty Osterloh Water Service Kentucky - witness DeStafano
Note: Sacre, Candace Adopting responses to data requests sponsored by another?

4:18:01 PM Atty Osterloh Water Service Kentucky - witness DeStafano
Note: Sacre, Candace Any other data responses identified as sponsor for?

4:18:07 PM Atty Osterloh Water Service Kentucky - witness DeStafano
Note: Sacre, Candace Adopting that testimony and responses as testimony today?

4:18:17 PM Chairman Chandler
Note: Sacre, Candace Questions?

4:18:24 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Cross Examination. Did not file additional testimony and only filed rebuttal?

4:18:33 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Rebuttal responding to direct of AG and City of Clinton witness Randy Futral?

4:18:42 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Accurate in rebuttal agree with Futral position costs associated Phoenix asset be removed from revenue requirement?

4:18:56 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Reduction in proposed revenue requirement of \$33,068?

4:19:11 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Accurate to state in rebuttal also agree with Futral position to remove rate base inclusion and amortization of proposed Fusion implementation cost regulatory asset?

4:19:23 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Reduction in proposed revenue requirement of \$9,122?

4:19:33 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace In rebuttal agree with Futral reflect allocated share of reserve for Chicago office rent?

4:19:42 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Reduction in proposed revenue requirement of \$7,063?

4:19:50 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace In rebuttal agree Futral adjustment to reduce forecasted new vehicle cost?

4:19:59 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Reduction in proposed revenue requirement of \$4,794?

4:20:07 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Refer rebuttal testimony, page 15, line 9, read lines 9 through 20 into record?

4:21:20 PM Asst Atty General Goad - witness DeStafano
Note: Sacre, Candace Stating company not relying on Vaughan & Melton report to support request for advanced metering infrastructure?

4:22:00 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Be accurate to state agree with Futral company not include cost savings associated with proposed AMI project?
4:22:48 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Repeat updates to AG discovery, did you say Second Request, No. 55?
4:23:25 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Accurate in rebuttal disagree with Futral removal of portion of incentive compensation related to financial performance factors?
4:23:38 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Aware of Commission long-standing precedent to remove incentive compensation tied to financial performance?
4:23:50 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Aware last Water Service case Commission disallowed incentive compensation tied to financial performance?
4:24:09 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Disagree with Futral recommendation remove deferred rate case expenses from rate base?
4:24:15 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Confirm, rebuttal testimony not provide specific Commission precedent that allows deferred rate case expense be included in rate case?
4:24:20 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Futral cited two cases demonstrating Commission precedent was to disallow costs from being in rate base?
4:24:48 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Recall Futral citing to Atmos case 2021-00214 and Duke 2019-00271 to support recommendation?
4:25:45 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Confirm, did not cite specific Commission precedent for deferred rate case expense be included in rate base?
4:26:00 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Included asset ADIT amounts associated with bad debt expense amount of \$84,217?
4:26:10 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Eighty-four thousand two hundred seventeen dollars?
4:26:19 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Company uses allowance method record bad debt expense each month?
4:26:39 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Have in notes AG Second Request, Item 51, sponsored by Kilbane, attached internal policies/procedures how record bad debt expense, see second paragraph, first page, reading (click on link for further comments)?
4:30:35 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Response, AG Second Request, Item 51, Kilbane attached Water Service Kentucky internal policies/procedures related to bad debt expense reporting?
4:30:58 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Second paragraph down, read into record?
4:31:30 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Feel comfortable asserting/confirming company uses allowance method record bad debt expense each month?

4:31:45 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Accurate accounting entry made each month to record bad debt provision based on receivables balance, other side of entry to balance sheet account called allowance for uncollectible accounts?
4:32:22 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Allowance for uncollectible accounts and balance sheet liability account and not asset account?
4:33:02 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	If company write off receivables balance due to nonpayment, write off to uncollectible accounts?
4:33:34 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Balance and allowance uncollectible accounts is amount estimated bad debt not written off yet?
4:33:55 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Refer to allowance for uncollectible accounts as AR reserve?
4:34:01 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	State Futral correct when said recording of bad debt provision into AR reserve results in prepayment of income taxes and requires incurrence of financing costs?
4:34:18 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	This why believe ADIT related to AR reserve be in rate base because taking finance costs pay tax liability?
4:35:15 PM	Asst Atty General Goad - witness DeStefano Note: Sacre, Candace	Futral claim creation of AR reserve results in savings in financing costs incorrect?
4:35:28 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Because is no cash inflow related to journal entries performed record changes in AR reserve balance?
4:35:59 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Revenue requirement based in part level of estimated bad debt expense reported on income statement?
4:36:24 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Revenue requirement not based level actual customer balance write offs?
4:37:03 PM	Asst Atty General Goad - witness DeStefano Note: Sacre, Candace	Company receives revenue collections from customers based on level bad debt expense, not on accounts written off?
4:37:32 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Accurate state customers supplying extra capital through rates charged same as liability balance in allowance uncollectible accounts or AR reserve?
4:38:39 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	True company not reduce rate base amount of allowance for uncollectible accounts?
4:38:52 PM	Asst Atty General Goad - witness DeStafano Note: Sacre, Candace	Correct company included asset ADIT bad debt expense in rate base even not include balance of allowance for uncollectible accounts in rate base, balance responsible for creation asset ADIT?
4:39:55 PM	Chairman Chandler Note: Sacre, Candace	Questions?
4:40:00 PM	Chairman Chandler - witness DeStafano Note: Sacre, Candace	Examination. Question pushed to you bad debt expense, Kilbane push question to you on bad debt expense?
4:40:36 PM	Chairman Chandler Note: Sacre, Candace	Questions?

