

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF MOUNTAIN	)	CASE NO.
WATER DISTRICT FOR A GENERAL	)	2022-00367
ADJUSTMENT OF SEWER RATES	)	

NOTICE OF FILING

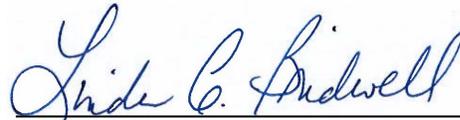
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on August 16, 2023 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on August 16, 2023 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 August 16, 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/0uOLXuZOtrk>.

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 27<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 MOUNTAIN	)	
WATER DISTRICT FOR A GENERAL	)	CASE NO.
ADJUSTMENT OF WATER RATES;	)	2022-00366
	)	
ELECTRONIC APPLICATION OF MOUNTAIN	)	CASE NO.
WATER DISTRICT FOR A GENERAL	)	2022-00367
ADJUSTMENT OF SEWER RATES	)	

CERTIFICATION

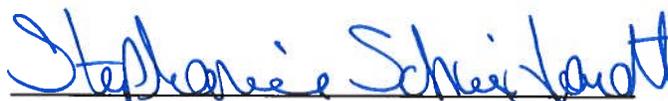
I, Candace H. Sacre, hereby certify that:

1. The attached flash drive contains a digital recording of the Formal Hearing conducted in the above-styled proceedings on August 16, 2023. The Formal Hearing Log, Exhibits, and Exhibit List are included with the recording on August 16, 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 16, 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 16, 2023, and the time at which each occurred.

Signed this 26<sup>th</sup> day of September, 2023.



Candace H. Sacre  
Administrative Specialist III



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



# Session Report - Detail

2022-00366 and 2022-00367

Mountain Water District (Mountain District)

Date:	Type:	Location:	Department:
8/16/2023	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Connie Allen; Carrie Hatfield; Kevin Lowe; Tammy Olson; Michael Spears  
 Judge: Kent Chandler; Angie Hatton; Mary Pat Regan  
 Clerk: Candace Sacre

Event Time	Log Event
9:09:55 AM	Session Started
9:10:10 AM	Chairman Chandler Note: Sacre, Candace
	On the record in 2022-00366 and 2022-00367.
9:10:28 AM	Chairman Chandler Note: Sacre, Candace
	Preliminary remarks.
9:10:44 AM	Chairman Chandler Note: Sacre, Candace
	Entry of appearance.
9:10:47 AM	Atty Wuetcher Mountain District Note: Sacre, Candace
	Gerald Wuetcher. From Mountain District, Tammy Olson, Mike Spears, Connie Allen, Kevin Lowe, and Carrie Hatfield, also Randy Tackett.
9:12:10 AM	Staff Atty Fell PSC Note: Sacre, Candace
	Jennifer Fell.
9:12:13 AM	Chairman Chandler Note: Sacre, Candace
	Public notice.
9:12:50 AM	Chairman Chandler Note: Sacre, Candace
	Public comments.
9:13:30 AM	Chairman Chandler Note: Sacre, Candace
	Anything need to take up?
9:13:36 AM	Chairman Chandler Note: Sacre, Candace
	First witness?
9:13:39 AM	Atty Wuetcher Mountain District? Note: Sacre, Candace
	Tammy Olson.
9:13:51 AM	Chairman Chandler Note: Sacre, Candace
	Witness is sworn.
9:14:00 AM	Chairman Chandler - witness Olson Note: Sacre, Candace
	Examination. Name and address?
9:14:46 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	Direct Examination. Who employer?
9:14:50 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	How long?
9:14:53 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	Current position?
9:15:18 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	Predecessor Roy Sawyers?
9:15:28 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	Chief executive officer?
9:15:36 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	Prior what position?
9:15:45 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace
	What duties perform?

9:16:19 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace How long as regulatory compliance officer?

9:16:27 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Other positions?

9:17:08 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Describe educational background?

9:17:49 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Assist in preparation of applications?

9:18:02 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Also prepare or supervisor requests for information?

9:18:16 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Predecessor Sawyers, prior to leave, he prepare written testimony in 2022-00366 and also responses?

9:18:58 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Reviewed testimony?

9:19:01 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Reviewed responses?

9:19:16 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Asked questions today or responses, answers same as Sawyers?

9:19:36 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Adopting testimony?

9:19:44 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Also extend to responses Sawyers responsible in other case?

9:20:05 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Who is David Taylor?

9:20:13 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Taylor prepare responses in 2022-00366?

9:20:30 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Excused from hearing?

9:20:39 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Reviewed responses?

9:20:43 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Asked same questions Taylor responses, answers same?

9:20:56 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Adopting Taylor testimony as own?

9:21:06 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Proposing monthly surcharge \$5.61?

9:21:19 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Period of 36 months?

9:21:27 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Use proceeds finance infrastructure?

9:21:51 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Purpose address water loss?

9:21:57 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Water loss problem?

9:22:14 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Describe struggle with water loss?

9:25:20 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Pike County largest county?

9:25:26 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace A few customers miles apart?

9:25:34 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Problem finding leaks?

9:26:21 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Service lines, what issues?

9:27:26 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Flooding and climate change, how weather events affected line loss?

9:28:58 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace January event, what happened?

9:29:32 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Both events increased water loss also increase expenditures?

9:30:57 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Water loss, efforts ease loss?

9:32:33 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace One of actions replace residential meters?

9:32:47 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Service line issue, institute policy?

9:33:24 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Efforts taken system telemetry?

9:34:41 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Develop capital improvement plan?

9:34:53 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Copy plan filed?

9:35:04 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Proposed surcharge expects generate \$3.3 million?

9:35:27 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Recognize this document?

9:36:12 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Attached as exhibit to application?

9:36:24 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Reflect proposed uses?

9:36:34 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Summarize main areas attempting address with proceeds?

9:37:35 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Consistent with capital improvement plan 2020?

9:38:01 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Not end, beginning of effort?

9:38:14 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Just a start?

9:38:21 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Measures put in plan funds properly expended and transparent?

9:39:31 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Commission authorize use proceeds as soon as authorized?

9:40:01 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Asking Commission approve uses now?

9:40:11 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Done capital improvement plan?

9:40:28 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Water loss, background, correct say 2010-2020 exceeded 30 percent?

9:40:49 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Every three gallons, one not getting to customer?

9:41:03 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Test period, what line loss?

9:41:22 AM Atty Wuetcher Mountain District - witness Olson  
Note: Sacre, Candace Extended through 2022, annual report?

