

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF TAYLOR)	
COUNTY RURAL ELECTRIC COOPERATIVE)	CASE NO.
CORPORATION FOR A GENERAL ADJUSTMENT)	2023-00147
OF RATES)	

NOTICE OF FILING

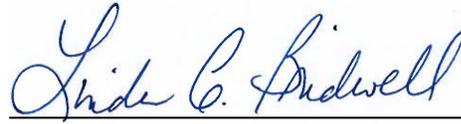
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on October 26, 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 October 26, 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/p8flo l-Acw>.

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

Done at Frankfort, Kentucky, this 28th day of November 2023.

A handwritten signature in blue ink that reads "Linda C. Bridwell". The signature is written in a cursive style with a large initial 'L' and 'B'.

Linda C. Bridwell

Executive Director

Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

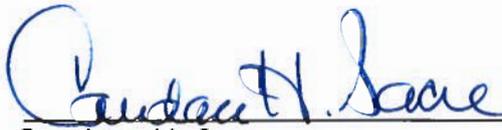
ELECTRONIC APPLICATION OF TAYLOR)	
COUNTY RURAL ELECTRIC COOPERATIVE)	CASE NO.
CORPORATION FOR A GENERAL)	2023-00147
ADJUSTMENT OF RATES)	

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 proceeding on October 26, 2023. The Formal Hearing Log is included with the recording on October 26, 2023;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of October 26, 2023; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of October 26, 2023, and the time at which each occurred.

Signed this 27th day of November, 2023.



Candace H. Sacre
Administrative Specialist III



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



Session Report - Detail

2023-00147 26Oct2023

Taylor County Rural Electric Cooperative Corporation (Taylor RECC)

Date:	Type:	Location:	Department:
10/26/2023	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: John Defever; Patsy Walter; Jeffrey Williams; John Wolfram
 Judge: Kent Chandler; Angie Hatton; Mary Pat Regan
 Clerk: Candace Sacre

Event Time	Log Event
9:12:36 AM	Session Started
9:12:46 AM	Chairman Chandler Note: Sacre, Candace
	On the record in Case No. 2023-00147.
9:12:53 AM	Camera Lock Deactivated
9:12:58 AM	Chairman Chandler Note: Sacre, Candace
	Preliminary remarks.
9:13:05 AM	Chairman Chandler Note: Sacre, Candace
	Hearing recommendations.
9:13:38 AM	Chairman Chandler Note: Sacre, Candace
	Entry of appearance of counsel.
9:13:43 AM	Atty Honaker Taylor RECC Note: Sacre, Candace
	Allyson Honaker and Brittany Koenig.
9:13:51 AM	Asst Atty General Goad Note: Sacre, Candace
	Angela Goad and Greg Ladd.
9:13:59 AM	Staff Atty Temple PSC Note: Sacre, Candace
	Moriah Tussey and Heather Temple.
9:14:05 AM	Chairman Chandler Note: Sacre, Candace
	Public notice
9:14:15 AM	Chairman Chandler Note: Sacre, Candace
	Outstanding motions.
9:14:22 AM	Chairman Chandler Note: Sacre, Candace
	Public comments.
9:15:51 AM	Chairman Chandler Note: Sacre, Candace
	Procedural discussion. (Click on link for further comments.)
9:16:28 AM	Chairman Chandler Note: Sacre, Candace
	Call first witness.
9:16:33 AM	Atty Koenig Taylor RECC Note: Sacre, Candace
	Jeff Williams.
9:16:42 AM	Chairman Chandler Note: Sacre, Candace
	Witness is sworn.,
9:16:52 AM	Chairman Chandler - witness Williams Note: Sacre, Candace
	Direct Examination. Name and address?
9:17:09 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace
	Direct Examination. Same witness caused testimony and data request?
9:17:16 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace
	Corrections?
9:17:24 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace
	Asked same questions, responses be same?

9:17:28 AM Atty Koenig Taylor RECC - witness Williams
Note: Sacre, Candace Intent to have incorporated into record?

