

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ROWAN	)	
WATER, INC. FOR AN ALTERNATIVE RATE	)	
ADJUSTMENT AND AN INVESTIGATION INTO	)	
ROWAN WATER, INC. AND ITS INDIVIDUAL	)	
DIRECTORS, LARRY JOHNSON, DANNY	)	CASE NO.
STEVENS, DANNY COX, MIKE COLLINS,	)	2022-00252
ENOCH BLAIR, AND ITS MANAGER, JERRY	)	
PATRICK, FOR ALLEGEDLY FAILING TO	)	
COMPLY WITH KRS 278.300 AND A	)	
COMMISSION ORDER	)	

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 August 1, 2023 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on August 1, 2023.

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/xA\\_xtKbVP4g](https://youtu.be/xA_xtKbVP4g).

Parties wishing an annotated digital video recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 26<sup>th</sup> day of September 2023.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style with a horizontal line underneath it.

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 ROWAN )  
WATER, INC. AND ITS INDIVIDUAL )  
DIRECTORS, LARRY JOHNSON, DANNY )  
STEVENS, DANNY COX, MIKE COLLINS, )  
ENOCH BLAIR, AND ITS MANAGER, JERRY )  
PATRICK, FOR ALLEGEDLY FAILING TO )  
COMPLY WITH KRS 278.300 AND A )  
COMMISSION ORDER )

CASE NO.  
2022-00252

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 August 1, 2023. The Formal Hearing Log is included with the recording on August 1, 2023;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of August 1, 2023; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of August 1, 2023, and the time at which each occurred.

Signed this 26th day of September, 2023.

  
Candace H. Sacre  
Administrative Specialist III

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



# Session Report - Detail

2022-00252 01Aug2023

Rowan Water, Inc. (Rowan Water)

Date:	Type:	Location:	Department:
8/1/2023	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Enoch Blair; Mike Collins; Randy Cox; Larry Johnson; Jerry Patrick  
 Judge: Kent Chandler; Angie Hatton; Mary Pat Regan  
 Clerk: Candace Sacre

Event Time	Log Event
9:12:02 AM	Session Started
9:12:10 AM	Chairman Chandler Note: Sacre, Candace Preliminary comments.
9:13:15 AM	Chairman Chandler Note: Sacre, Candace Entry of appearance.
9:13:21 AM	Atty Honaker Rowan Water Note: Sacre, Candace Allyson Honaker
9:13:28 AM	Staff Atty Tussey PSC Note: Sacre, Candace Moriah Tussey.
9:13:35 AM	Chairman Chandler Note: Sacre, Candace Public notice.
9:14:54 AM	Chairman Chandler Note: Sacre, Candace Outstanding motions.
9:16:05 AM	Chairman Chandler Note: Sacre, Candace Public comments.
9:17:02 AM	Chairman Chandler Note: Sacre, Candace Anything else?
9:17:08 AM	Chairman Chandler Note: Sacre, Candace First witness?
9:17:10 AM	Atty Honaker Rowan Water Note: Sacre, Candace Larry Johnson.
9:17:25 AM	Chairman Chandler Note: Sacre, Candace Witness is sworn.
9:17:37 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace Examination. Name and address?
9:17:50 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace Direct Examination. Position on board?
9:18:08 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace How long on board?
9:18:14 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace 24 years, chairman for eight?
9:18:23 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace File response signed affidavit?
9:18:33 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace Aware today alleged Rowan Water not file application?
9:18:50 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace Aware at time supposed to file rate case?
9:19:12 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace When become aware?
9:19:25 AM	Atty Honaker Rowan Water - witness Johnson Note: Sacre, Candace Willfully violate Order?

9:19:33 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Why rate case not filed by deadline?

9:19:52 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Also aware here several vehicle leases?

9:20:02 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Present at meetings leases discussed?

9:20:13 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Present voted to enter into?

9:20:19 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Why board voted to enter into leases?

9:22:05 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Aware should have come to Commission and sought approval?

9:22:20 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Now aware?

9:22:24 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Never financed vehicles before?

9:22:33 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Not come to Commission for vehicle purchases?

9:22:46 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Come to Commission to get approval other things?

9:23:01 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace When decided enter into leases, legal counsel present?

9:23:13 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Discuss with legal counsel?

9:23:21 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Since this time, board taken steps make sure not occur again?

9:23:43 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Filed into record?

9:23:52 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Reviewed 278.300 as board?

9:24:17 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Other discussions training for board?