9:41:32 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Current line loss?
9:41:53 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Gotten it down, why need surcharge?
9:43:57 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Request expedite order, October, when see revenue from increase?
9:45:29 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Seasonal changes in customer usage affect usage less?
9:45:58 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Spears talk about financial condition?
9:46:13 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Allen part of infrastructure recommendation, 22 percent, agree?
9:46:36 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Why agree?
9:48:03 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Allen proposed using 55-year service life as opposed 62.5, agreement with that?
9:48:20 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Defer to Allen why appropriate?
9:48:39 AM	Chairman Chandler Note: Sacre, Candace	Questions?
9:49:30 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Cross Examination. Considered alternate funding for projects?
9:50:51 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Grant money tight, tried to apply further grants?
9:51:29 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Are projects typically approval from Commission by CPCN or financing case?
9:52:35 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Done in-house, projects normally funded?
9:52:55 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Other grants tight, any other explanation why implement surcharge?
9:54:05 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Capital improvement plan, when last one before this?
9:55:52 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Majority projects included in capital plan?
9:56:19 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Read entirety of capital plan?
9:57:03 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	General knowledge what included?
9:57:16 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Addition of staff assist with leak detection, explain why not included in base rates?
9:59:22 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Sawyers testimony one employee leak detection, mention of four employees, how many as part of proposal?
10:00:08 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Sawyers testimony, page 12?
10:00:23 AM	Chairman Chandler Note: Sacre, Candace	Do it now? (Click on link for further comments.)
10:01:22 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Bullet point, very last one, addition of one employee?
10:01:47 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Aware whether one versus four proposed hired?

10:02:10 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Temporary surcharge, retaining employees, looked how district fund that moving forward?
10:03:04 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	District looked past six-month time period projects ongoing, plans to fund?
10:04:09 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Capital improvement plan, plans revise or update?
10:04:41 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Sets out certain projects certain amount of years, plan to update in future?
10:05:15 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Purchase of vehicles and equipment, exhibit suggests projects surcharge related to water loss reduction, explain vehicle, equipment, laborers used solely water loss reduction efforts?
10:07:47 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Ask same thing about vehicles/equipment, what happen after 36 months, sold or kept?
10:09:11 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Assessment levied, confirm Dept of Revenue, knowledgeable about that?
10:09:49 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Provided as Attach 3-3-2, Third Request, if want to look at that?
10:10:24 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	2022-00367, Third Request, Number 3, reading (click on link for further comments), familiar with that?
10:11:42 AM	Atty Wuetcher Mountain District Note: Sacre, Candace	Clarify. (Click on link for further comments.)
10:13:15 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Confirm included in test year expenses?
10:13:22 AM	Chairman Chandler Note: Sacre, Candace	Post-hearing data request. (Click on link for further comments.)
10:13:23 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY FELL PSC - WITNESS OLSON CONFIRM DEPARTMENT OF REVENUE ASSESSMENT INCLUDED IN TEST YEAR EXPENSES
10:14:16 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Aware application proposed normalize salaries current wages and imminent wages?
10:15:56 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Confirm any imminent wages implemented?
10:16:44 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Aware standard known and measurable when considering wages?
10:17:03 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Explain how calculate based on imminent wages proposed?
10:17:33 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	New rate structure?
10:17:42 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Explain whether Mountain District considered alternative rate structures?
10:18:34 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Explain district thoughts how rate design benefit systems or customers?
10:20:26 AM	Staff Atty Fell PSC - witness Olson Note: Sacre, Candace	Part of discussions alternative rate structure discussed?

10:20:48 AM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
10:20:55 AM	Vice Chairman Hatton - witness Olson Note: Sacre, Candace	Examination. \$3.3 million estimated beginning of improvements, have an expected percentage of water after this round improvements?
10:22:28 AM	Vice Chairman Hatton - witness Olson Note: Sacre, Candace	Flood from 2022, \$900,000 expense from Jan and July flood, how much expecting from FEMA?
10:24:04 AM	Vice Chairman Hatton - witness Olson Note: Sacre, Candace	Any upfront expenditures able get help from state?
10:24:28 AM	Vice Chairman Hatton - witness Olson Note: Sacre, Candace	\$300,000 have to give back to state?
10:24:35 AM	Vice Chairman Hatton - witness Olson Note: Sacre, Candace	Include them in application?
10:24:58 AM	Chairman Chandler Note: Sacre, Candace	Commissioner?
10:25:02 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Examination. How long with Mountain District?
10:25:25 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Know finances been last four or five years?
10:26:03 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Know whether 2021 Mountain District positive or negative net income?
10:26:30 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	In 2021, requested approval for loan?
10:27:02 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Refinance loans and yield savings to district?
10:27:29 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Commission ordered Mountain District file rate case?
10:27:41 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Noted water loss high but been level or decreasing?
10:28:01 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Then Commission went back to annual reports and noted net income negative each of five years?
10:28:21 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Sound right, reading (click on link for further comments), annual report net income 2021 \$2.4 million?
10:29:15 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	If rates came out to utility net income zero, in excess four million dollars recovered from base rates?
10:29:45 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	If broke even, not had loss?
10:29:56 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	If had gotten money, needed surcharge?
10:30:31 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	If not worried about loss, why use for daily operations, why not capital needs?
10:31:20 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Asking raise rates?
10:31:25 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Capital improvements?
10:31:41 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Distinctions between daily operations and surcharge?

10:32:27 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace \$3.3 million do capital improvement, requesting do that by rate increase?

10:32:47 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Capital plan requesting fund through rates?

10:33:02 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Only have jurisdiction rates, surcharge by law a rate?

10:33:18 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Rate charge customers?

10:33:27 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Everything temporary?

10:33:37 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Surcharge to customer bills?

10:33:45 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Customer bills?

10:33:52 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Made sense have rates be adequate?

10:34:51 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Made more sense incrementally reinvest in system as opposed to surcharge?

10:35:09 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Lost \$5 million dollars, rates gone up afford and done investments?

10:35:37 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Not my expectation?

10:37:09 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Perspective on depreciation?

10:38:17 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Reinvesting in system, perspective adequate funding to meet needs?

10:38:40 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace If not get grants, other options financing system?

10:39:05 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Either rates or loan but got to pay loan off?

10:39:21 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Loans have interest rate?

10:39:32 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Additional cost using depreciation funding infrastructure?

10:39:54 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Negative net income depreciation expense utility not recover, other option raise rates or get loan, just gave up?

10:40:41 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Know whether other utilities filed in '20 and '21?

10:41:00 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Google alert Kentucky utility rate case, news story get email, Appalachian News, last two years about Mountain District, April 2021, agree?

10:42:03 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Conversations then seeking surcharge?

10:42:23 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Filed case?

10:42:30 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Requested case closed and removed?

10:43:02 AM Chairman Chandler - witness Olson  
Note: Sacre, Candace Fiscal court not seem enthused idea of surcharge in 2021?