9:17:39 AM Chairman Chandler
Note: Sacre, Candace Ms. Goad?

9:18:22 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Cross Examination. Taylor County application requesting increase rates by \$6,377,262 or 12.68 percent?

9:18:36 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County requesting revised rate increase of \$6,133,136?

9:18:49 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Also asking monthly residential customer charge raised from \$10.23 to \$16.84 per month?

9:19:03 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Increase to customer charge approximately 64.775 percent?

9:19:16 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Passed through EKPC wholesale rate increase \$1.6 million in 2021-00119?

9:19:33 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Response to AG First, Question 2(a), co-sponsored?

9:20:20 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Asked for discussion economic issues customers combatting?

9:20:26 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Read response?

9:20:49 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Fair to say Taylor County customers in difficult financial position?

9:21:12 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Subpart (g), co-sponsored?

9:21:41 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Accurate listed US Census poverty rates?

9:21:51 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Read counties listed?

9:22:29 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County aware of poverty?

9:22:40 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Admit requested rate increase and customer charge impose financial burden on customers?

9:24:54 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County second lowest bill?

9:25:02 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Where land after rate increase?

9:25:34 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Post-hearing data request if Taylor County gets 100 percent of request where fall?

9:25:35 AM POST-HEARING DATA REQUEST
Note: Sacre, Candace ASST ATTY GENERAL GOAD - WITNESS WILLIAMS
Note: Sacre, Candace WHERE TAYLOR COUNTY CUSTOMER BILLS FALL AMONG ALL COUNTIES IN POVERTY IF RECEIVE 100 PERCENT RATE INCREASE

9:26:00 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Primary reasons Taylor County needs rate increase?

9:26:17 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace ROW maintenance, pro forma adjustment of \$3,279,658 for total expense of \$4,330,556?

9:26:37 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Admit Taylor Co reduced ROW spending in past?

9:27:11 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace During 2012-2022 not spend budgeted for seven of those years?

9:27:28 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Subject to check, sound correct?

9:27:32 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Grant full request ROW maintenance Taylor County receive whether used for ROW expense or not?

9:27:52 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor Co and South Kentucky RECC provide electricity to Adair, Casey, Cumberland, and Russell counties?

9:28:08 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County work with any other bids to mitigate cost for customers?

9:31:31 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County agreeable pursue opportunities to reduce ROW expenses?

9:32:37 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Examination. How many entities in territory demand specific type of service you demand?

9:33:21 AM Chairman Chandler - witness Williams
Note: Sacre, Candace KU in area, Windstream or AT&T might as well?

9:33:51 AM Chairman Chandler - witness Williams
Note: Sacre, Candace How many folks provide vegetation management services?

9:34:14 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Provide service demanding, certain do this already in area, responded to RFP?

9:34:36 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Already providing service in area?

9:34:58 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Somebody not providing service in area your business not enough to move in and provide service?

9:35:30 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Make sense if more work to be had might get more entities come there and bid?

9:35:51 AM Chairman Chandler - witness Williams
Note: Sacre, Candace As opposed joint bid discussed with anybody else KU South Kentucky Tri-County asking put out bids same time and share costs?

9:37:22 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Should never increase costs if put out bid out same time?

9:37:43 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Onus, waiting hear what works other places, seeking out what works, not do different than what know has to be onus to look what other people doing, have you looked at what others done differently?

9:38:46 AM Chairman Chandler - witness Williams
Note: Sacre, Candace If concern is cross-subsidization, way do things not dependent upon responses of joint bids?

9:39:08 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Put out two different sets of bids, entire circuits and mileage?

9:40:52 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Options, what best for coop?

9:41:04 AM Chairman Chandler - witness Williams
Note: Sacre, Candace If South Kentucky has need and you have need, give us combined and independent?

9:41:15 AM Chairman Chandler - witness Williams
Note: Sacre, Candace What harm in that?

9:41:22 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Nobody else done that, willing to do?

9:41:56 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Multi-coop?

9:42:52 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Bring inhouse, experience on issue, prices not going down?