4:40:48 PM	Chairman Chandler Note: Sacre, Candace	Call next witness.
4:40:50 PM	Atty Osterloh Water Service Kentucky Note: Sacre, Candace	Corey Napier.
4:40:56 PM	Chairman Chandler Note: Sacre, Candace	Discussion of data request responses. (Click on link for further comments.)
4:41:30 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
4:41:35 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Examination. Name and address?
4:41:51 PM	Atty Osterloh Water Service Kentucky - witness Napier Note: Sacre, Candace	Direct Examination. By whom employed?
4:41:58 PM	Atty Osterloh Water Service Kentucky - witness Napier Note: Sacre, Candace	Title?
4:42:05 PM	Atty Osterloh Water Service Kentucky - witness Napier Note: Sacre, Candace	Aware Vaughn & Melton sponsor to data requests in case?
4:42:12 PM	Atty Osterloh Water Service Kentucky - witness Napier Note: Sacre, Candace	Familiar with responses?
4:42:15 PM	Atty Osterloh Water Service Kentucky - witness Napier Note: Sacre, Candace	Adopt responses as testimony today?
4:42:23 PM	Chairman Chandler Note: Sacre, Candace	Questions?
4:42:26 PM	Atty Potter City of Clinton - witness Napier Note: Sacre, Candace	Cross Examination. What do you do?
4:42:56 PM	Atty Potter City of Clinton - witness Napier Note: Sacre, Candace	WSC only client?
4:43:00 PM	Atty Osterloh Water Service Kentucky - witness Napier Note: Sacre, Candace	Outside firm?
4:43:05 PM	Atty Potter City of Clinton - witness Napier Note: Sacre, Candace	When say do design work, get out and work, designing things in Middlesboro?
4:43:15 PM	Atty Potter City of Clinton - witness Napier Note: Sacre, Candace	Worked in Clinton at all?
4:43:20 PM	Chairman Chandler Note: Sacre, Candace	Questions?
4:43:28 PM	Staff Atty Young PSC - witness Napier Note: Sacre, Candace	Cross Examination. Work papers, cost benefit analysis, if asked for that in post-hearing data request, something can be provided?
4:43:56 PM	Staff Atty Young PSC - witness Napier Note: Sacre, Candace	Vaughn & Melton response, Item 6-A, Staff Third Data Request, AMR and AMI cost benefits studies follow standard engineering method, VII of section, costs and savings in analysis based on assumptions or specific to Water Service Kentucky?
4:45:21 PM	Staff Atty Young PSC - witness Napier Note: Sacre, Candace	Appendix A, Exhibit A, capital project cost projections, AMR/AMI cost benefit analysis, included 10 percent contingency larger meters, know numbers of five-eighths-inch meters are versus larger meters in system?
4:46:05 PM	Staff Atty Young PSC - witness Napier Note: Sacre, Candace	In 2022 AMR/AMI cost benefit analysis, appendix A, Exhibit B, list assumed project maintenance contract cost at a rate of three percent, what basis for assumption?
4:47:09 PM	Staff Atty Young PSC - witness Napier Note: Sacre, Candace	Who provide service?

4:47:24 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Appendix A, Exhibit C, cost benefit analysis, one percent assumption, estimated project costs, same question, what basis for assumption?

4:47:57 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Appendix A, Exhibit D, cost benefit analysis, .25 percent meter failure rate, wondering same thing, what basis for that?

4:48:38 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Appendix B, Exhibit G, cost benefit analysis, what basis for assumption \$100 cost conventional water meter replacement?

4:49:22 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace How came up with assumption \$70, what went into it?

4:49:32 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Exhibit J, Appendix B, cost benefit analysis, explain how replacement AMI provide improve accuracy three percent?

4:51:17 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Rate of decline not similar for AMI?

4:51:27 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Is it the way it measures, are they that different, one just electronic measurement and sensor different?

4:51:50 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Response, Third Data Request, revised study analyzed with average inflation five percent, why five percent instead of 20-year break-even rate of 2.64?

4:52:40 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace That number not actually used?

4:53:09 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace When preparing cost benefit analysis for investor-owned utility not have USDA debt, explain why federal discount rate appropriate?

4:54:06 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Should something not be different, should not be something else, when investor-owned utility not have USDA debt?

4:54:52 PM Staff Atty Young PSC - witness Napier
Note: Sacre, Candace Application, Exhibit 35, why Water Service Kentucky weighted cost of capital 7.64 not be used as discount rate?

4:55:25 PM Chairman Chandler
Note: Sacre, Candace Questions?

4:55:31 PM Chairman Chandler - witness Napier
Note: Sacre, Candace Examination. Ever done work for Water Service before?

4:55:37 PM Chairman Chandler - witness Napier
Note: Sacre, Candace Do work for Pineville?

4:55:42 PM Chairman Chandler - witness Napier
Note: Sacre, Candace Any of utilities in Harlan County?

4:55:55 PM Chairman Chandler - witness Napier
Note: Sacre, Candace What are some public water utilities, go to Tennessee, Caswell, any entities in Tennessee?

4:56:03 PM Chairman Chandler - witness Napier
Note: Sacre, Candace Do anything for nonpublicly-owned water utilities?

4:56:11 PM Chairman Chandler - witness Napier
Note: Sacre, Candace Mostly water districts, city systems, or utility commissions, usually publicly-owned entities work for?

4:56:29 PM Chairman Chandler - witness Napier
Note: Sacre, Candace Question using utility's cost of capital as discount rate not something used before in present value calculation?

4:56:44 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Used utility's cost of capital?
4:56:51 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Use utility's weighted average debt rate?
4:57:06 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Do rate studies for publicly-owned utilities?
4:57:13 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Ever use .023 cases, basically get money from RD or loan at the same time, RD requires set rates at certain amount, ever work for utilities do that get RD amount and RD says have to raise rates to this amount to accommodate new project?
4:57:51 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Reason ask, most publicly-owned utilities set rates, even if cover depreciation expense, usually set with cushion based off interest expense or debt service coverage, your experience?
4:58:11 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Today heard earlier return on equity with D'Ascendis, cost of capital, weighted average cost of capital, investor-owned get return based off amount invested, return is entire load, make more money more invest, reality not make money on expenses, get return on investment, you treat operating expenses and capital same for calculation?
4:59:17 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	If expenses dollar for dollar, every time invested capital include return, increase expense?
4:59:32 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Not something took into account when determining present value cost?
4:59:49 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Revenue gained from meter accuracy, definition page 5, reading (click on link for further comments), compared that to current meters in effect?
5:01:30 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Utility proposal is going forward put same meters in, if Commission not approve AMI, not just communicating module, should be revenue gain either way?
5:01:54 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	These are meters have communicating module, AMI meters?
5:02:00 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Can be installed without communicating module, dumb meters?
5:02:15 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	AMR/AMI, is meter set and then communicator?
5:02:23 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Communicator busted, still measures water, can see measurement?
5:02:32 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Revenue gain from fact new meter, new nonelectromechanical meter?
5:02:41 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	AMR does drive-by/walk-by, AMI shows up on computer through network or cell towers?
5:02:56 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Can have meter done with no communication, could have AMR module or AMI module, your understanding?