10:43:17 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Amount then \$3.5 million, discussion using federal funds or grant funding as opposed to surcharge?
10:43:41 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Any money made available?
10:43:54 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Anticipation money will come?
10:44:46 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Judge Jones talked about, reading (click on link for further comments), ring a bell not setting aside money for infrastructure?
10:47:46 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Ever heard of PSC v DeWitt Water District?
10:48:06 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Not exist, now part of larger water district, now allow recover depreciation expense, Supreme Court cannot keep them from it, recommend have conversation with Wuetcher about importance of depreciation.
10:49:20 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Your impression should have negative net income each year because of depreciation and nonprofit status?
10:49:44 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Surcharge discussed 2021, file rate case, board had discussions about rate case?
10:50:26 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Thinking doing surcharge and base rate increase?
10:50:40 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	When start working on rate case?
10:51:05 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	When say capital plan came about?
10:51:30 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Was capital plan done in anticipation seeking surcharge?
10:51:48 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Capital plan \$3 million ten percent contingency, equipment and \$600,000 labor and employment expenses, see 13 and 14 months only necessary have water loss improvement surcharge?
10:53:47 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Plan taking out loans capital expenses or pay all capital expenses in cash from surcharge?
10:54:32 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Line 14 depreciable items, equipment, items depreciate?
10:55:01 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Million dollars receipts first year?
10:55:23 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Not have enough money hire until halfway through first year?
10:55:29 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Assuming hired four people \$100,000 first six months?
10:55:52 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Have to wait until ninth month of surcharge buy equipment and enough money pay people, not able any money purchase service lines or water main replacements?
10:56:34 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Help me with that?
10:57:00 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	If recover surcharge three years, hard to pay for everything?

10:57:30 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Stated no interest in seeking loan?
10:58:03 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Concern about debt service already incurs?
10:58:34 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Debt has costs?
10:58:52 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Why take 18 months do a rate case, what complicate process?
10:59:51 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Not 18 months before filing?
11:00:06 AM	Chairman Chandler - witness Olson Note: Sacre, Candace	Eight months until filing?
11:00:44 AM	Chairman Chandler Note: Sacre, Candace	Recess until 11:10.
11:00:58 AM	Session Paused	
11:13:33 AM	Session Resumed	
11:13:42 AM	Chairman Chandler Note: Sacre, Candace	Back on record.
11:13:49 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
11:13:56 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Redirect Examination. Total amount related two FEMA declared emergencies?
11:14:21 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	How much reimbursement currently gotten?
11:14:42 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Additional amounts?
11:15:06 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Roughly \$350,000 out of general funds not reimbursed?
11:15:30 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Decisions file for rate cases, board discussed how often be filed?
11:15:58 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Some type of filing every three years?
11:16:20 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Labor listed financed through surcharge, why financed general revenues?
11:16:52 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	New employees?
11:17:00 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Not hire until get funds?
11:17:09 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Service lines, sole amount of lines intends replace?
11:17:42 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Not what surcharge, intend replace more service lines?
11:18:00 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Idea service lines need be replaced?
11:18:38 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Crew replacing service lines now, when rate case in three years, something district roll over into general rates?
11:18:58 AM	Atty Wuetcher Mountain District - witness Olson Note: Sacre, Candace	Expenses known and measurable?
11:19:13 AM	Chairman Chandler Note: Sacre, Candace	Anything else?

11:19:21 AM	Chairman Chandler Note: Sacre, Candace	Another witness?
11:19:25 AM	Atty Wuetcher Mountain District Note: Sacre, Candace	Michael Spears.
11:19:47 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:19:53 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Examination. Name and address?
11:20:07 AM	Chairman Chandler Note: Sacre, Candace	Move admission Mountain District Hearing Exhibit 1?
11:20:15 AM	Atty Wuetcher Mountain District Note: Sacre, Candace	Yes, I would, Your Honor.
11:20:16 AM	MOUNTAIN DISTRICT HEARING EXHIBIT 1 Note: Sacre, Candace Note: Sacre, Candace	ATTY WUETCHER MOUNTAIN DISTRICT - WITNESS OLSON MOUNTAIN WATER DISTRICT PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE
11:20:21 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Direct Examination. Who is employer?
11:20:50 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Educational background?
11:21:23 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Mountain District contracted with firm?
11:21:49 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	How long been?
11:21:56 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Provide accounting services or additional services?
11:22:42 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Attend board meeting?
11:22:49 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Provide reports?
11:22:56 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Asked make recommendations?
11:23:09 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	In course of work, assist application?
11:23:25 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Supervise request for information?
11:23:40 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Prepared responses?
11:23:46 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Changes or corrections?
11:23:53 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Exhibit 13, application water case, Excel spreadsheet?
11:25:35 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Listed as responsible witness Request 14?
11:25:46 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Schedule there 55 years?
11:25:56 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Service life currently using?
11:26:06 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	62.5 years useful life, what test year depreciation expense reported?
11:26:37 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	\$2,568,111?
11:26:45 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Not expense level listed on exhibit in front of you?

11:26:51 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Different useful service life used?
11:27:03 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Intend file amended Exhibit 13?
11:27:30 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Wish amend response reflect depreciation expense 62.5 years?
11:27:52 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Correct for reporting now?
11:27:58 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Proposed different useful life for determining depreciation expense, for test period 62.5 was used?
11:28:14 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	62.5 should have been?
11:28:31 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	With that correction, responses be same today if asked same questions?
11:29:01 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Responses made in two rate cases, aside from change to depreciation schedule, if asked same questions, answers be same?
11:29:45 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Have not provided 62.5?
11:29:50 AM	Atty Wuetcher Mountain District Note: Sacre, Candace	Explain for record. (Click on link for further comments.)
11:31:53 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Infrastructure improvement surcharge, how finance?
11:32:53 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	No final decision made?
11:33:02 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Discussions about options available?
11:33:53 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Discussion regarding decision when file rate case, clarify and when decided file?
11:37:07 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Part of reason not go forward current test periods not representative true operations?
11:37:28 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Discussion regarding depreciation and financial condition, reporting negative net income?
11:37:49 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	What reason?
11:38:53 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	While this period, positive net cash flow?
11:39:10 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Why hold off until more favorable test period?
11:40:39 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Operates calendar fiscal year?
11:40:53 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Audits Jan 1 to Dec 31?
11:41:01 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Representative test year span two fiscal years added to delay?
11:41:18 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Made preparing application more difficult?
11:41:40 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Current financial condition, order in Oct, when district see revenues?