9:43:11 AM Chairman Chandler - witness Williams
Note: Sacre, Candace If keep going up at this rate, cause problem?

9:44:18 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Expect future in which not conduct vegetation management?

9:44:35 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Any folks dealt with are not for profit?

9:44:56 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Agree cost of capital less than their cost of capital?

9:45:13 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Conversations brought vegetation management in house?

9:45:25 AM Chairman Chandler - witness Williams
Note: Sacre, Candace What hear back from them?

9:45:53 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Similar experiences with linemen?

9:46:01 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Skills more transferrable?

9:46:43 AM Chairman Chandler
Note: Sacre, Candace Ms. Goad?

9:46:50 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Cross Examination (cont'd). Next reason employee wages salaries benefits, paid for 100 percent health insurance coverage?

9:48:25 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Accurate as of Jan 1 2023 paying 95 percent health insurance?

9:48:35 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Also created health savings account?

9:49:23 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County created health savings account for each employee?

9:50:50 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County not conduct study comparing to local employers in service area?

9:51:23 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Contributions made by Taylor County health insurance premiums as well as contributions HSA?

9:54:01 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Discovery confirmed according to Labor Statistics average share paid by employer 78 percent and 67 percent?

9:54:18 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Contributing 16 percent pay to each employee 401(k) plan?

9:54:27 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Previously ten percent total pay to 401(k)?

9:54:41 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Only required contribute three percent?

9:54:49 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Not conduct formal study determine 16 percent contribution to 401 (k) reasonable?

9:57:09 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County not conduct formal study 16 percent contribution rate?

9:59:31 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Talking about health care, asking about 401(k)?

10:00:51 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Correct Taylor County pays 100 percent cost life insurance?

10:01:04 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Also 100 percent business travel?

10:01:09 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Pays 100 percent long term disability insurance?

10:01:16 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Pays 80 percent dental insurance?

10:01:27 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Provide yearly raises?

10:01:34 AM Asst Atty General Goad
Note: Sacre, Candace Confidential treatment. (Click on link for further comments.)

10:02:40 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Cross Examination (cont'd). Refer to Taylor Co Response, AG First, Q 102, aggregate percentage increase in compensation, 2022, correct provided double-digit raise to half of employees?

10:03:48 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Everyone listed here, 60 employee titles?

10:04:08 AM Chairman Chandler
Note: Sacre, Candace Confidential?

10:04:11 AM Private Mode Activated

10:04:12 AM Private Recording Activated

10:10:19 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Go back on public record.

10:10:24 AM Normal Mode Activated

10:10:24 AM Public Recording Activated

10:10:25 AM Chairman Chandler
Note: Sacre, Candace Back on public record.

10:10:27 AM Chairman Chandler
Note: Sacre, Candace Ms. Goad?

10:10:28 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Cross Examination (cont'd). Raises Taylor Co provides not connected to written review?

10:10:38 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor Co not conduct written formal performance review at all?

10:11:20 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace In your opinion written formal performance review important?

10:11:33 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Committed to making priority?

10:11:42 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Provide bonuses and awards each year?

10:12:39 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County provide vehicles?

10:13:00 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Aware board Taylor County approved prior CEO keep cell phone, receive vacation, and purchase 2020 Ford Explorer?

10:13:28 AM Asst Atty General Goad - witness Williams
Note: Sacre, Candace Taylor County paid \$26,000 for Explorer and selling to CEO \$10,000, took \$13,094.16 loss?