5:03:10 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Benefit derived from revenue gained meter accuracy, be same regardless of three instances?
5:03:30 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Not matter whether did communication or not?
5:03:38 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Ten percent replacement, aware Commission requires through regulations meters be tested every ten years?
5:03:53 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Understanding why have replacement rate ten percent?
5:04:02 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Had smart meter people come in with applications, want AMR, going to replace every ten years, more expensive test and replace them than pull after ten years and put new one in, your testimony resting regimen ten percent meters pulled and tested every year and put back or retired and replaced?
5:04:49 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Not replace ten a year?
5:04:56 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Payback eleven years?
5:05:13 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Payback ten years, also life of meters?
5:05:28 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Has to be at least tested every ten years?
5:05:33 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Include costs for testing?
5:05:54 PM	Chairman Chandler - witness Napier Note: Sacre, Candace	Assumed can be tested and put back no issues to electrical components?
5:06:13 PM	Chairman Chandler Note: Sacre, Candace	Questions?
5:06:29 PM	Chairman Chandler Note: Sacre, Candace	Nine-minute recess.
5:06:39 PM	Session Paused	
5:30:49 PM	Session Resumed	
5:30:56 PM	Chairman Chandler Note: Sacre, Candace	Back on the record in 2022-00147.
5:31:02 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
5:31:03 PM	Atty Osterloh Water Service Corporation Note: Sacre, Candace	Colby Wilson.
5:31:03 PM	Camera Lock Deactivated	
5:31:19 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
5:31:25 PM	Chairman Chandler - witness Wilson Note: Sacre, Candace	Examination. Name and address?
5:31:36 PM	Atty Osterloh Water Service Corporation - witness Wilson Note: Sacre, Candace	Direct Examination. By whom employed?
5:31:39 PM	Atty Osterloh Water Service Corporation - witness Wilson Note: Sacre, Candace	Title?
5:31:44 PM	Atty Osterloh Water Service Corporation - witness Wilson Note: Sacre, Candace	Cause be filed testimony and rebuttal?
5:31:47 PM	Atty Osterloh Water Service Corporation - witness Wilson Note: Sacre, Candace	Sponsor responses?

5:31:52 PM Atty Osterloh Water Service Corporation - witness Wilson
Note: Sacre, Candace Adopt testimony and responses?

5:31:58 PM Chairman Chandler
Note: Sacre, Candace Questions?

5:32:03 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Cross Examination. Who makes decisions at Water Services whether add new customers?

5:32:19 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace If contacted by business, specifically new nursing home coming in, been in contact about adding?

5:32:35 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Ready to go?

5:32:53 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Have to ask certain way?

5:33:03 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Remember who talked to?

5:33:06 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Because she is not in charge?

5:33:14 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Development outside Clinton, one who talked to Judge Wilson?

5:33:24 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Project going to do?

5:33:37 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Take that ready to continue discussion about putting lines in?

5:33:44 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Has water company grown customers in Clinton since been manager?

5:33:54 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Basically stayed same?

5:34:00 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Know what internet service used in Clinton for water company?

5:34:12 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Anyone complained about internet connection?

5:34:17 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Have idea how many customers in Clinton use new website, know how many customers able use My Utilities?

5:34:31 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Is an app, know how many customers in Clinton use that app?

5:34:36 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Could get that information?

5:34:45 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Would not know what customers use app?

5:34:47 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Not able find that out?

5:34:50 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Who would?

5:35:07 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Remember how many customers Clinton has?

5:35:13 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace If said it had 572, sound right?

5:35:22 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Middlesboro has what?

5:35:26 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Five thousand five hundred and seventy-two, sound right?

5:35:33 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Make Clinton 9.28 percent of customers?

5:35:41 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Not know if you or Whitney, information sharing with customers part of your job?

5:35:59 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Information with local officials your job?

5:36:05 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Had lot of contact with Clinton city?

5:36:17 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Aware were repairs had not got done until you involved?

5:36:31 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Who bring those to your attention?

5:36:54 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Appreciate that because have list.

5:37:00 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Have two employees in Clinton?

5:37:03 PM Atty Potter City of Clinton
Note: Sacre, Candace How allocate their time?

5:37:30 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Where is employee around the clock?

5:37:34 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Actually have three employees?

5:37:37 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Two employees?

5:37:44 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace If emergency, two employees been sufficient?

5:37:52 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Recently when a fire, any your employees involved answering fire?

5:38:15 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Hydrants used?

5:38:23 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace How often in Clinton?

5:38:34 PM Atty Potter City of Clinton - witness Wilson
Note: Sacre, Candace Sidewalk repair West Clay, repair when tear up street?

5:39:10 PM Chairman Chandler
Note: Sacre, Candace Questions?

5:39:13 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Cross Examination. Response, AG First Request, Item 113, witness for this response?

5:39:54 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Response indicates two open positions based in Kentucky during parts of base period?

5:40:05 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Field Tech 1 position after been open for 12 months?

5:40:14 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Recall when filled?

5:40:25 PM Asst Atty General Goad
Note: Sacre, Candace Will request information in post-hearing data request.

5:40:26 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace ASST ATTY GENERAL GOAD - WITNESS WILSON
Note: Sacre, Candace DATE FIELD TECH 1 POSITION FILLED

5:40:34 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Response also mentions Student Operations Apprentice open position?

5:40:40 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Position open at least 14 months?

5:40:46 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Finally filled September 2022?

5:40:50 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace While positions vacant for extended periods, cause staff work overtime?

5:41:11 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Hire outside contractors due to vacancies?

5:41:19 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace After vacancies filled, been expense reductions?

5:41:37 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Response, AG Second Request, Item 14, witness for response?

5:42:19 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Describing other tasks current meter reading staff perform if AMI approved?

5:42:27 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Read next to last sentence?

5:42:46 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace What type work outside contractors performing while meter reader employees reading meters?

5:43:04 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace For Middlesboro and Clinton?

5:43:10 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Project less outside contractor expense in future test period savings due to AMI freeing up meter readers time?

5:43:24 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Know who would be aware of that information?

5:43:40 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace When Clinton wastewater contract terminated end of 2021, freed up time for Clinton employees start performing other tasks?

5:43:54 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Response, AG First Request, Item 44, cosponsored response?

5:44:44 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Response subpart A describe aspects of Clinton main replacement?

5:44:50 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Accurate in response state project eliminate need daily flush and manually monitor line?

5:44:58 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Who performs those duties?

5:45:12 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Incorrect when made that statement will eliminate need to daily flush?

5:45:23 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace No employee has to do that?

5:45:30 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Manually monitoring the line, employee duty?

5:45:36 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace How long take employee/employees duties of daily flushing and manually monitoring?

5:45:52 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Per day?

5:45:55 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace When Clinton main replacement project be complete?

5:46:09 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Application, Exhibit 10, construction budget, line 6 says estimated completion date Jul 31 2023?

5:46:22 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Clinton main replacement?

5:46:27 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Agree with what in application exhibit?

5:46:33 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Know whether projected less expense if no longer need perform line monitoring or flushing once Clinton main replacement completed?

5:46:46 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Know who would know answer?

5:46:53 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Whitney potentially know?

5:47:04 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Going back initial line of questioning concerning Field Tech 1 position, filled after vacant 12 months, as well as Student Operations Apprenticeship filled after vacant 14 months, if staff not work any overtime when vacancies occurred, what justification for two positions?

5:48:00 PM Asst Atty General Goad - witness Wilson
Note: Sacre, Candace Could not understand first part of response, repeat that?

5:48:27 PM Chairman Chandler
Note: Sacre, Candace Questions?

5:48:33 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Examination. Test bench approved?

5:48:39 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Asked about vacancies, only one vacancy Kilbane discussed, one related to engineering in Kilbane rebuttal, \$18,000 allocated, any vacancies this year?