9:24:56 AM Atty Honaker Rowan Water - witness Johnson  
Note: Sacre, Candace Board discussed offer training in December?

9:25:21 AM Chairman Chandler  
Note: Sacre, Candace Ms. Tussey?

9:25:30 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Cross Examination. Prior case, read Commission orders?

9:25:58 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Since this case, read orders entered since case expanded?

9:26:31 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Have email address check or have access to orders?

9:27:00 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Patrick responsibility keep updated?

9:27:40 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Plan doing more training, when last time attended training?

9:28:16 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Had attempted gain approval in past financing, recall cases?

9:29:13 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Underlying case, rate application?

9:29:28 AM Staff Atty Tussey PSC - witness Johnson  
Note: Sacre, Candace Response and leases, paragraph 13, talk about scenarios reviewed before entering into lease agreements, mentioned stud, elaborate options considered?

9:31:00 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	When study, manager talked to other businesses and went with leasing with Enterprise as best option?
9:32:24 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	Recall specific numbers or calculations related to cost of leases?
9:32:52 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	Patrick signed for district on all paperwork, what you recall?
9:33:14 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	Leases and how proceeded, three vehicles and then did more and some terms are up, come to end of leases?
9:34:40 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	Review actual lease agreements or Patrick do that?
9:35:41 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	How many vehicles being used by Rowan leased by Enterprise?
9:36:19 AM	Staff Atty Tussey PSC - witness Johnson Note: Sacre, Candace	Wanted to go through specifics, Patrick person to ask?
9:36:33 AM	Chairman Chandler Note: Sacre, Candace	Questions?
9:36:36 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	Examination. How many years on board?
9:37:28 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	During time there, aware rates and service regulated by statute by Commission?
9:37:48 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	Read statutes?
9:37:58 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	More than one manager since been there?
9:38:19 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	When got new manager, provide documentation what expectations were?
9:39:00 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	Manual indicate expectation provide orders entered by Commission?
9:39:10 AM	Chairman Chandler Note: Sacre, Candace	Post-hearing data request document referring to.
9:39:11 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	CHAIRMAN CHANDLER - WITNESS JOHNSON PROVIDE OPERATIONS MANUAL FOR ROWAN WATER, INC.
9:39:23 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	Manager provide order in timely manner?
9:39:43 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	Expectation give copy of order?
9:39:55 AM	Chairman Chandler - witness Johnson Note: Sacre, Candace	What expectation from manager orders entered by PSC?
9:40:54 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
9:40:56 AM	Chairman Chandler Note: Sacre, Candace	Short recess.
9:41:12 AM	Session Paused	
9:50:25 AM	Session Resumed	
9:50:36 AM	Chairman Chandler Note: Sacre, Candace	Back on the record.
9:50:50 AM	Chairman Chandler Note: Sacre, Candace	Next witness?

9:50:53 AM	Atty Honaker Rowan Water Note: Sacre, Candace	Jerry Patrick.
9:51:06 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
9:51:14 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	Examination. Name and address?
9:51:46 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Direct Examination. Position?
9:51:49 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	How long employed?
9:51:54 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	How long manager?
9:51:56 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	File response to order opening investigation swore affidavit to?
9:52:06 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Aware why here today?
9:52:13 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Failing to file rate procedure?
9:52:30 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Review Order?
9:52:37 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Provide copy to board?
9:52:38 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Provide summary?
9:52:42 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Provision do rate increase?
9:52:51 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	See it when first looked through order?
9:52:57 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	When become aware?
9:53:06 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Travis Leech Commission staff at that time?
9:53:10 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Was one who sent email and phone call?
9:53:16 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Inform board missed deadline?
9:53:27 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Willfully violate?
9:53:33 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Discussed with board changes make sure not happen again?
9:53:49 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Adopted policy?
9:53:53 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Providing copies to board?
9:54:00 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Here today vehicle leases seek approval?
9:54:10 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Think had to come to Commission for leases?
9:54:21 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Ever leased vehicle?
9:54:26 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Ever financed?
9:54:32 AM	Atty Honaker Rowan Water - witness Patrick Note: Sacre, Candace	Purchases outright?

9:54:37 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Prior taking vote leases, what do if see if savings?

9:55:46 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Talk to other business in area leasing vehicles?

9:56:10 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Rowan enter into leases same time?

9:56:19 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace How start out?

9:57:10 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Still owned a few trucks?

9:57:20 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Sell those trucks?

9:57:24 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Got more out of them than thought?

9:57:57 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Person actually signed lease agreements?

9:58:18 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Rowan Water come to Commission before other things?