11:42:25 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Two-month lag?
11:42:31 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Continue if order pushed out longer?
11:42:46 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Time of year affect when see revenue?
11:43:15 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Major expenses, what impact had on financial condition?
11:44:27 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	If district not see revenue from applications until Dec, what impact have on financial condition?
11:45:28 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	District at greater risk now?
11:45:52 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	If increase delayed, impact timely pay bills?
11:46:05 AM	Atty Wuetcher Mountain District - witness Spears Note: Sacre, Candace	Require cost-cutting measures?
11:47:11 AM	Chairman Chandler Note: Sacre, Candace	Ms. Fell?
11:47:19 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Cross Examination. Rate increase, both applications, proposed adjustment normalize salaries, current and imminent, aware of standard review known and measurable?
11:48:19 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Explain request factor in based on imminent wages not implemented?
11:51:15 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Not implemented yet, confirm that?
11:51:28 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Wages for 2023, aware when wages put into effect?
11:52:14 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Debt service methodology, water application, recover only interest expenses year following test period?
11:52:46 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Why not include principal payments?
11:53:04 AM	Staff Atty Fell PSC - witness Spears Note: Sacre, Candace	Proposed rate design, aware conversations alternative rate structures considered?
11:53:57 AM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
11:53:59 AM	Chairman Chandler Note: Sacre, Candace	Commissioner?
11:54:13 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Examination. Nonprofit, agree purpose of depreciation renewal and replacement infrastructure?
11:54:37 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Inability district recover last few years, unavailable replace and renew infrastructure?
11:54:56 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Had net income been zero last two years, utility could have paid for everything on Exhibit 20?
11:55:36 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Replacement of main lines?

11:55:46 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Replacement of service lines?
11:55:55 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Third of water not producing revenue?
11:56:16 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Had discussions with board using depreciation invest in system?
11:57:16 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Depreciation based on cost basis and last 60 years, less than cost replace it?
11:57:41 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Any other forms of capital to invest or reinvest in system other than cash flow?
11:58:04 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Agree depreciation generated cash flow?
11:58:16 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Nonprofit publicly owned entity?
11:58:27 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Depend on increasing rates or internally generated cash?
11:58:42 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Discuss that at meetings, how much leaving on table, depreciation comes up?
11:59:31 AM	Chairman Chandler - witness Spears Note: Sacre, Candace	Year past, filed rate case earlier COVID not occurred?
12:00:39 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Not trying say it is, sounds like board depends on you, longer wait to do these things, driving O&M expense?
12:01:22 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Losing water driving expense?
12:01:30 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Every year put off more expensive for customers?
12:01:42 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Push too far costs more for consumers?
12:02:28 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Additional benefit every person send out, every fix have to do, dollar for dollar?
12:03:01 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Replace, not operating expense?
12:03:13 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Automatically benefit to customers?
12:03:20 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Dollar invested verse dollar spent different impact on income statement?
12:03:30 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Difference one expense and other capital cost?
12:03:36 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Cost reflected through rates over longer period year expense incurred?
12:03:49 PM	Chairman Chandler - witness Spears Note: Sacre, Candace	Capitalized cost reflected in depreciation expense available for renewal or replacement?
12:04:30 PM	Chairman Chandler Note: Sacre, Candace	Redirect?
12:04:33 PM	Chairman Chandler Note: Sacre, Candace	Anything else?

12:04:38 PM	Chairman Chandler Note: Sacre, Candace	Next witness?
12:04:40 PM	Atty Wuetcher Mountain District Note: Sacre, Candace	Carrie Hatfield.
12:04:45 PM	Chairman Chandler Note: Sacre, Candace	Procedural discussion. (Click on link for further comments.)
12:05:17 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
12:05:24 PM	Chairman Chandler - witness Hatfield Note: Sacre, Candace	Examination. Name and address?
12:05:37 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Direct Examination. Employer?
12:05:41 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	How long?
12:05:46 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Current position?
12:05:50 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	How long held?
12:05:56 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Duties?
12:06:24 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Describe educational background?
12:06:35 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Assist in preparation of applications?
12:06:50 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Also prepare responses?
12:07:01 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Changes or corrections?
12:07:15 PM	Atty Wuetcher Mountain District - witness Hatfield Note: Sacre, Candace	Asked questions today, responses same?
12:07:18 PM	Chairman Chandler Note: Sacre, Candace	Ms. Fell?
12:07:19 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Cross Examination. Dental insurance, Response, Second Request, Item 2, invoices?
12:07:56 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Invoices both water and sewer?
12:08:09 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Post-hearing data request provide how each employee's premiums allocated?
12:08:10 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY FELL PSC - WITNESS HATFIELD PROVIDE UNREDACTED HOW EACH EMPLOYEE'S INSURANCE PREMIUMS ALLOCATED
12:08:47 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Workers' Comp?
12:08:54 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Proposed increase \$1,888?
12:09:00 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Workers' compensation allocated 80 - 20 percent split?
12:09:14 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Explain how allocation determined?

12:09:44 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Water case propose increase general liability \$11,007, sewer case increase property and liability \$4,717?
12:09:58 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Explain where amounts calculated taking total invoice and allocating between water and sewer?
12:10:41 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Appears copy of invoices for general liability combined with property insurance?
12:11:03 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Post-hearing data request copy of test year invoices general liability separated from property insurance?
12:11:04 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY FELL PSC - WITNESS HATFIELD COPY OF TEST YEAR INVOICES WITH GENERAL LIABILITY SEPARATED FROM PROPERTY INSURANCE
12:11:24 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Proposed imminent wages confirm not implemented?
12:11:37 PM	Staff Atty Fell PSC - witness Hatfield Note: Sacre, Candace	Date certain implement?
12:11:57 PM	Chairman Chandler Note: Sacre, Candace	Mr. Wuetcher?
12:12:06 PM	Chairman Chandler Note: Sacre, Candace	Counsel?
12:12:09 PM	Atty Wuetcher Mountain District Note: Sacre, Candace	Connie Allen.
12:12:59 PM	Chairman Chandler Note: Sacre, Candace	Recess until 12:30.
12:26:43 PM	Session Paused	
12:39:32 PM	Session Resumed	
12:39:40 PM	Chairman Chandler Note: Sacre, Candace	Back on the record.
12:39:48 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
12:39:55 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Examination. Name and address?
12:40:12 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Direct Examination. What business organization with?
12:40:47 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Owner?
12:40:51 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Educational background?
12:40:56 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Business licenses hold?
12:41:02 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Summarize work experience?
12:41:39 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	How many cost of service studies, rate studies done?
12:42:06 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Utilities prepared cost studies for?
12:42:35 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Retained by Mountain District?
12:42:45 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Prepare studies?

12:42:50 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Included in applications filed?

12:42:59 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Prepare testimony 2022-00366 and responses both?

12:43:15 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Changes or corrections to make?