5:49:08 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Have many applicants for position?

5:49:19 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Last year have any vacancies?

5:49:34 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace No applicants for that, very few applicants?

5:49:40 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Year before, very many vacancies in 2020?

5:49:48 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Wage increases, no issue with turnover?

5:50:02 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Questions about basis for wage increases, question you or Whitney?

5:50:09 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Want to make sure have personal knowledge, what is basis for wage increases?

5:50:44 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace When say down the road, who paying more?

5:50:49 PM Chairman Chandler - witness Wilson
Note: Sacre, Candace Serve rest of Bell County?

5:50:56 PM	Chairman Chandler - witness Wilson	
	Note: Sacre, Candace	Lost people to them?
5:51:05 PM	Chairman Chandler - witness Wilson	
	Note: Sacre, Candace	How about Clinton?
5:51:26 PM	Chairman Chandler - witness Wilson	
	Note: Sacre, Candace	If somebody in arrears, what process go through ensure arrearage not turn into bad debt?
5:52:03 PM	Chairman Chandler - witness Wilson	
	Note: Sacre, Candace	Post-connection, what do with collections?
5:52:20 PM	Chairman Chandler - witness Wilson	
	Note: Sacre, Candace	Turn it over to collections or done when write off sell collections?
5:52:34 PM	Chairman Chandler - witness Wilson	
	Note: Sacre, Candace	Internal collections department, not sell to collections agency?
5:52:44 PM	Chairman Chandler	
	Note: Sacre, Candace	Questions?
5:52:48 PM	Chairman Chandler	
	Note: Sacre, Candace	Witness excused.
5:52:53 PM	Chairman Chandler	
	Note: Sacre, Candace	Short recess.
5:53:05 PM	Session Paused	
5:54:06 PM	Session Resumed	
5:54:28 PM	Chairman Chandler	
	Note: Sacre, Candace	Back on the record in Case No. 2022-00147.
5:54:33 PM	Chairman Chandler	
	Note: Sacre, Candace	Call another witness?
5:54:35 PM	Atty Osterloh Water Service Kentucky	
	Note: Sacre, Candace	Seth Whitney.
5:54:44 PM	Chairman Chandler	
	Note: Sacre, Candace	Witness is sworn.
5:54:50 PM	Chairman Chandler - witness Whitney	
	Note: Sacre, Candace	Examination. Name and address?
5:55:16 PM	Atty Osterloh Water Service Kentucky - witness Whitney	
	Note: Sacre, Candace	Direct Examination. By whom employed?
5:55:36 PM	Atty Osterloh Water Service Kentucky - witness Whitney	
	Note: Sacre, Candace	Title?
5:55:40 PM	Atty Osterloh Water Service Kentucky - witness Whitney	
	Note: Sacre, Candace	Also serve as president of Water Service Corp Kentucky?
5:55:44 PM	Atty Osterloh Water Service Kentucky - witness Whitney	
	Note: Sacre, Candace	Prepare and cause be filed direct testimony?
5:55:50 PM	Atty Osterloh Water Service Kentucky - witness Whitney	
	Note: Sacre, Candace	Sponsor responses to data requests?
5:55:53 PM	Atty Osterloh Water Service Kentucky - witness Whitney	
	Note: Sacre, Candace	Adopt testimony and responses as testimony?
5:56:01 PM	Chairman Chandler	
	Note: Sacre, Candace	Questions?
5:56:03 PM	Atty Potter City of Clinton - witness Whitney	
	Note: Sacre, Candace	Cross Examination. Employed by Corix?
5:56:09 PM	Atty Potter City of Clinton - witness Whitney	
	Note: Sacre, Candace	Are president of Cleveland Thermal?
5:56:13 PM	Atty Potter City of Clinton - witness Whitney	
	Note: Sacre, Candace	In Ohio?
5:56:17 PM	Atty Potter City of Clinton - witness Whitney	
	Note: Sacre, Candace	President of Water Services Corporation of Kentucky?

5:56:23 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace What about Water Services Corporation, period?

5:56:28 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Is separate entity?

5:56:31 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Said mailing address in Kentucky is Middlesboro?

5:56:51 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Refer to survey mentioned in direct, NPS survey?

5:57:05 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Who conducted survey?

5:57:18 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace What was methodology for choosing participants?

5:57:43 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Participants called number?

5:57:56 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Mentioned rating of 17.9, 9.9 points higher than industry?

5:58:09 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Question is how choose participants if using as brag for company?

5:59:07 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Have to call customer service to get asked question?

5:59:45 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Said part of job maintaining relationship with city leaders, been contacted by local leaders about running water to new economic development park, discussion with anyone in Clinton?

6:01:01 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Page 3, direct testimony, say including activities in forecast period in application since last rate case will have \$2.2 million capital investment in Kentucky not reflected in rates, characterize \$2.2 million, where improvements made, or have been made yet?

6:02:30 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Supplement with a list those projects mentioned here?

6:02:31 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace ATTY POTTER CITY OF CLINTON - WITNESS WHITNEY
Note: Sacre, Candace IMPROVEMENTS WHICH COMPRISE \$2.2 MILLION IN INVESTMENT BY COMPANY NOT REFLECTED IN RATES

6:02:48 PM Atty Potter City of Clinton - witness Whitney
Note: Sacre, Candace Some speculative?

6:03:04 PM Chairman Chandler
Note: Sacre, Candace Questions?

6:03:09 PM Asst Atty General Goad - witness Whitney
Note: Sacre, Candace Cross Examination. Questions deferred by Wilson, know if company projected less outside contractor expense in future test period as expense savings due to AMI freeing up meter readers?

6:03:34 PM Asst Atty General Goad - witness Whitney
Note: Sacre, Candace Need issue a post-hearing data request so can make sure?

6:03:37 PM POST-HEARING DATA REQUEST
Note: Sacre, Candace ASST ATTY GENERAL GOAD - WITNESS WHITNEY
Note: Sacre, Candace COMPANY PROJECTED LESS CONTRACTOR EXPENSE IN FUTURE TEST PERIOD AS EXPENSE SAVINGS FROM AMI

6:04:52 PM Asst Atty General Goad - witness Whitney
Note: Sacre, Candace How long president of Water Service Kentucky?

6:05:06 PM Asst Atty General Goas - witness Whitney
Note: Sacre, Candace January 2021?