9:58:51 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Order 278.300 case?

9:58:58 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Consult with counsel?

9:59:05 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Change in future?

9:59:10 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Issued policy?

9:59:14 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Any time financing, consult legal counsel?

9:59:27 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Willfully violation 278.300?

9:59:35 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Provided copy of statute?

9:59:42 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Provided to board?

9:59:47 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Reviewed together?

9:59:56 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Had any training?

10:00:12 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Doing those?

10:00:16 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Where attend?

10:00:23 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Discussed benefits of training for board?

10:00:52 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Plan be have someone come provide training?

10:01:00 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Will you attend?

10:01:06 AM Atty Honaker Rowan Water - witness Patrick  
Note: Sacre, Candace Think beneficial?

10:01:10 AM Chairman Chandler  
Note: Sacre, Candace Ms. Tussey?

10:01:20 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Cross Examination. In charge of updating contact information?

10:01:35 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Expectations written down, recall having written expectations contact information or orders?

10:01:55 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace When do that, no one has told you required?

10:02:05 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Not reviewed that?

10:02:10 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Responses, been at district for 23 years?

10:02:24 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Longer than Johnson?

10:02:51 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Perhaps been there longer?

10:03:00 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Nothing written provide policy, provided orders in this case?

10:03:13 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Read them?

10:03:28 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Not file rate application until deadline passed?

10:03:44 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace 2019 entered into at least one lease?

10:03:58 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace In evaluating, study, evaluate math on other options besides lease agreements?

10:04:44 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Enterprise only company considered?

10:04:57 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Helped provide responses to data requests?

10:05:11 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Staff Second, Items 3 and 4, (c) and (d) and then to email, page 3 of 30,

10:06:41 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Mentioned sold vehicles, three vehicles using Enterprise?

10:07:04 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Look at sales paperwork, Enterprise as owner?

10:07:20 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Deed vehicles prior to sale?

10:07:29 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Prior knowing what get, signed over?

10:07:42 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Even if didn't get certain price, going to give you?

10:07:56 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace In emails, physical damage insurance, page 4, second email, continue carry insurance after deeded to Enterprise?

10:08:29 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Know what referring to?

10:08:37 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Page 14 of 30, consignment agreement, not see guaranteed amount, another agreement?

10:09:29 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Further on in paperwork?

10:09:41 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Mentioned did this as lump investment, four vehicles see how went, in charge of preparing annual report?

10:10:05 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace In long-term indebtedness 2020 2021 and 2022 three leases, only one 2019 and one in 2020 and one in 2021, different years began term, correct?

10:10:54 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Agreed lease four vehicles and signed paperwork when received?

10:11:34 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Year indebtedness accurately reflected?

10:11:45 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace One mentioned last each time?

10:11:57 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Three on there?

10:12:01 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Scroll down to Item 4, page 7 of 64,

10:13:25 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Initials at bottom?

10:13:33 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace July of 2019, annual report June of 2019, same vehicle?

10:13:55 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace First page, subsection 3, Rent and Other Charges, subsection b, mileage cap mentioned?

10:14:28 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace 15,000 miles per year, 36 months no more than 45,000?

10:14:45 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Customers in four counties, have opportunity review mileage cap?

10:15:03 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Discussion on that?

10:15:15 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Where done?

10:15:21 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Be on open-end equity lease paperwork?

10:16:13 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Where think mileage would be?

10:16:38 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace See where might be?

10:16:54 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace In actual lease for each truck, have contract miles and overage mileage?

10:17:13 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Four vehicles, think have seven and possibly eight?

10:17:33 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Why not listed, intention add those as long-term indebtedness once received?

10:18:04 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace One gave you had term of 60 months, all have ordered on them, not have possession yet?

10:18:41 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Asked for updated list, length of indebtedness, provide agreements with correct information?

10:19:05 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Eight lease agreements with Enterprise, each term of 48 months?

10:19:36 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Two turned in, pay penalty?

10:19:50 AM Staff Atty Tussey PSC - witness Patrick  
Note: Sacre, Candace Part of negotiation for replacement vehicles?

10:20:16 AM Chairman Chandler  
Note: Sacre, Candace Questions?

10:20:20 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Examination. Did Rowan have counsel?

10:20:35 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Asked earlier talk to attorney, not have attorney talk to?

10:20:52 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace If have issue like this, already defined parameters by board to talk to attorney?

10:21:15 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace How conveyed to you?

10:21:20 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Board vote and pay this attorney retainer?