12:44:06 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Show you a document, assets missing from cost of service study?

12:44:07 PM MARKED - MOUNTAIN DISTRICT HEARING EXHIBIT 2  
Note: Sacre, Candace ATTY WUETCHER MOUNTAIN DISTRICT - WITNESS ALLEN  
Note: Sacre, Candace MISSING ASSETS FROM WATER COST OF SERVICE STUDY

12:44:46 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Adopt testimony and responses?

12:45:06 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Recommended district use higher unaccounted for water loss?

12:45:19 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Why recommend higher unaccounted for water loss be used?

12:51:08 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Opinion Mountain District face challenges that few have?

12:51:32 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Situation unique and different from general challenges utilities facing?

12:52:38 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Provided technical memorandum on water loss?

12:52:55 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Exhibit CLA-8?

12:53:14 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace In memo talked about water loss challenges?

12:55:51 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Came up with 22 percent standard, provide incentive and not subject to penalties, explain?

12:59:06 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Test period water loss 27.8 or .9 percent, disallowance for water loss?

12:59:25 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Built into rates?

12:59:29 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Still provide incentive?

12:59:37 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace How assess efforts as engineer?

1:01:08 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Assume not accept proposal, alternative proposal?

1:02:09 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Proposing 22 percent standard permanently applied or Commission revisit standard?

1:03:20 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Recommend use of 55-year service life?

1:04:07 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Referring to picture part of testimony, CLA-15?

1:06:45 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Professional opinion more appropriate use 55-year service life?

1:07:26 PM Atty Wuetcher Mountain District - witness Allen  
Note: Sacre, Candace Actually increase annual depreciation expense?

1:07:40 PM	Atty Wuetcher Mountain District - witness Allen Note: Sacre, Candace	Increase test year depreciation expense, what reported in testimony?
1:08:23 PM	Chairman Chandler Note: Sacre, Candace	Ms. Fell?
1:08:27 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Cross Examination. Exhibit 2, blank table for Asset 330-4110?
1:09:08 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Got from Sawyers?
1:09:10 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Post-hearing data request description filled in for asset?
1:09:11 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY FELL PSC - WITNESS ALLEN MOUNTAIN DISTRICT EXHIBIT 2 - FILL IN DESCRIPTION FOR ASSET 330-4110
1:09:45 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Invoices workers' comp, explain 80/20 allocation, how came about?
1:11:32 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	As far as liability, invoices provided, explain how allocation calculated?
1:12:44 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Actual rate case expense, sewer application, Exhibit 6, Schedule of Adjusted Operations, increase \$3,356, Adjustment H?
1:15:22 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Sewer rate case expense?
1:15:32 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Where that recorded?
1:15:58 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Based off Equation B?
1:16:08 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Water case, regulatory expenses, rate case expenses, where remaining 81 percent of rate study actually recorded?
1:17:05 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Page number, cost of service study, actual page number?
1:17:41 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	PFE tab?
1:18:03 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Cell C-54?
1:18:40 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Debt service methodology, water application, Exhibit 11, revenue requirement recover interest expense year following test period?
1:19:16 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Why not want to include interest expense?
1:20:21 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Initial revenue requirement stated include interest payments leased equipment, AEP lighting project, and PS rehab project?
1:21:18 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Looking for exact, Exhibit 11, revenue requirement calculation, debt coverage calculation, first note after calculation?
1:23:14 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Asked for long-term debt, into two projects?
1:23:50 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Know how projects financed?

1:24:58 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Possibly be loan from bank?
1:25:07 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Post-hearing ask provide payment schedules for projects, AEP lighting project, NIP CTV?
1:25:08 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY FELL PSC - WITNESS ALLEN PROVIDE PAYMENT SCHEDULES FOR AEP LIGHTING PROJECT, PS REHAB PROJECT, DELPAC NaCIO.
1:25:47 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Excluded principal and interest payments for leased equipment?
1:26:39 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Secondary payment provided?
1:27:00 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Page 75 of application, sewer, determined debt principal and interest payment, explain calculation?
1:27:41 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Exhibit 10, revenue requirement calculation?
1:28:47 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Rate structure proposed, rates associated to assign of costs calculations and how customers use system, explain calculations?
1:30:45 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Explain rate structure have proposed?
1:35:04 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Explain cost of service study in relation to rate design proposed?
1:37:16 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Explain difference rate structure versus how investor owned utilities model?
1:37:50 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Used rate design other water utilities?
1:37:59 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Which utilities?
1:39:12 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	What about other jurisdictions?
1:39:22 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	How many approved by regulatory authority?
1:40:15 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Consider other rate designs or discuss with Mountain District?
1:40:41 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Part of explanation speaks about different classes different demand patterns, reading (click on link for further comments), effort curb water loss, additional telemetry, aware of that?
1:44:07 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Before performed this rate design, fair to say data not collected?
1:44:40 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Whether rates meant be assigning costs to cost causers, based on able look at demand patterns, confident enough able come up with those in this instance?
1:46:33 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Distribution allocation factors, cost of service study, page 17, appeared amount expenses industrial seemed low, how developed volumetric rate almost identical to residential?
1:49:20 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Examination. Direct and volumetric, those not talked about same conversation, what mean by direct?

1:49:52 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Direct, cost of service context, assignable to those that cause expense?
1:50:35 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Assumption add additional single industrial customer incur additional expense?
1:51:06 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Perfect world customer charge reflect marginal expenses newest entity drives?
1:51:20 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Find out what each customer incurs?
1:51:30 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Proposals now with information have?
1:52:38 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Wanted make sure use of direct opposed to volumetric, you meant fixed?
1:52:54 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Cross Examination (cont'd). Page 26, COS, distribution of expenses, industrial total, residential total, at 15 percent or proposed 22 percent?
1:54:40 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Proposed rate of return industrial 4.25 percent, explain?
1:57:07 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Explain how residential volumetric rate calculated \$11.76 per 1,000 gallons, industrial \$11.21 per 1,000 gallons, how develop?
2:00:01 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Post-hearing data request, update industrial total.
2:00:02 PM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY FELL PSC - WITNESS ALLEN CORRECT COST OF SERVICE STUDY PAGE 26 INDUSTRIAL VOLUMETRIC RATE
2:00:26 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Not been achieved with current rate base?
2:00:46 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Wholesale rate structure, set unified rate for wholesale customers?
2:01:16 PM	Staff Atty Fell PSC - witness Allen Note: Sacre, Candace	Did consider unified rate?
2:01:48 PM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
2:01:49 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Examination. Strongly supporting 55-year depreciation rate?
2:02:40 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Revising depreciation schedule to 62.5 years?
2:05:40 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Ask witness clarify, accepting recommendation for 55 years?
2:06:27 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Regarding customer classes, how many being used?
2:06:40 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Fairly major change?
2:06:56 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Recommended five, going with four?
2:07:26 PM	Vice Chairman Hatton - witness Allen Note: Sacre, Candace	Not be everyone gets same rate?