6:05:10 PM	Asst Atty General Goad - witness Whitney Note: Sacre, Candace	Aware pending case be three rate increases on customers since 2019?
6:05:12 PM	Asst Atty General Goad - witness Whitney Note: Sacre, Candace	Aware since 2019 residential monthly customer charge increased from \$10 to \$13.27, and in this case asking for it to go to \$17.53?
6:05:39 PM	Asst Atty General Goad - witness Whitney Note: Sacre, Candace	Are aware and WSK aware of high poverty rate in service area?
6:05:46 PM	Asst Atty General Goad - witness Whitney Note: Sacre, Candace	Sound correct that Clinton in Hickman County poverty rate is 20.9 percent Bell County which is Middlesboro is 29.8 percent?
6:06:08 PM	Asst Atty General Goad - witness Whitney Note: Sacre, Candace	Actually in record, agree three rate increases since 2019 will pose financial hardships?
6:07:08 PM	Asst Atty General Goad - witness Whitney Note: Sacre, Candace	Appreciate response but not really answering question, admit that three rate cases since 2019 be hardship on some customers living in poverty?
6:07:45 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Cross Examination. Can explain why Corix install Neptune AMI system at WSCK and how came to that decision?
6:08:00 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Specific to Neptune AMI system?
6:08:54 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Share what facets looked at?
6:09:07 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	The study answers that question?
6:09:16 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Know if Corix installing Neptune AMI system at all operating subsidiaries?
6:10:05 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Eventually will be in all operating subsidiaries, not necessarily deployed at same time?
6:10:24 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Any operating subsidiaries of CORIX currently using proposed Neptune AMI meters?
6:10:48 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Be able provide which systems currently have that in post-hearing data request?
6:10:49 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY HALL PSC - WITNESS WHITNEY IDENTIFY WHICH OPERATING SYSTEMS OF CORIX CURRENTLY USING NEPTUNE AMI METERS
6:11:01 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Aware if any operating systems had installed Neptune AMI system recorded increased revenues due to improved meter accuracy?
6:11:15 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Able to answer in post-hearing data request?
6:11:16 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY HALL PSC - WITNESS WHITNEY CORIX OPERATING SYSTEMS WITH NEPTUNE AMI SYSTEMS THAT HAVE RECORDED INCREASED REVENUES
6:11:30 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Explain why Corix not prepare a cost benefit analysis before install Neptune AMI system?

6:12:50 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Aware of other operating subsidiaries did cost benefit analysis for AMI system?
6:13:08 PM	Staff Atty Hall PSC Note: Sacre, Candace	Will put that in post-hearing data request.
6:13:09 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY HALL PSC - WITNESS WHITNEY OTHER CORIX SUBSIDIARIES THAT PEFORMED A COST BENEFIT ANALYSIS FOR AMI SYSTEM
6:13:16 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Has WSCK provided documentation to show current meters registering slow?
6:13:30 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Able to provide that in a post-hearing data request?
6:13:31 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY HALL PSC - WITNESS WHITNEY WSCK PROVIDE DOCUMENTATION TO SHOW CURRENT METERS REGISTERING SLOW
6:14:36 PM	Staff Atty Hall PSC - witness Whitney Note: Sacre, Candace	Know if installation of Neptune AMI system result in decreased employee overtime hours?
6:16:02 PM	Chairman Chandler Note: Sacre, Candace	Questions?
6:16:05 PM	Commissioner Regan - witness Whitney Note: Sacre, Candace	Examination. How keep records of what do for customers?
6:16:20 PM	Commissioner Regan - witness Whitney Note: Sacre, Candace	Electronic?
6:16:24 PM	Commissioner Regan - witness Whitney Note: Sacre, Candace	Be able to store work papers with contractors or employees working on any customer?
6:16:58 PM	Commissioner Regan - witness Whitney Note: Sacre, Candace	Be kept and have electronic record?
6:17:12 PM	Chairman Chandler - witness Whitney	
6:17:47 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	After two things, one determined AMI way going, two after chose Neptune, happened after both of those?
6:18:11 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	When filed case seeking CPCN for AMI, correct?
6:18:18 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Aware of requirements for CPCN in Kentucky?
6:18:29 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Are personally aware of what standard is?
6:18:44 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Understanding utility in order to get CPCN has to determine a need?
6:18:53 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	And proposal will result in lack of wasteful duplication?
6:19:10 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	What is need?
6:19:55 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Need to measure usage, at base what need to do, purpose of meters just to determine what each customer uses?
6:20:10 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Said "standard," understanding more than half meters in U.S. are AMI meters?

6:20:27 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Said "standard," trying to figure out what "standard" means?

6:20:41 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Know percentage of America's water utilities are AMI?

6:20:51 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Or AMR, for that matter?

6:21:00 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Already purchased Neptune meters?

6:21:39 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace When purchased those, including communicating module?

6:21:45 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Neptune meters currently using to replace broken meters are same meters would install if granted CPCN difference being post-CPCN meters not include communications module?

6:22:19 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace In terms of three percent of benefit cost analysis, three percent additional revenues be found regardless if meter was Neptune meter regardless whether had communications module?

6:22:44 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Looked at magnitude of present value savings compared to total benefit cost analysis?

6:23:11 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Vaughan & Melton study quantified present value of three percent savings, aware of that?

6:23:19 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace A lot of money, millions of dollars?

6:23:28 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Again, just from meters, not from communication system?

6:23:35 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Comparison between AMR system and AMI system for replacing meters in Clinton and Middlesboro?

6:23:50 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace CPCN precedent is proposal be least cost, most reasonable option, how compared to instead replacing with AMI replacing with AMR what difference in determination of least cost, most reasonable was?

6:25:45 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace AMR not provide daily data post reading?

6:26:06 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Asking when said for WSCK need new meters, that is need, made determination, what least cost, most reasonable option, documentary evidence compared AMR and AMI meters?

6:28:10 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace All that qualitative determination, sounds like did AMI because benefits gives us, have documentary evidence if ask for post-hearing data request say this is how looked at it?

6:29:17 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace If asked in data request provide evidence of least cost option for metering for WSCK, provide calculations looked at?

6:30:13 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Got cost, send out RFP, have corresponding benefits of each are, avoided costs, increase in revenues?

6:31:05 PM Chairman Chandler - witness Whitney
Note: Sacre, Candace Hear questions earlier to Napier about benefit cost analysis?

6:31:14 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Seen benefit cost analyses done on a present value revenue requirement basis before?
6:31:33 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Have cost of capital different than publicly-owned utility, have equity component to cost of capital?
6:31:46 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Understand in here asking for ROE, have equity component all money has a cost to it, come in and get ROE and weighted average cost of capital, return up and return on?
6:32:22 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Heard Napier when asked about treated dollar of capital as dollar of O&M same way, have different costs?
6:32:43 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	If nothing else, dollar of capital has to get grossed up for investment for weighted cost of capital, taxes on equity amount, and PSE assessment bad debt expense?
6:33:01 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	See Vaughan & Melton cost benefit cost analysis?
6:33:07 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Not a revenue requirement calculation that shows costs of capital have additional costs not taken into account in study?
6:33:27 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Asking you now because agree looking at cost to customers on revenue requirement basis how look at it, ultimate costs?
6:33:49 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Your call to hire both law firms for this case?
6:36:18 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Ice Miller ever participated in rate case, this case specific to Kentucky law not know Ice Miller has experience on, even looking at whether makes sense have internal people doing this, convenient recovered as rate case expense?
6:38:05 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	Looked at taking services inhouse as opposed to hiring law firm at \$413 an hour?
6:39:18 PM	Chairman Chandler - witness Whitney Note: Sacre, Candace	On day-to-day basis, hard to see where allocated costs are gaining benefit there?
6:40:12 PM	Chairman Chandler Note: Sacre, Candace	Questions?
6:40:19 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	Redirect Examination. Elicegui identifies himself as chief legal officer and corporate secretary of Corix, Corix have other in-house attorneys beyond Elicegui?
6:40:45 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	Know how many?
6:40:53 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	Not as if no legal services being provided Corix or WSC?
6:41:05 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	Asked questions about if Corix reviewed costs AMI deployment, issued RFP to vendors?
6:41:26 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	Corix received three responses?