10:21:35 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Indicated approval talk to attorney?

10:21:40 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Taken vote or had conversations?

10:21:48 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Manual or directions by board what expectations are of you?

10:22:08 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Annual review by board?

10:22:17 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Meeting where board member said happen at Commission tell us about it?

10:22:26 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Order 2021 refinancing, received copy in timely manner?

10:22:32 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace By email or through attorney?

10:22:42 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Not remember getting anything from attorney refinancing case, Jones?

10:22:52 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Jones come and speak to board?

10:22:57 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Give presentation to board after done?

10:23:18 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Order in 2021 had lot of discussion, read any of that?

10:23:26 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace State, reading (click on link for further comments), what routine order?

10:24:25 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace If not routine order, what would have done?

10:24:50 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace What order have to say to give copy of it?

10:25:10 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Whose obligation to read orders?

10:25:16 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Produce own water?

10:25:30 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Distribution?

10:25:39 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Testing?

10:25:40 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace If not do testing, willful?

10:25:48 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Difference testing and reading orders?

10:26:17 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Because more often, it's willful, only sometimes at Commission not?

10:26:33 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace When start on .023 case?

10:26:54 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Included rate increase?

10:27:04 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace After order came out in refinancing?

10:27:14 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Order in 2021, April 19, same case where said had to file rate case, after that working on USDA case?

10:28:32 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Reviewed 278.300?

10:28:42 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Discussed training?

10:28:51 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace At board meetings?

10:28:58 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Full board in support past conversations?

10:29:14 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Board members in this case, other not in support?

10:29:32 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Board members not expressed support no longer on board?

10:29:47 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Any supportive of doing training?

10:30:06 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Five years negative net income?

10:30:12 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Why something not done prior to 2021?

10:30:42 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Not buy trucks outright as had in past?

10:30:56 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Same thing, five years, entered in 2021, included 2021, project until fall of 2020?

10:31:30 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Five years negative before came up, 2019 five years of negative income?

10:31:49 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Had negative net income regardless, net income negative \$564,000 in 2019, negative \$324,000 in 2018, negative \$333,000 in 2017, negative quarter million dollars in 2016, and quarter million dollars in 2015, that is \$1.6 million lost?

10:32:34 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace What mean to a point?

10:32:46 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Would have gotten \$1.6 million if rates evened out?

10:33:01 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Been able to put towards projects?

10:33:08 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace USDA money cost something?

10:33:19 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Loans have expense?

10:33:26 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Interest expense?

10:33:31 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Compounding?

10:33:35 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Customers paid depreciation, have interest?

10:33:46 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Costing any additional interest rate?

10:33:55 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Depreciation recover through rates, not carrying cost?

10:34:14 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Missed out on \$1.6 million in cost-free money?

10:34:27 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Missed out five years, when had project financed it?

10:34:42 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace How good for customers?

10:34:51 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Did I say it wrong?

10:34:59 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Talk about net income?

10:35:08 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Have a little bit of cash?

10:35:12 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace \$750,000?

10:35:15 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Less than that?

10:35:17 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Know what restricted cash is?

10:35:32 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Minimum depreciation fund?

10:35:42 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Cash and cash equivalent?

10:35:48 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Deposits separately accounted for?

10:36:05 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace How much cash, which account?

10:36:18 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace 2019, \$472,000, cash went down by \$50,000?

10:36:36 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace 2018, \$41,000

10:36:51 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Not only miss out on \$1.6 million, took cash to put on operations?

10:37:15 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Earn money on cash?

10:37:30 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Earned money?

10:37:35 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Earned interest income?

10:37:55 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace .023 cases, USDA cases, aware?

10:38:16 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Tied to project?

10:38:21 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Since 2022, never considered raising rates to level not losing money unless new project?

10:38:41 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace When USDA calculates minimum rates, depreciation?

10:39:00 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Agree going to grow negative net income?

10:39:20 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Water loss is 21 percent in 2019?

10:39:32 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Better or worse?

10:39:37 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Biggest driver of water loss?

10:40:11 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace What causing leaks?

10:40:24 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace What put on it?

10:40:24 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Creek rock and bedding, original?

10:40:34 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Put in pipe now not on rock?

10:40:46 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Bed with something?

10:40:55 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Certain bedding of soil?

10:41:02 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Pipe not on rock?

10:41:10 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Installation issue?

10:41:38 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Have engineer?

10:41:42 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Oversee installation?

10:41:48 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Engineer new installations?