2:07:56 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Assessing minimum bill wholesale customers?

2:08:07 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Explain to me?

2:09:10 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace How negotiate a rate when rates set by PSC?

2:09:25 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Not talking negotiating individual customers?

2:09:34 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Still able generate revenue require?

2:09:54 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Accepted less permitted by debt service methodology?

2:10:18 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Page 18, customer classes?

2:11:23 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Could have asked for more?

2:11:26 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Think be adequate?

2:11:47 PM Vice Chairman Hatton - witness Allen  
Note: Sacre, Candace Example one way make gradually better, balance what customers afford?

2:12:20 PM Commissioner Regan - witness Allen  
Note: Sacre, Candace Examination. By doing 22 percent, have come back and do another rate increase stay whole?

2:13:20 PM Commissioner Regan - witness Allen  
Note: Sacre, Candace Wrapping pipes had known earlier, percentage of wrapped pipes or what that issue might be?

2:13:52 PM Commissioner Regan - witness Allen  
Note: Sacre, Candace Not many wrapped?

2:14:18 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Examination. Know about corrosion for long time?

2:14:28 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace For decades people protecting pipe in ground?

2:15:42 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Again, tell basis for individual classes, classifications?

2:16:04 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Classifying as those items what they do or how use service?

2:16:19 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Is it?

2:16:29 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Not homogenous?

2:16:34 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Be in same category?

2:16:49 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Agree dairy not use?

2:16:58 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Agree size of meter more representative use of service than type of business?

2:17:10 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace How so?

2:17:35 PM Chairman Chandler - witness Allen  
Note: Sacre, Candace Not change how using system, what look like in order serve them?

2:18:24 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Meter in back difference between small restaurant and someone lives home all day and industrial customer, difference way use meter?
2:19:00 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	22 percent, technical memo to Sawyers, 27 percent amazing accomplishment and regards 22 percent, reading (click on link for further comments), June percentages 26.9, based on information since case filed, stand by assertion?
2:21:10 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Use penalty and punitive, memorandum assertion lowest can get is 22 percent?
2:21:30 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	What characterize assertion to?
2:21:44 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Fifteen is not?
2:21:59 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Gotten to 19 without investing significant amounts in system?
2:22:19 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Done repairs, full-on replenish/replace?
2:23:17 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Take issue with Jackson Purchase, argument for higher amount Eastern Kentucky, higher standard Western Kentucky?
2:24:10 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Aware Graves County very high water loss?
2:24:32 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	55 years, not recovering at 62.5, what benefit at 55?
2:25:41 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Would have had millions of dollars available if not had negative net income?
2:26:10 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	How quickly replacing pipes today?
2:26:23 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	At what age turning over and replacing?
2:26:33 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	When is that?
2:26:47 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Single 90 degree turn?
2:27:08 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Said, reading (click on link for further comments), aware have account information available conduct depreciation study?
2:28:16 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	How much cost?
2:28:24 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Regulated entities, depreciation studies cost millions of dollars?
2:28:51 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	How many public utilities file depreciation studies?
2:29:08 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Assertion not make sense do this because of PSC, have information utility could do it?
2:30:23 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Not knowing very different than assertions in memorandum?
2:30:47 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	No utility, none successfully mount, not looked into this?

2:31:15 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Read orders rate filing orders why 62.5 chosen?
2:31:37 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	If alternative study, maybe change that?
2:31:58 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	How much test year depreciation expense different?
2:32:14 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Be what Wuetcher talking about updated testimony?
2:32:31 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Not know tens, hundreds, thousands?
2:32:46 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Utility follow depreciation rate or should depreciation rates follow what utility doing, how long assets existing?
2:33:16 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	What percentage district assets iron or PVC?
2:33:32 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	80 percent PVC, 20 percent iron?
2:34:04 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Regardless of installation conditions?
2:34:15 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Distinct from soil composition?
2:34:28 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Nothing to do with ditches appropriately bedded?
2:34:41 PM	Chairman Chandler - witness Allen Note: Sacre, Candace	Separate testimony?
2:34:50 PM	Commissioner Regan - witness Allen Note: Sacre, Candace	Examination. Goal to get to 15?
2:35:15 PM	Commissioner Regan - witness Allen Note: Sacre, Candace	Have idea how long, time frame?
2:35:42 PM	Commissioner Regan - witness Allen Note: Sacre, Candace	Track on monthly basis?
2:35:48 PM	Chairman Chandler Note: Sacre, Candace	Recess.
2:37:13 PM	Session Paused	
2:38:42 PM	Session Resumed	
2:38:56 PM	Session Paused	
2:52:09 PM	Session Resumed	
2:52:21 PM	Chairman Chandler Note: Sacre, Candace	Back on the record.
2:52:31 PM	Chairman Chandler Note: Sacre, Candace	Call another witness?
2:52:33 PM	Atty Wuetcher Mountain District Note: Sacre, Candace	Kevin Lowe.
2:52:45 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
2:52:50 PM	Chairman Chandler Note: Sacre, Candace	Examination. Name and address?
2:53:02 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Direct Examination. Employed by Mountain District?
2:53:05 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	How long?
2:53:15 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Current position?

2:53:19 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Duties?
2:53:43 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Educational background?
2:53:58 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Assist in preparation applications water and sewer rates?
2:54:16 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Usage and revenue analysis?
2:54:23 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Responses?
2:54:30 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Changes or corrections?
2:54:34 PM	Atty Wuetcher Mountain District - witness Lowe Note: Sacre, Candace	Asked same questions, answers same?
2:54:40 PM	Chairman Chandler Note: Sacre, Candace	Ms. Fell?
2:54:45 PM	Staff Atty Fell PSC - witness Lowe Note: Sacre, Candace	Cross Examination. Response, Staff First, Item 36, includes 3/4-inch water connection, adding tap fee or in reference to different category?
2:55:23 PM	Staff Atty Fell PSC - witness Lowe Note: Sacre, Candace	No new category?
2:55:51 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
2:56:05 PM	Chairman Chandler Note: Sacre, Candace	Agree enter Exhibit 2.
2:56:06 PM	MOUNTAIN DISTRICT HEARING EXHIBIT 2 Note: Sacre, Candace Note: Sacre, Candace	ATTY WUETCHER MOUNTAIN DISTRICT - WITNESS ALLEN MISSING ASSETS FROM WATER COST OF SERVICE STUDY
2:56:20 PM	Chairman Chandler Note: Sacre, Candace	Asked case be submitted, time of essence, opportunity to file brief? (Click on link for further comments.)
2:57:46 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests.
2:59:44 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
2:59:48 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
3:00:06 PM	Session Ended	