6:41:33 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	RFP responses provided PSC Second Request, Item 19, as confidential document?
6:41:46 PM	Atty Osterloh Water Service Kentucky - witness Whitney Note: Sacre, Candace	As part of bids, vendors evaluate three scenarios, two AMI and one AMR?
6:42:04 PM	Chairman Chandler Note: Sacre, Candace	Is RFP in record or just responses? (Click on link for further comments.)
6:43:00 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
6:43:06 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
6:43:34 PM	Atty Potter City of Clinton Note: Sacre, Candace	Shannon Payne.
6:46:58 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
6:47:09 PM	Chairman Chandler - witness Payne Note: Sacre, Candace	Examination. Name and address?
6:47:25 PM	Atty Potter City of Clinton- witness Payne Note: Sacre, Candace	Direct Examination. Filed testimony in record?
6:47:37 PM	Atty Potter City of Clinton- witness Payne Note: Sacre, Candace	Adopt testimony?
6:47:45 PM	Atty Potter City of Clinton- witness Payne Note: Sacre, Candace	Corrections?
6:48:01 PM	Chairman Chandler Note: Sacre, Candace	Questions?
6:48:09 PM	Chairman Chandler - witness Payne Note: Sacre, Candace	Examination. Hear Wilson earlier?
6:48:20 PM	Chairman Chandler - witness Payne Note: Sacre, Candace	Have contact information for Wilson?
6:48:25 PM	Chairman Chandler - witness Payne Note: Sacre, Candace	Had issues getting ahold of Wilson?
6:48:31 PM	Chairman Chandler - witness Payne Note: Sacre, Candace	Have expectation going forward be able to do so?
6:48:46 PM	Chairman Chandler Note: Sacre, Candace	Questions?
6:48:57 PM	Atty Potter City of Clinton - witness Payne Note: Sacre, Candace	Redirect Examination. Call Wilson first if issue or another way settle water issues in Clinton?
6:49:23 PM	Atty Potter City of Clinton - witness Payne Note: Sacre, Candace	Not your first call?
6:49:43 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
6:49:46 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
6:49:48 PM	Asst Atty General Goad Note: Sacre, Candace	Randy Futral.
6:50:09 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	Witness is sworn.
6:50:15 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	Examination. Name and address?
6:50:35 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Direct Examination. Occupation?

6:50:41 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Cause be filed direct testimony?
6:50:45 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Filed minor corrections through errata filing?
6:50:52 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Other than those, additions or corrections?
6:51:00 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Sponsor responses to WSK discovery request?
6:51:04 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Asked same questions, answers be same?
6:51:13 PM	Asst Atty General Goad - witness Futral Note: Sacre, Candace	Intention to adopt direct written testimony?
6:51:21 PM	Chairman Chandler Note: Sacre, Candace	City also supported Futral testimony? (Click on link for further comments.)
6:51:33 PM	Chairman Chandler Note: Sacre, Candace	Questions?
6:51:38 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Cross Examination. Reasonableness of expenses, data available for benchmark, agree more valuable have more granular data?
6:52:06 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	If have benchmark, have something more comparable?
6:52:16 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Read DeStefano testimony?
6:52:23 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Health care expenses, suggested better BLS standard than what recommending?
6:52:40 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree better compare health care expenses between more comparable data set?
6:53:32 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Recommendations made not based on your opinion but read from Commission orders?
6:54:17 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Larger subset employees require same training or certification utility employee require?
6:54:38 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Exclusion of \$79,676, assumption on page 16 capitalized labor would offset hypothetical number salary expense for vacancies?
6:55:11 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Actual amount no direct correlation to vacancies?
6:55:30 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	AG's counsel mentioned submitted errata earlier this week?
6:55:38 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Did not see anything explain that, appeared deleting certain sections of testimony related to cash working capital?
6:55:50 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Deleted that because company's revenue requirements included interest expense from last rate case?
6:56:51 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Last rate case, interest expense based on interest synchronization method?
6:57:02 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Multiplying rate base by weighted cost of debt?

6:57:09 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Rate base included cash working capital?
6:57:20 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	That used the one-eighth method, Commission Order relied on one-eighth method and said acceptable?
6:57:30 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Commission stated in Order was appropriate use one-eighth method for calculation based on company size and relative sophistication?
6:58:13 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree that what wording was for Commission Order?
6:58:18 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Know of any changes for company since rate case Order would alter size and sophistication?
6:58:36 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	State proper capital structure use company's most current forecasted schedule?
6:58:50 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Figures used provided by company in response to data request been Dec 31 2023?
6:59:04 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree your rate base calculated based on 13-month average for 2023?
6:59:12 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree capital structure funds rate base?
6:59:16 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Should not those two be compared on same time period?
7:00:29 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree utility entitled earn reasonable return on investment?
7:01:06 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree utility earning reasonable return on investment allows utility better meet financial needs?
7:01:17 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree utility meeting financial needs beneficial to customers?
7:01:38 PM	Atty Osterloh Water Service Kentucky - witness Futral Note: Sacre, Candace	Agree rate cases a necessary part of utility maintaining financial stability?
7:01:56 PM	Chairman Chandler Note: Sacre, Candace	Questions?
7:02:02 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	Examination. Not understand errata filing, why inclusion of interest expense in last case adjustment to reduce entirety of cash working capital in this one?
7:04:28 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	Not changing proposed adjustment, taking reason for adjustment out?
7:04:44 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	Heard Staff ask earlier about vacant engineering position, agree information provided in response to your testimony and rebuttal of Kilbane?
7:05:04 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	Agree would be appropriate amount of removing vacancy from cost of service?
7:05:17 PM	Chairman Chandler - witness Futral Note: Sacre, Candace	In neighborhood of \$19,000?

7:05:23 PM Chairman Chandler - witness Futral
Note: Sacre, Candace Salary is \$18,000?

7:05:38 PM Chairman Chandler
Note: Sacre, Candace Questions?