10:41:54 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Contractor, subcontractor?

10:42:04 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Same engineer?

10:42:14 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Who?

10:42:18 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Seen problems or predate?

10:42:29 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Who rely on for financial information?

10:42:38 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Same auditor?

10:42:46 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Ever indicated concern?

10:42:54 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Worry you?

10:42:57 AM Chairman Chandler - witness Patrick  
Note: Sacre, Candace Have accountant?

10:43:04 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace What expect from auditor?

10:43:19 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Conveyed to auditor?

10:43:35 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace License?

10:43:38 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Training to keep license?

10:43:43 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Every year?

10:44:03 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Association pay for training?

10:44:19 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Anybody else?

10:44:24 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Not pay for board members?

10:44:29 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Any board member ever asked?

10:44:39 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace Association paid?

10:44:52 AM Chaiman Chandler - witness Patrick  
Note: Sacre, Candace No concern would pay?

10:44:57 AM Chaiman Chandler  
Note: Sacre, Candace Redirect?

10:44:59 AM Chairman Chandler  
Note: Sacre, Candace Anything else?

10:45:07 AM Chairman Chandler  
Note: Sacre, Candace Recess until 10:55.

10:45:27 AM Session Paused

10:59:07 AM Session Resumed

10:59:14 AM Chairman Chandler  
Note: Sacre, Candace Back on the record.

10:59:19 AM Chairman Chandler  
Note: Sacre, Candace Next witness?

10:59:20 AM Atty Honaker Rowan Water  
Note: Sacre, Candace Enoch Blair.

10:59:35 AM Chairman Chandler  
Note: Sacre, Candace Witness is sworn.

10:59:41 AM Chairman Chandler - witness Blair  
Note: Sacre, Candace Examination. Name and address?

10:59:57 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Direct Examination. Position?

11:00:02 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace How long on board?

11:00:12 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace File response?

11:00:19 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Aware why here?

11:00:33 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Failing to file rate case in 2021, seen Order?

11:00:54 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Aware file rate increase?

11:01:00 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Aware financing approved?

11:01:04 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Aware rate proceeding?

11:01:16 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Passed?

11:01:27 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Brought to attention by Patrick?

11:01:38 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Discussed ways be informed?

11:01:44 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Adopted policy?

11:02:00 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Provided copies of orders?

11:02:06 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Discussed?

11:02:10 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Willfully violate?

11:02:15 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Multiple leases?

11:02:24 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Not come to Commission before entering into?

11:02:40 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Discussed multiple times?

11:02:47 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Because leases and not loan?

11:02:55 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Previously get things approved?

11:03:09 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Misunderstanding?

11:03:11 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Aware leases fall under that now?

11:03:15 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Reviewed statute?

11:03:23 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Policy how things taken care of?

11:03:36 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Have legal counsel at meetings?

11:03:48 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Discuss with legal counsel at all?

11:03:56 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Plan going forward?

11:04:04 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Willfully violate statute?

11:04:25 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Discussed training?

11:04:35 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Had training before?

11:04:40 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Where?

11:05:08 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Who puts on?

11:05:15 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace How long since been?

11:05:20 AM Atty Honaker Rowan Water - witness Blair  
Note: Sacre, Candace Beneficial have training?

11:05:30 AM	Atty Honaker Rowan Water - witness Blair Note: Sacre, Candace	Plans to do that?
11:05:34 AM	Chairman Chandler Note: Sacre, Candace	Ms. Tussey?
11:05:37 AM	Staff Atty Tussey PSC - witness Blair Note: Sacre, Candace	Cross Examination. Chairman asked .023 case in February, started construction on project?
11:06:07 AM	Staff Atty Tussey PSC - witness Blair Note: Sacre, Candace	Reason for delay?
11:06:18 AM	Atty Honaker Rowan Water Note: Sacre, Candace	Recall Patrick.
11:06:52 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:06:58 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Examination. Conveyed to Patrick provide Orders?
11:07:11 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Reviewed statutes or regulations?
11:07:22 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Not know leases approved by PSC, what approved by PSC?
11:08:00 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Know whether one year loan need approval?
11:08:20 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	How check on them, what law requires?
11:08:35 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Not call attorney, legal advice?
11:08:55 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Who is they?
11:09:20 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Depending on them?
11:09:26 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Not engineer, not attorney?
11:09:40 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Depending on Patrick for all this?
11:09:48 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Conveyed to Patrick what ought to do?
11:09:57 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	If not know what supposed to be doing, how hold accountable?
11:10:30 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Think should have known about requirement for leases?
11:11:28 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	What understanding process now?
11:12:03 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	If expectation Patrick take care of it, told him, send you copy, what new rule?
11:12:40 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Getting copies of order?
11:12:56 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Get board packets?
11:13:01 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Provide copies included in board packets?
11:13:16 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	See copies of leases?
11:13:24 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Take vote for Patrick sign leases?