## Exhibit List Report

2022-00366 and 2022-00367

Mountain Water District (Mountain District)

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<b>Name:</b>	<b>Description:</b>
MOUNTAIN DISTRICT HEARING EXHIBIT 1	PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE
MOUNTAIN DISTRICT HEARING EXHIBIT 2	MISSING ASSETS FROM WATER COST OF SERVICE STUDY

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	ITEM	DESCRIPTION	IN-HOUSE CONST.	CONTRACTOR OR VENDOR	COST ESTIMATE
1 THRU 6	SYSTEM WIDE CUSTOMER SERVICE LINE REPLACEMENT	PROPOSE TO REPLACE APPROX. 750 SERVICE LINES PER YEAR FOR A THREE YEAR PERIOD. A TOTAL OF 2,250 CUSTOMER SERVICE LINE TO ASSIST IN COMBATING WATER LOSS	X		\$285,298.50
7	STONE BACKFILL	STONE UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT			\$270,000.00
8	PAVEMENT REPLACEMENT	PAVEMENT REPLACEMENT UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		X	\$270,000.00
9	WATER STORAGE TANK TELEMTRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMTRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING, INSTALL 6' BARBED WIRE SECURITY FENCING TO PROTECT EQUIPMENT, PREVENT THEFT, DETER DOMESTIC TERRORISM, HYDROSEEDING, AND PERFORM TANK ACCESS ROAD MAINTENANCE	X		\$284,640.00
10	BOOSTER PUMP STATION TELEMTRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMTRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING	X		\$64,500.00
11	BOOSTER PUMP STATION REPLACEMENT	LONG FORK, GRAVEYARD, FOREST HILLS	X		\$190,000.00
12	PRESSURE REDUCING VALVE STATION REPLACEMENT	WIDOW'S BRANCH, BLACKBERRY #2, LYNN TROUGH, DORTON PITSTOP	X		\$60,000.00
13	STAFF - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, BASED ON A 40 HOUR WORK WEEK	SYSTEM WIDE	X		\$590,523.04
14	VEHICLES / EQUIP. - 1 3500 SERIES UTILITY TRUCK, 1 MINI-EXCAVATOR, 1 DUMP TRUCK, 1 SMALL DOZER, 4 1500 SERIES TRUCKS, 1 UTV SIDE BY SIDE, 1 TOWABLE AIR COMPRESSOR, 1 2 1/2" HAMMER BORE, 3 PULL BEHIND TRAILERS, MISC. HAND TOOLS & EQUIPMENT	SYSTEM WIDE		X	\$572,500.00
15	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETITIVE LEAKS - BURNING FORK		X	\$207,010.00
16	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETITIVE LEAKS - US 460 (OASIS PAWN SHOP)		X	\$212,090.00
17	MISCELLANEOUS EASEMENTS / PERMITS	MISCELLANEOUS EASEMENTS / PERMITS		X	\$25,000.00

ESTIMATED COST      \$3,031,561.54  
10% CONTINGENCY      \$303,156.15  
**TOTAL ESTIMATED COST      \$3,334,717.69**

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST PER ITEM	COST ESTIMATE
<b>1</b>	<b>150 - 3/4" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	3/4" X 4" BRASS SERVICE SADDLE	EA	100	\$34.15	\$3,415.00	<b>\$25,378.25</b>
B	3/4" X 6" BRASS SERVICE SADDLE	EA	75	\$50.90	\$3,817.50	
C	3/4" X 8" BRASS SERVICE SADDLE	EA	50	\$70.00	\$3,500.00	
D	3/4" X 10" STEEL SERVICE SADDLE	EA	25	\$47.75	\$1,193.75	
E	3/4" COMPRESSION CORPORATION STOP	EA	150	\$34.75	\$5,212.50	
F	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	11,250	\$0.45	\$5,062.50	
G	3/4" SERVICE LINE INSERT	EA	300	\$0.89	\$267.00	
H	3/4" BRASS COUPLING	EA	150	\$19.40	\$2,910.00	
<b>2</b>	<b>200 - REPLACEMENT OF DETERIORATED 3/4" METER BASE W/ REGULATOR &amp; METAL LID</b>					
A	3/4" COMPLETE METER BASE W/ LID	EA	200	\$422.18	\$84,436.00	<b>\$84,436.00</b>
<b>3</b>	<b>1,950 - 3/4" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	146,250	\$0.45	\$65,812.50	<b>\$107,113.50</b>
B	3/4" SERVICE LINE INSERT	EA	3,900	\$0.89	\$3,471.00	
C	3/4" BRASS COUPLING	EA	1,950	\$19.40	\$37,830.00	
<b>4</b>	<b>75 - 1" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	1" X 4" BRASS SERVICE SADDLE	EA	40	\$34.15	\$1,366.00	<b>\$12,815.50</b>
B	1" X 6" BRASS SERVICE SADDLE	EA	20	\$50.90	\$1,018.00	
C	1" X 8" BRASS SERVICE SADDLE	EA	10	\$70.00	\$700.00	
D	1" X 10" STEEL SERVICE SADDLE	EA	5	\$47.75	\$238.75	
E	1" COMPRESSION CORPORATION STOP	EA	75	\$52.50	\$3,937.50	
F	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
G	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	
H	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>5</b>	<b>75 - 1" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	<b>\$5,555.25</b>
B	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	
C	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>6</b>	<b>2" ENCASEMENT FOR CREEK CROSSINGS</b>					
A	2" POLYETHYLENE SERVICE LINE	LF	20,000	\$2.50	\$50,000.00	<b>\$50,000.00</b>
<b>7</b>	<b>STONE BACKFILL</b>					
A	\$55345 FOR STONE BACKFILL IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.23 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	<b>\$270,000.00</b>
<b>8</b>	<b>PAVEMENT REPLACEMENT</b>					
A	\$55,300 FOR PAVEMENT IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.14 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	<b>\$270,000.00</b>