10:13:48 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Members taking loss?
10:14:19 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Taylor County ever conducted formal study comparing to local wage and benefit information?
10:14:58 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Most updated policy pay each member \$1000 monthly plus \$325 attend each meeting?
10:15:10 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	How many members?
10:15:20 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	How long each board meeting last?
10:15:34 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Reasonable to pay for two hours of work?
10:17:35 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	State in response board members attend additional meetings?
10:17:41 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Compensated for that?
10:17:47 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Post-hearing data request Williams total annual salary, including overtime pay and benefits?
10:17:48 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST ATTY GENERAL GOAD - WITNESS WILLIAMS ANNUAL SALARY, INCLUDING OVERTIME PAY AND BENEFITS, OF CEO AND PRESIDENT JEFF WILLIAMS
10:18:45 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Taylor County employees related to executive staff?
10:19:13 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Any Taylor County employees related to board of director members?
10:19:20 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Nepotism policy?
10:19:32 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Post-hearing request just to get in record?
10:19:33 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	ASST ATTY GENERAL GOAD - WITNESS WILLIAMS PROVIDE COPY OF NEPOTISM POLICY
10:19:40 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Reviewed public comments?
10:19:49 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Filed by Commission on Sept 19 2023 by farm owner?
10:20:08 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Farm owner made specific allegations against Taylor County and past practices, commit investigating that, and if issue provide resolution?
10:22:06 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	At bottom second page past employees clocking in, working on farm, clocking out, using vehicles, playing cards in back, investigated that, if issues provide resolutions?
10:23:00 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	Could make sure not currently happening?
10:23:30 AM	Asst Atty General Goad - witness Williams Note: Sacre, Candace	If were to find out true, stop it and resolve?
10:24:06 AM	Chairman Chandler Note: Sacre, Candace	Ms. Temple, Ms. Tussey?

10:24:18 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Cross Examination. ROW clearing, five-year cycle, how pick where to start?
10:25:30 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Rebid contract, not one five-year contract?
10:25:52 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Difference in price each year or same?
10:26:46 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Not include herbicide or trees outside ROW, what doing for trees outside of ROW not a problem?
10:27:02 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Just if something happens?
10:28:06 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	At end of five-year cycle start doing additional maintenance or still playing catchup?
10:29:55 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Filing more regular rate cases, large gap this one and last?
10:30:41 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Post-hearing data request reliability metrics, last 15 years of metrics?
10:30:42 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace	STAFF ATTY TEMPLE PSC - WITNESS WILLIAMS
	Note: Sacre, Candace	LAST 15 YEARS OF RELIABILITY METRICS
10:31:07 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	New headquarters, engineering studies, presented to board, where in process?
10:33:16 AM	Staff Atty Temple PSC - witness Williams Note: Sacre, Candace	Not been discussions where be or costs?
10:34:01 AM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
10:34:12 AM	Vice Chairman Hatton - witness Williams Note: Sacre, Candace	Examination. Address concerns customer complaint only residential increased?
10:36:20 AM	Vice Chairman Hatton - witness Williams Note: Sacre, Candace	See why asking more frequent rate increases alleviate concerns?
10:37:00 AM	Chairman Chandler Note: Sacre, Candace	Commissioner?
10:37:08 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	Examination. ROW clearing, who responsible on ROW if tree fell on person or car?
10:37:33 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	Could be you?
10:37:52 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	If vegetation management contract, liability in contract?
10:38:18 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	Contractor would pay?
10:38:26 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	Back to health insurance, looked at other coops only, not look other businesses or industries?
10:39:14 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	When told not accept was that union saying or talk with union?
10:39:26 AM	Commissioner Regan - witness Williams Note: Sacre, Candace	Who told you?

10:40:09 AM Commissioner Regan - witness Williams
Note: Sacre, Candace Never sat down and talked with them, based decisions on hearsay?

10:40:26 AM Commissioner Regan - witness Williams
Note: Sacre, Candace Meet with representatives, yes or no, did not meet with them?

10:40:36 AM Commissioner Regan - witness Williams
Note: Sacre, Candace Did not do an RFP?

10:40:44 AM Commissioner Regan - witness Williams
Note: Sacre, Candace Nonunion employees not given increases or not as large?

10:41:19 AM Chairman Chandler
Note: Sacre, Candace Recess until 10:50.

10:41:35 AM Session Paused

10:55:45 AM Session Resumed

10:55:54 AM Chairman Chandler
Note: Sacre, Candace Back on record.

10:55:56 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Examination. How long at JP?

10:56:06 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Coop before that?