11:13:38 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Who provided copies of statutes?
11:13:49 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	Who gave to you?
11:13:54 AM	Chairman Chandler - witness Blair Note: Sacre, Candace	At board meeting?
11:14:06 AM	Chairman Chandler Note: Sacre, Candace	Anything else?
11:14:10 AM	Chairman Chandler Note: Sacre, Candace	Next witness?
11:14:12 AM	Atty Honaker Rowan Water Note: Sacre, Candace	Mike Collins.
11:14:24 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:14:31 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Examination. Name and address?
11:14:41 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Direct Examination. Position?
11:14:50 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	How long on board?
11:14:56 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Cause response be filed?
11:15:09 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Sign affidavit?
11:15:14 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Aware why here?
11:15:20 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Refinancing, file rate proceedings, aware in Order?
11:15:33 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	When aware?
11:15:37 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	How become aware?
11:15:45 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Board meeting?
11:15:49 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Already expired, in violation?
11:15:57 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Willfully violate?
11:16:03 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Policies in place?
11:16:18 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Discussed?
11:16:23 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Vehicle leases?
11:16:27 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Without approval?
11:16:30 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Aware seek Commission approval?
11:16:44 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	What understanding why not think that?
11:16:55 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Misunderstanding fell under category?
11:17:03 AM	Atty Honaker Rowan Water - witness Collins Note: Sacre, Candace	Had sought approval under statute before?

11:17:16 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Legal counsel present?

11:17:23 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Speak to counsel?

11:17:32 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Board issued policy on financing?

11:17:41 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Provided copy of KRS

11:17:47 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Reviewed that?

11:17:55 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace On annual basis?

11:18:03 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Discuss with counsel?

11:18:10 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Training for board members?

11:18:21 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Present at meeting when discussed training?

11:18:31 AM Atty Honaker Rowan Water - witness Collins  
Note: Sacre, Candace Plan going forward?

11:18:41 AM Chairman Chandler  
Note: Sacre, Candace Ms. Tussey?

11:18:44 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Cross Examination. Not think approval needed, lease not financing?

11:19:10 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Review annual report?

11:19:16 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Review each section?

11:19:25 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Leases appear as long-term debt as annual report?

11:19:34 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Reconcile two statements?

11:20:04 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Reviewed annual report and long-term debt?

11:20:08 AM Staff Atty Tussey PSC - witness Collins  
Note: Sacre, Candace Never raised issue with board?

11:20:15 AM Chairman Chandler  
Note: Sacre, Candace Vice Chair?

11:20:20 AM Vice Chairman Hatton - witness Collins  
Note: Sacre, Candace Examination. Training in finance, accounting?

11:20:28 AM Vice Chairman Hatton - witness Collins  
Note: Sacre, Candace Got volunteered as treasurer?

11:20:43 AM Commissioner Regan - witness Collins  
Note: Sacre, Candace Examination. Loss of \$1.6 million be concern?

11:20:56 AM Commissioner Regan - witness Collins  
Note: Sacre, Candace More reviews to take a look at that?

11:21:06 AM Chairman Chandler - witness Collins  
Note: Sacre, Candace Examination. How long treasurer?

11:21:11 AM Chairman Chandler - witness Collins  
Note: Sacre, Candace Who before?

11:21:17 AM Chairman Chandler - witness Collins  
Note: Sacre, Candace Know how big financing in February?

11:21:33 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Rowan Water issuance \$1.12 million dollar promissory note and RD grant \$737,000, sound familiar?
11:22:11 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Patrick questions?
11:22:15 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Believe not lose income 2015-2019?
11:22:28 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Aware net income loss in 2022?
11:22:35 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	\$300,000 sound right?
11:22:43 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Difference two situations \$300,000?
11:22:56 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Thoughts on leaving on table \$2 million cost-free financing?
11:23:43 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Rates not be more than would have?
11:24:01 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Seen Order?
11:24:11 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Negative income in excess of \$1.6 million?
11:24:26 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Also on file 2021 and 2022 annual reports, not include 2020, in excess of \$2 million negative net income?
11:24:50 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Would have collected excess \$2 million?
11:25:05 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Have project financing \$1.85 million, borrowing \$1.1 million at two percent, had rates broke even and set aside in depreciation could have financed project?
11:25:50 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Put money through depreciation, earned interest?
11:26:01 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Comparing two scenarios v. borrow money, which ones customers pay more?
11:26:28 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Borrow money?
11:26:40 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Finances, what done to make sure finances are adequate?
11:27:30 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Accountant or auditor?
11:27:40 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Eight to ten years?
11:27:46 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Lost \$2 million dollars?
11:27:54 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	How working out?
11:27:59 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	When auditors present this, have questions?
11:28:04 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Help do annual report?
11:28:07 AM	Chairman Chandler - witness Collins Note: Sacre, Candace	Show up at meeting and present annual report or Patrick?