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE
<b>9</b>	<b>WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>					
A	TELEMETRY W/ LCD INTERFACE & SOLAR PANELS TO MONITOR & CONTROL WATER STORAGE TANKS	EA	15	\$2,776.00	\$41,640.00	<b>\$284,640.00</b>
B	MODEM	EA	15	\$600.00	\$9,000.00	
C	BATTERY	EA	15	\$200.00	\$3,000.00	
D	OVERSIZE SOLAR PANELS / LARGER POWER TRANSMITTER	EA	6	\$1,000.00	\$6,000.00	
E	MISCELLANEOUS PARTS	LS	15	\$1,000.00	\$15,000.00	
F	6' BARBED WIRE SECURITY FENCING W/ DOUBLE GATE	EA	15	\$11,000.00	\$165,000.00	
G	TANK ACCESS ROAD MAINTENANCE	COST WILL BE COVERED UNDER ITEM NO. 14				
H	HYDROSEEDING	EA	15	\$3,000.00	\$45,000.00	
<b>10</b>	<b>BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>					
A	TELEMETRY W/ LCD INTERFACE TO MONITOR & CONTROL BOOSTER PUMP STATIONS	EA	15	\$3,400.00	\$51,000.00	<b>\$64,500.00</b>
B	MODEM	EA	15	\$600.00	\$9,000.00	
C	MISCELLANEOUS PARTS	LS	15	\$300.00	\$4,500.00	
<b>11</b>	<b>BOOSTER PUMP STATION REPLACEMENT</b>					
A	LONG FORK	LS	1	\$55,000.00	\$55,000.00	<b>\$190,000.00</b>
B	GRAVEYARD	LS	1	\$55,000.00	\$55,000.00	
C	FOREST HILLS	LS	1	\$80,000.00	\$80,000.00	
<b>12</b>	<b>PRESSURE REDUCING VALVE STATION REPLACEMENT</b>					
A	WIDOW'S BRANCH	LS	1	\$15,000.00	\$15,000.00	<b>\$60,000.00</b>
B	BLACKBERRY #2	LS	1	\$15,000.00	\$15,000.00	
C	LYNN TROUGH	LS	1	\$15,000.00	\$15,000.00	
D	DORTON PITSTOP	LS	1	\$15,000.00	\$15,000.00	
<b>13</b>	<b>STAFF</b>					
A	STAFF TO PERFORM PROJECTS IN-HOUSE - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, <b>BASED ON A 40 HOUR WORK WEEK</b>	EA	4	\$147,630.76	\$590,523.04	<b>\$590,523.04</b>
<b>14</b>	<b>VEHICLES / EQUIPMENT</b>					
A	3500 SERIES UTILITY TRUCK	EA	1	\$75,000.00	\$75,000.00	<b>\$572,500.00</b>
B	MINI-EXCAVATOR	EA	1	\$55,000.00	\$55,000.00	
C	PULL BEHIND TRAILER	EA	1	\$6,500.00	\$6,500.00	
D	4500 SERIES DUMP TRUCK	EA	1	\$75,000.00	\$75,000.00	
E	SMALL DOZER	EA	1	\$100,000.00	\$100,000.00	
F	PULL BEHIND TRAILER	EA	1	\$35,000.00	\$35,000.00	
G	1500 SERIES PICKUP	EA	4	\$40,000.00	\$160,000.00	
H	UTV SIDE BY SIDE	EA	1	\$17,500.00	\$17,500.00	
I	PULL BEHIND TRAILER	EA	1	\$3,000.00	\$3,000.00	
J	TOWABLE AIR COMPRESSOR	EA	1	\$30,000.00	\$30,000.00	
K	2 1/2" HAMMER BORE	EA	1	\$5,500.00	\$5,500.00	
L	MISCELLANEOUS HAND TOOLS & EQUIPMENT	LS	1	\$10,000.00	\$10,000.00	

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE
<b>15</b>	<b>WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - BURNING FORK</b>					
A	4" SDR 17 PVC CL 250 WATERLINE	LF	3,750	\$30.00	\$112,500.00	<b>\$207,010.00</b>
B	CONNECT TO EXISTING 4" WATER MAINLINE	EA	2	\$2,750.00	\$5,500.00	
C	4" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$2,500.00	\$5,000.00	
D	3/4" CUSTOMER SERVICE LINE RECONNECTS	EA	20	\$2,000.00	\$40,000.00	
E	ENGINEERING DESIGN	LS	1	\$22,820.00	\$22,820.00	
F	ENGINEERING INSPECTION	LS	1	\$21,190.00	\$21,190.00	
<b>16</b>	<b>WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - US 460 (OASIS PAWN SHOP)</b>					
A	8" DUCTILE IRON PIPE CL 350 WATERLINE	LF	2,600	\$50.00	\$130,000.00	<b>\$212,090.00</b>
B	CONNECT TO EXISTING 8" WATER MAINLINE	EA	2	\$3,000.00	\$6,000.00	
C	8" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$3,000.00	\$6,000.00	
D	JACK & BORE FOR 8" DUCTILE IRON PIPE CL 350 WATERLINE PRICE INCLUDES THE WATERLINE	LF	100	\$250.00	\$25,000.00	
E	ENGINEERING DESIGN	LS	1	\$23,380.00	\$23,380.00	
F	ENGINEERING INSPECTION	LS	1	\$21,710.00	\$21,710.00	
<b>17</b>	<b>MISCELLANEOUS EASEMENTS / PERMITS</b>					
		LS	1	\$25,000.00	\$25,000.00	<b>\$25,000.00</b>
NOTE: THIS IS AN ESTIMATE THAT COULD FLUCTUATE UPWARD ANY TIME DUE TO MATERIAL PRICING, EQUIPMENT PRICING, VEHICLE PRICING, CONTRACTOR PRICING, EASEMENTS, ADDITIONAL PROFESSIONAL OR CONTRACTOR SERVICES, ETC.					<b>ESTIMATED COST</b>	<b>\$3,031,561.54</b>
					<b>10% CONTINGENCY</b>	<b>\$303,156.15</b>
					<b>TOTAL ESTIMATED COST</b>	<b>\$3,334,717.69</b>
<b>TOTAL ESTIMATED COST</b>				<b>CURRENT CUSTOMER COUNT</b>	<b>TERM MONTHS</b>	<b>TOTAL COST PER CUSTOMER</b>
<b>\$3,334,717.69</b>				<b>16,520</b>	<b>36</b>	<b>\$201.86</b>
						<b>ANNUAL COST PER CUSTOMER</b>
						<b>\$67.29</b>
						<b>MONTHLY COST PER CUSTOMER</b>
						<b>\$5.61</b>

**MISSING ASSETS FROM WATER COST OF SERVICE STUDY**

<b>Asset Number</b>	<b>Date Acquired</b>	<b>Description</b>	<b>Cost</b>	<b>G/L Asset Account No.</b>	<b>Asset Life</b>	<b>Current Depreciation</b>
311-2111	6/1/2022	TELEMETRY RADIO MONEYH	\$19,475	1011-02	10	\$1,947
311-2112	3/24/2022	MODEM	\$ 4,291	1011-02	10	\$ 429
320-3041	5/25/2022	STRAINER FOR WTP	\$74,009	1020-03	40	\$1,850
330-4110	6/30/2022		\$65,036	1030-04	40	\$1,626

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