10:56:12 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Aware annual requirement to file reliability metrics with PSC?

10:56:32 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Know whether filed those?

10:56:39 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Surprise you to know last set outage data 2011-00450 in record filed in 2020 for 2019?

10:57:03 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Asked counsel bring up last set, 2011-00450?

10:57:45 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Section 1, Circuit Reporting, Mike Skaggs still employed?

10:58:10 AM Chairman Chandler - witness Williams
Note: Sacre, Candace 2019 report, Section 4, system wide reliability metrics SADI and SAFI?

10:58:37 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Includes and excludes Major Event Days MEDs?

10:58:51 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Total customers 26,696, approximate customers?

10:59:05 AM Chairman Chandler - witness Williams
Note: Sacre, Candace 65 circuits?

10:59:14 AM Chairman Chandler - witness Williams
Note: Sacre, Candace SADI and SAFI measures by year, as well as CADI, agree S stands for system and C stands for customer?

10:59:33 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Categories?

10:59:38 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Equipment responsible for quarter of outages that weather is?

10:59:57 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Both tree and miscellaneous an eighth of weather?

11:00:03 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Animal is fifth largest category?

11:00:36 AM Chairman Chandler - witness Williams
Note: Sacre, Candace PDF page 24 provides worst circuits?

11:00:50 AM Chairman Chandler - witness Williams
Note: Sacre, Candace First one Substation Bass, one circuit towards Liberty?

11:01:02 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Sixty-two-mile circuit 392, date last vegetation management trim was?

11:01:25 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Percentage of outages as reported, weather 65 percent?

11:01:39 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Being told that weather is reason help you work towards reducing outages?

11:02:00 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Does knowing cause weather help?

11:02:08 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Agree broken crossarm and branch falling on line weather related?

11:02:19 AM Chairman Chandler - witness Williams
Note: Sacre, Candace If wind is cause of both, weather be the reportable?

11:02:26 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Agree two different solutions?

11:02:31 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Know when say tree what tree actually means?

11:02:55 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Equipment could be broken crossarm or crossarm that breaks because of weather?

11:03:09 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Ten-plus years since circuits cut?

11:03:15 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Another hasn't been cut since 2009, since 2012, 2010, 2014, 2009, consistent with testimony, utility was not clearing circuits?

11:03:53 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Not clearing circuits because not want to spend money?

11:04:13 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Seen updated reliability since 2019?

11:04:21 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Agree perceived reason had impact on customer reliability?

11:04:44 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Think vegetation management practices last ten years appropriate?

11:04:54 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Objectively appropriate, did you walk into an issue?

11:05:09 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Practices adequate for last ten years?

11:05:20 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Having to take additional measures make up for that?

11:05:38 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Finance person?

11:05:46 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Knowing what know, perceive what needed, customers paying more in long run for not conducting vegetation management for last couple of years?

11:06:30 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Harder job, circuits not cut in 15 years?

11:06:35 AM Chairman Chandler - witness Williams
Note: Sacre, Candace More than 15 years, '06 to 2022 more than ten years?

11:06:48 AM Chairman Chandler - witness Williams
Note: Sacre, Candace In meantime, customers reliability was impacted by lack of circuit cutting?

11:07:02 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Say surmised that, not a guess, have data?

11:07:12 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Pay for it, harder job cost more?

11:07:26 AM Chairman Chandler - witness Williams
Note: Sacre, Candace In meantime, reliability went down?

11:07:33 AM Chairman Chandler - witness Williams
Note: Sacre, Candace What data would indicate that have seen?

11:08:27 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Increases risk of injury?

11:08:41 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Penny wise and pound foolish?

11:08:52 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Long term not clearing ROW knowing cost?

11:09:24 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Issue of spending money?

11:09:36 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Purchase power two-thirds, three-quarters of costs?

11:10:10 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Distribution expenses only?

11:10:47 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Cost drivers, vegetation management, reliability, labor expense?

11:11:00 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Depreciation fairly constant?

11:11:17 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Cost per unit depreciation expense proportional with amount invest?