7:05:39 PM Asst Atty General Goad - witness Futral
Note: Sacre, Candace Redirect Examination. Even though made errata filing to cash working capital recommendation, has recommendation changed?

7:05:59 PM Asst Atty General Goad - witness Futral
Note: Sacre, Candace What is recommendation for cash working capital?

7:07:00 PM Chairman Chandler
Note: Sacre, Candace Recess.

7:07:04 PM Session Paused

7:18:01 PM Session Resumed

7:18:10 PM Chairman Chandler
Note: Sacre, Candace Back on the record in Case No. 2022-00147.

7:18:14 PM Chairman Chandler
Note: Sacre, Candace Call last witness?

7:18:16 PM Camera Lock Deactivated

7:18:18 PM Asst Atty General Goad
Note: Sacre, Candace Richard Baudino.

7:18:25 PM Chairman Chandler
Note: Sacre, Candace Witness is sworn.

7:18:34 PM Chairman Chandler - witness Baudino
Note: Sacre, Candace Examination. Name and address?

7:18:52 PM Asst Atty General Goad - witness Baudino
Note: Sacre, Candace Direct Examination. Occupation?

7:18:58 PM Asst Atty General Goad - witness Baudino
Note: Sacre, Candace Cause to be filed direct testimony?

7:19:03 PM Asst Atty General Goad - witness Baudino
Note: Sacre, Candace Additions or corrections?

7:19:09 PM Asst Atty General Goad - witness Baudino
Note: Sacre, Candace Sponsor responses to WSK discovery requests?

7:19:15 PM Asst Atty General Goad - witness Baudino
Note: Sacre, Candace Asked same questions, answers be same?

7:19:26 PM Asst Atty General Goad - witness Baudino
Note: Sacre, Candace Intention to adopt direct written testimony?

7:19:35 PM Chairman Chandler
Note: Sacre, Candace Questions?

7:20:09 PM Chairman Chandler - witness Baudino
Note: Sacre, Candace Examination. D'Ascendis and two graphs, able to watch that portion of hearing?

7:20:25 PM Chairman Chandler - witness Baudino
Note: Sacre, Candace Agree that those important or useful for purposes of determining relative risk of smaller utility verse larger utility similar to 100 basis point adjustment D'Ascendis recommends?

7:21:32 PM Chairman Chandler - witness Baudino
Note: Sacre, Candace Page 38 or 39 of testimony?

7:24:57 PM Chairman Chandler - witness Baudino
Note: Sacre, Candace Questions about size of entity verse size of parent entity, more levers to pull to find savings and efficiencies enough to earn authorized ROE, fair consideration when setting ROE larger utility versus smaller one?

7:31:48 PM	Chairman Chandler - witness Baudino Note: Sacre, Candace	Follow up on operating expenses and larger utility having more levers, described capital investments as being chunky, run greater risk of similar investments costing more for small utility than larger utilities because of economies of scale?
7:32:47 PM	Chairman Chandler - witness Baudino Note: Sacre, Candace	Acknowledgement smaller water system more risky than larger water system, how take that into account when setting ROE without adopting one percent or multibasis point to ROE range from proxy group?
7:35:22 PM	Chairman Chandler - witness Baudino Note: Sacre, Candace	Risk in sense occurs between rate recovery, raises likelihood utility not earn authorized ROE?
7:36:02 PM	Chairman Chandler Note: Sacre, Candace	Questions?
7:36:15 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests. (Click on link for further comments.)
7:36:30 PM	Chairman Chandler Note: Sacre, Candace	Responses. (Click on link for further comments.)
7:37:43 PM	Chairman Chandler Note: Sacre, Candace	Briefs. (Click on link for further comments.)
7:41:32 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
7:41:40 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned
7:41:43 PM	Session Paused	
7:49:44 PM	Session Ended	



Exhibit List Report

2022-00147 30Nov2022

**Water Service Corporation of
Kentucky (Water Service
Kentucky)**

Name:	Description:
APPLICANT EXHIBIT 1	KENTUCKY AMERICAN WATER CASE NO. 2018-00358 BASE YEAR ADJUSTMENT REGULATORY EXPENSE 12 MONTHS ENDING JUNE 30 2020
APPLICANT EXHIBIT 2	STOLL KEENON OGDEN INVOICE NO. 890701 KENTUCKY AMERICAN WATER COMPANY MATTER NAME: 2018 RATE CASE

Workpaper #:

W/P - 3-6

**Kentucky American Water Company
Case No. 2018-00358
Base Year Adjustment Regulatory Expense
For the 12 Months Ending June 30, 2020**

Line Number	Service	Consultant	2018 Rate Case Expense Estimate	Actual Invoices through May 17, 2019	Revised Estimate
1	Rate of Return	Concentric Energy Advisors	\$86,000	\$43,542	\$105,000
2					
3	Cost of Service	Gannett Fleming	50,000	23,833	35,588
4					
5	Legal	Stoll Keenon Ogden	562,500	319,459	562,500
6					
7	Compensation Study	Robert Mustich	85,000	106,162	125,000
8					
9	Support Services Study	Patrick Baryenbruch	55,000	35,558	42,017
10					
11	Rate Case Preparation	Support Services	312,141	256,694	382,141
12					
13	Customer Notice		48,000	53,580	53,580
14					
13	Miscellaneous Expense		16,000	4,269	16,000
14					
15	Depreciation Study - unamortized balance		15,918		15,918
16					
17	Total Rate Case Expense (Prior to Amortization)		<u>\$1,230,559</u>	<u>\$843,097</u>	<u>\$1,337,744</u>
18					
19	Annual Rate Case Expense Amortized Over 36 Months		<u>\$410,186</u>		<u>\$445,915</u>

STOLL · KEENON · OGDEN
PLLC
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389

November 5, 2018

Kentucky-American Water Company
American Water Works Service Company, Inc.
Legal Department
c/o Shared Services Center - Accounts Payable
Center
P.O. Box 5610
Cherry Hill NJ 08034

INVOICE NO.: 890701
SKO File No.: 10311/160510

Email Entire Invoice to: Christina.Dean@amwater.com

MATTER NAME: 2018 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED 28,251.00

TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES
PER ATTACHED 21,019.40

INVOICE TOTAL \$ 49,270.40

BALANCE DUE from previous statements:

Bill Date	Invoice	Outstanding Amount
10/03/18	888722	6,746.20

Total Balance Due on Previous Statements: \$ 6,746.20

TOTAL BALANCE DUE \$56,016.60

BILL DATE: November 5, 2018

Kentucky-American Water Company
American Water Works Service Company, Inc.
Legal Department
Cherry Hill, NJ 08034