11:28:13 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Asked auditor why not saying anything negative?
11:28:37 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Under impression seek approval before financing?
11:28:52 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Where glean impression?
11:29:28 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Whose obligation go look?
11:29:37 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	If manager's obligation, why important know now given copy of statute?
11:30:05 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Given copy of 278.300?
11:30:13 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Not need to know that, only Patrick need to know of it, what is importance of it?
11:30:33 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Need to know that requirement?
11:30:40 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Obligation find out or Patrick told you that?
11:31:04 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Conveyed?
11:31:25 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Meet every month?
11:32:06 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Patrick do finances and give to you?
11:32:14 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Send ahead of meeting?
11:32:20 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Have questions have discussion?
11:32:32 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Annual report, get that same time rest of board?
11:32:38 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	In current role when last annual report came out?
11:32:45 AM	Chairman Chandler - witness Collins	Note: Sacre, Candace	Treasurer have different role?
11:33:11 AM	Chairman Chandler	Note: Sacre, Candace	Next witness?
11:33:14 AM	Atty Honaker Rowan Water	Note: Sacre, Candace	Randy Cox.
11:33:27 AM	Chairman Chandler	Note: Sacre, Candace	Witness is sworn.
11:33:34 AM	Chairman Chandler - witness Cox	Note: Sacre, Candace	Examination. Name and address?
11:33:58 AM	Atty Honaker Rowan Water - witness Cox	Note: Sacre, Candace	Direct Examination. Position?
11:34:03 AM	Atty Honaker Rowan Water - witness Cox	Note: Sacre, Candace	How long?
11:34:12 AM	Atty Honaker Rowan Water - witness Cox	Note: Sacre, Candace	Also file response signed affidavit?
11:34:25 AM	Atty Honaker Rowan Water - witness Cox	Note: Sacre, Candace	Aware why here?
11:34:33 AM	Atty Honaker Rowan Water - witness Cox	Note: Sacre, Candace	At time 2021 case, rate increase, aware?

11:34:46 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Provided copy?

11:34:50 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace After had missed deadline?

11:35:00 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Became aware?

11:35:07 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Willfully violate?

11:35:13 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Also here in leases?

11:35:21 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Board discuss leases several meetings?

11:35:33 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Compare prices, how decide?

11:37:59 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Discuss with legal counsel?

11:38:05 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace No counsel at board meetings?

11:38:13 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Aware fell under statute?

11:38:21 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Aware now?

11:38:26 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Provided with copy?

11:38:32 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Reviewed that?

11:38:40 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Taken steps mistakes not happen in future?

11:38:53 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Provided orders from Commission?

11:38:57 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Reviewed?

11:39:07 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Financing issues discuss with counsel?

11:39:17 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Discussed benefits of training?

11:40:01 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Happen at annual board meeting every year?

11:40:16 AM Atty Honaker Rowan Water - witness Cox  
Note: Sacre, Candace Willfully violate?

11:40:24 AM Chairman Chandler  
Note: Sacre, Candace Ms. Tussey?

11:40:31 AM Staff Atty Tussey PSC - witness Cox  
Note: Sacre, Candace Cross Examination. End of response, wrote letter?

11:40:44 AM Staff Atty Tussey PSC - witness Cox  
Note: Sacre, Candace Recall addressed Enterprise rental vehicles?

11:41:21 AM Staff Atty Tussey PSC - witness Cox  
Note: Sacre, Candace Mention leases saved thousands of dollars, anybody tracked how much time or money spent, if any, on vehicles?

11:43:33 AM Staff Atty Tussey PSC - witness Cox  
Note: Sacre, Candace Financial statement, fuel card, talking about monthly bill from Enterprise?

11:44:12 AM Staff Atty Tussey PSC - witness Cox  
Note: Sacre, Candace Gas separate line item?