11:11:38 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Not depreciating poles over five years as opposed to used to be four?

11:11:56 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Way handle that joint purchasing?

11:12:41 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Noncash, interest expense, interest rates going up?

11:13:00 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Capital from RUS?

11:13:05 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Exclusively RUS or primarily RUS?

11:13:27 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Have debt maturing in next five years?

11:13:41 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Expect take on additional debt next five years?

11:13:46 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Expect incremental debt more or less expensive than debt have?

11:14:12 AM Chairman Chandler - witness Williams
Note: Sacre, Candace RUS cheapest debt?

11:14:18 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Unless grant or USDA group, other than that RUS lowest?

11:14:35 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Getting RUS debt contingent upon construction work?

11:14:52 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Expect necessitate future rate increases sooner than last rate case?

11:15:54 AM Chairman Chandler - witness Williams
Note: Sacre, Candace Looking at margins, meet or exceed margins required by debt instrument?

11:17:02 AM	Chairman Chandler - witness Williams Note: Sacre, Candace	OTIER not include interest income?
11:17:23 AM	Chairman Chandler - witness Williams Note: Sacre, Candace	Taylor Co anything unique with interest income?
11:17:57 AM	Chairman Chandler Note: Sacre, Candace	Ms. Koenig?
11:18:05 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Redirect Examination. Update on current RUS loans?
11:20:27 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Included in pro forma?
11:20:31 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Known and measurable?
11:20:36 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Could have waited to file rate case?
11:21:28 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Financial burden of rate case, how long between rate cases, other considerations, timing, what can afford, decisions to make what ask for, between energy charge and customer charge, how determine affect customers low efficient housing and mobile homes, use higher energy?
11:24:13 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Considerations taking trimming in-house, have equipment?
11:25:11 AM	Atty Koenig Taylor RECC - witness Williams Note: Sacre, Candace	Supply chain issues and other considerations go into cost?
11:25:24 AM	Chairman Chandler Note: Sacre, Candace	Call next witness.
11:25:28 AM	Atty Honaker Taylor RECC Note: Sacre, Candace	Patsy Walter.
11:25:56 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:26:01 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Examination. Name and address?
11:26:20 AM	Atty Honaker Taylor RECC - witness Walter Note: Sacre, Candace	Direct Examination. Title?
11:26:27 AM	Atty Honaker Taylor RECC - witness Walter Note: Sacre, Candace	Caused testimony and responses be filed?
11:26:33 AM	Atty Honaker Taylor RECC - witness Walter Note: Sacre, Candace	Corrected responses be filed?
11:26:39 AM	Atty Honaker Taylor RECC - witness Walter Note: Sacre, Candace	Other corrections?
11:26:47 AM	Atty Honaker Taylor RECC - witness Walter Note: Sacre, Candace	Ask same questions, responses be same?
11:26:53 AM	Atty Honaker Taylor RECC - witness Walter Note: Sacre, Candace	Intent incorporate into record?
11:26:59 AM	Chairman Chandler Note: Sacre, Candace	Ms. Goad?
11:27:04 AM	Asst Atty General Goad - witness Walter Note: Sacre, Candace	Cross Examination. Responsible for managing finance, accounting, and debt portfolio for Taylor Co?
11:27:12 AM	Asst Atty General Goad - witness Walter Note: Sacre, Candace	Used 1.58 OTIER to calculate revenue requirement?
11:27:23 AM	Asst Atty General Goad - witness Walter Note: Sacre, Candace	Have loans through RUS?