2018 Rate Case

LEGAL FEES

<u>DATE</u>	<u>IND</u>	<u>DESCRIPTION OF SERVICE</u>	<u>HOURS</u>	<u>RATE</u>	<u>AMOUNT</u>
10/02/18	LWI	Work on consultant arrangements; call with client re: various case issues; work on consultant letter; review various political issues; review various regulatory requirements and issues	4.70	355.00	\$ 1,668.50
10/03/18	MLB	Phone call with team regarding budget and attestation questions	0.50	245.00	122.50
10/03/18	LWI	Prepare for and attend call with client re: various accounting issues; follow-up re: same; follow-up re: consultant issues	2.30	355.00	816.50
10/04/18	LWI	Continue work on consultant arrangements; phone calls re: same	1.00	355.00	355.00
10/08/18	LWI	Work on various ratemaking issues including tax issues; review overall tax issues and research for same; confer with Schwarzell re: same; review notice obligations and prepare for meeting re: same	6.00	355.00	2,130.00
10/09/18	MLB	Phone call with KAW team regarding customer notice issues and timelines	1.10	245.00	269.50
10/09/18	LWI	Continue to prepare for notice meeting with client; attend meeting and notes re: same	2.50	355.00	887.50
10/11/18	LWI	Work on consultant issues; confer with client re: same; review SharePoint status	1.50	355.00	532.50
10/12/18	LWI	Work on SharePoint issues; review of testimony; consider various ratemaking issues; confer with Bridwell and Schwarzell re: various issues	5.50	355.00	1,952.50
10/15/18	MML	Communications with S. Schneider and A. Darroch and work with sharepoint	0.50	195.00	97.50

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
		site			
10/15/18	MEW	Researched inclusions of items in rate base	2.00	240.00	480.00
10/15/18	LWI	Work on particular issues for requests in case; review precedent for same; review arguments for recovery	3.50	355.00	1,242.50
10/16/18	MEW	Discussed inclusions of certain items in rate base with Lindsey Ingram	0.20	240.00	48.00
10/16/18	LWI	Confer with M. Wimberley re: ratemaking ratemaking issues; review documents for same; confer with client re: same	4.20	355.00	1,491.00
10/17/18	MEW	Drafted email to client re: inclusions of items in rate base	0.80	240.00	192.00
10/17/18	LWI	Review testimony	3.80	355.00	1,349.00
10/19/18	MEW	Discussed lead/lag research with Lindsey Ingram; researched lead/lag issues	0.80	240.00	192.00
10/22/18	MEW	Researched use of lead/lag studies by utilities regulated by KPSC	3.50	240.00	840.00
10/23/18	MEW	Researched, edited, and drafted email re: lead/lag studies	1.00	240.00	240.00
10/23/18	MML	Follow up email with A. Darroch regarding sharepoint access	0.10	195.00	19.50
10/23/18	LWI	Work on various rate recovery issues; confer with client several times re: same; notes to file; work on accounting issues and review/research for same; review research; work on testimony	4.30	355.00	1,526.50
10/24/18	MLB	Phone call with S. Lancho regarding customer notice contents	0.30	245.00	73.50
10/24/18	LWI	Work on working capital issue; correspond with client re: same	1.50	355.00	532.50
10/25/18	LWI	Work on various cost-recovery issues; review history for same; prepare correspondence to PSC and review history of same; work on tax issues	3.50	355.00	1,242.50
10/25/18	GEW	Confer with L. Ingram re: Notice of Intent to File Application/Use of	0.30	330.00	99.00

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
		Electronic filing procedures			
10/25/18	MLB	Review notice of intent and discuss with L. Ingram	0.40	245.00	98.00
10/26/18	MLB	Discuss notice of intent with L. Ingram; review emails from N. Rowe regarding revenue requirement	0.20	245.00	49.00
10/26/18	LWI	Work on case expense issues; confer with client re: same; review history of same; confer with client re: various strategy issues; complete notice of intent process; work on witness issues; confer with AG office re: status	6.80	355.00	2,414.00
10/29/18	LWI	Work on various case strategy issues and related revenue requirement considerations; confer with client multiple times re: same; work on witness testimony issues	5.30	355.00	1,881.50
10/30/18	MML	Work with testimony and sharepoint site	1.00	195.00	195.00
10/30/18	LWI	Detailed review/analysis of various revenue and notice issues; confer with client re: same; confer with co-counsel re: same; work on revenue requirement issues; work on external messaging issues	5.50	355.00	1,952.50
10/31/18	MEW	Discussed TCJA issue with Lindsey Ingram and Monica Braun	0.80	240.00	192.00
10/31/18	MLB	Meet with L. Ingram and M. Wimberly to discuss TCJA and rate case issues; discuss testimony review with L. Ingram; emails with M. Schwarzell regarding timing issues	1.10	245.00	269.50
10/31/18	MML	Work on testimony and verifications	2.50	195.00	487.50
10/31/18	KRR	Analysis of regulatory issues with Mr. Ingram	0.40	455.00	182.00
10/31/18	LWI	Analysis of revenue and notice issues; multiple calls with client re: same; work on witness testimony; prepare for meeting with witness; analyze case timing issues	6.00	355.00	2,130.00
		SUBTOTAL	85.40		\$28,251.00

EXPENSES AND OTHER SERVICES

***note: all copies are billed at .10/page unless otherwise indicated*

DATE	DESCRIPTION	AMOUNT
10/02/18	Telephone Expense 1(862)294-2638; 11 Mins.	1.10
10/02/18	Telephone Expense 1(862)294-2638; 19 Mins.	1.90
10/03/18	Telephone Expense 1(862)294-2638; 34 Mins.	3.40
10/09/18	Telephone Expense 1(862)294-2638; 1 Mins.	0.10
10/09/18	Telephone Expense 1(862)294-2638; 55 Mins.	5.50
10/11/18	Telephone Expense 1(862)294-2638; 8 Mins.	0.80
10/12/18	Telephone Expense 1(314)996-2246; 4 Mins.	0.40
10/15/18	Telephone Expense 1(862)294-2638; 9 Mins.	0.90
10/19/18	Telephone Expense 1(856)310-5798; 8 Mins.	0.90
10/26/18	Duplicating Charges	2.40
10/26/18	Duplicating Charges	1.20
10/26/18	Telephone Expense 1(856)310-5757; 6 Mins.	0.70
10/29/18	Consulting Fee VENDOR: Grubb, Edward J; INVOICE#: 1801501; DATE: 10/29/2018	9037.50
10/29/18	Telephone Expense 1(856)310-5759; 1 Mins.	0.10
11/01/18	Consulting Fee VENDOR: Grubb, Edward J; INVOICE#: 1801502; DATE: 11/1/2018	11962.50
SUBTOTAL		21,019.40
GRAND TOTAL:		\$49,270.40

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
M. Braun	Member	3.60	245.00	\$882.00
L. W Ingram, III	Member	67.90	355.00	\$24,104.50
K. R Riggs	Member	0.40	455.00	\$182.00
M. Wimberly	Associate	9.10	240.00	\$2,184.00
G. E Wuetcher	Of Counsel	0.30	330.00	\$99.00
M. M Loy	Paralegal	4.10	195.00	\$799.50

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