11:44:33 AM	Staff Atty Tussey PSC - witness Cox Note: Sacre, Candace	Before entered into agreement, not sound like tracked fuel?
11:44:52 AM	Staff Atty Tussey PSC - witness Cox Note: Sacre, Candace	Did you track fuel expense?
11:45:42 AM	Staff Atty Tussey PSC - witness Cox Note: Sacre, Candace	Change not necessarily but accountability?
11:45:48 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:45:56 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Examination. Whose obligation to make aware whether required?
11:46:47 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	What perceive obligation be in asking questions?
11:48:26 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Hold people accountable for statute, testimony not ask questions, no one told us, not know had to, therefore not willful?
11:49:17 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Ignorance is not a defense?
11:49:25 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Not know speed limit, not a defense if get ticket?
11:49:35 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	If going 75, going 20 miles over limit?
11:50:03 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Ask legal counsel come to meetings?
11:50:21 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Expecting Patrick talk to counsel or legal counsel at meeting?
11:50:45 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Concerned depends on you all asking question, had asked question, sought legal counsel?
11:51:02 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Still depends on asking the question?
11:51:12 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Require what statutes require?
11:51:16 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Provided statutes?
11:51:34 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Came on board in 2017?
11:51:41 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	One indicating interest in training?
11:51:51 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Concern not reimbursed cost going?
11:52:14 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Have new board member?
11:52:19 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Encourage attend training?
11:52:32 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Had annual meeting since case opened?
11:52:41 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	When have that?
11:52:56 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Minimum level of training every year?
11:53:14 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Informally, by-laws require?
11:53:41 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Small salary?

11:53:45 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Based on being member of board?
11:53:52 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Requirement attend so many meetings?
11:54:20 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Vacation, illness?
11:54:37 AM	Chairman Chandler - witness Cox Note: Sacre, Candace	Not paid per meeting, one-twelfth annual amount?
11:54:50 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:54:57 AM	Chairman Chandler Note: Sacre, Candace	Recall?
11:55:08 AM	Atty Honaker Rowan Water Note: Sacre, Candace	Jerry Patrick.
11:55:18 AM	Chairman Chandler Note: Sacre, Candace	Still under oath.
11:55:22 AM	Chairman Chandler Note: Sacre, Candace	Ms. Tussey?
11:55:25 AM	Staff Atty Tussey PSC - witness Patrick Note: Sacre, Candace	Cross Examination. Collect higher rate?
11:55:40 AM	Staff Atty Tussey PSC - witness Patrick Note: Sacre, Candace	Not begun construction?
11:55:45 AM	Staff Atty Tussey PSC - witness Patrick Note: Sacre, Candace	Reason for delay?
11:56:06 AM	Staff Atty Tussey PSC - witness Patrick Note: Sacre, Candace	Aware how long CPCN effective?
11:56:18 AM	Chairman Chandler Note: Sacre, Candace	Commissioner?
11:56:22 AM	Commissioner Regan - witness Patrick Note: Sacre, Candace	Examination. USDA approved and reviewing, approved and waiting to release funds?
11:56:40 AM	Commissioner Regan - witness Patrick Note: Sacre, Candace	Reviewing it?
11:56:41 AM	Commissioner Regan - witness Patrick Note: Sacre, Candace	But know funds coming?
11:56:46 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	Examination. What last update from RD?
11:56:56 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	What was contents of update?
11:57:03 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	You in contact or engineer?
11:57:26 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	USDA aware time limit CPCN?
11:57:37 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	Kentucky unique, speak with Honaker about requirements.
11:58:10 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
11:58:16 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	Examination. Local attorney, experience in PSC regulations?
11:58:26 AM	Chairman Chandler - witness Patrick Note: Sacre, Candace	What kind of stuff?
11:58:42 AM	Chairman Chandler Note: Sacre, Candace	Anything else?

11:58:50 AM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests, briefs.
11:59:10 AM	Chairman Chandler Note: Sacre, Candace	Procedural schedule.
11:59:45 AM	Chairman Chandler Note: Sacre, Candace	Anything else?
12:00:22 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
12:00:38 PM	Session Ended	

\*L. Allyson Honaker  
Honaker Law Office, PLLC  
1795 Alysheba Way  
Suite 6202  
Lexington, KENTUCKY 40509

\*Rowan Water, Inc.  
1765 Christy Creek Road  
Morehead, KY 40351

\*Jerry Patrick  
Rowan Water, Inc.  
1765 Christy Creek Road  
Morehead, KY 40351