11:27:28 AM	Asst Atty General Goad - witness Walter Note: Sacre, Candace	What is OTIER and TIER requirement for RUS loans?
11:27:38 AM	Asst Atty General Goad - witness Walter Note: Sacre, Candace	Requesting higher TIER and OTIER than covenants require, increase revenue requirement in pending case?
11:27:49 AM	Asst Atty General Goad - witness Walter Note: Sacre, Candace	By increasing revenue requirement also increases rate increase on Taylor Co customers?
11:28:01 AM	Chairman Chandler Note: Sacre, Candace	Ms. Tussey?
11:28:10 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Cross Examination. Requesting Williams compensation, vehicle included in what utility considers compensation package?
11:29:05 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Include on data request be able give that information?
11:29:15 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Any restrictions as to mileage or rules with regard to usage?
11:29:33 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Allegations in email and Williams look into, any written employee policy vehicle usage?
11:30:15 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Have a written code of conduct or employee policy?
11:30:32 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Recall last time even a thought?
11:31:10 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Response 9(a), Staff First, Account 931 and 589, 931 nothing until 2022, and then in 2022 begin paying \$15,000 for RUS, and then percentage change is nothing?
11:33:11 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Excel sheet filed in response to AG First, Item 30, not pass along credit card fees?
11:33:36 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	When look at what provided, expenses tripled, talked about addressing issue?
11:35:12 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Crunched numbers, cost analysis done?
11:36:41 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	How much longer on contract?
11:36:53 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Response, Fourth Request, original response to AG, June 2023, CoBank line of credit?
11:38:23 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Correction filed Exhibit 3, Schedule B-2, same line of credit referring to?
11:38:48 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Filed Sept 12 corrected filing, short-term debt left off, just submitted, CoBank loan?
11:39:36 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Corrected schedule, maturity date 2025, original issuance date 1995, is that more than two years?
11:40:15 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Has it been renewed more than six years?
11:40:26 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Post-hearing able tell us when took out most recent amount and times renewed?

11:40:27 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace	STAFF ATTY TUSSEY PSC - WITNESS WALTER WHEN TOOK OUT MOST RECENT LOAN AMOUNT AND NUMBER OF TIMES RENEWED
11:41:15 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Exhibit sponsored in application, auditor's statement, PW-2, page 89, short-term debt CoBank not federally funded?
11:43:22 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Capital lease obligation, appears lease vehicles to purchase?
11:44:04 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	When make decision, how determine what want to do, cost of capital, in that decision?
11:45:04 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Usually terms of lease more than two years?
11:45:16 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Able provide information ones listed in auditors report?
11:45:35 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Bill and format of bill, Response, Staff Fourth, Item 13, customer charge and energy charge not listed on bills?
11:46:31 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Had customer verify accuracy of bill, how go about doing that based on information on bill?
11:47:06 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	Instructions for customer who might look on website or where to go to verify bill?
11:47:28 AM	Staff Atty Tussey PSC - witness Walter Note: Sacre, Candace	What about customer charge in equation, how customer know?
11:48:01 AM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
11:48:03 AM	Chairman Chandler Note: Sacre, Candace	Commissioner?
11:48:09 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Examination. Do anything special with cushion of credit?
11:48:44 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Because of minimal margins last decade?
11:49:03 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	What nonoperating income OTIER different from TIER?
11:49:48 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	High interest rate good for savers?
11:49:59 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Utilities savers or borrowers?
11:50:17 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Capital intensive entities?
11:50:24 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Investing in systems?
11:50:55 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Reduce cost to customers?
11:51:04 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Interest rates rise, increases primary cost?
11:51:15 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Means have to reflect costs through more frequent rate cases?
11:51:46 AM	Chairman Chandler - witness Walter Note: Sacre, Candace	Loans due in next couple of years?

11:52:05 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Current interest rates higher or lower than loans?
11:52:46 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Raise rates 12 percent?
11:52:54 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Increase customer charge 60 percent?
11:53:03 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Increase or decrease volatility each month?
11:53:25 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	On annual basis, total revenue, not matter total costs over year?
11:53:56 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Not mean not different variability throughout year?
11:54:13 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Use working capital, cost incurred by utility to address volatility in income?
11:54:32 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	More expenses in month, plenty revenue all year, but in given month expenses exceed, borrow money to pay expenses only to pay back next month when revenue exceeds expenses?
11:55:24 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Use short term line of credit not just to fund capital projects but use as cash working capital?
11:56:02 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Always been practice?
11:56:10 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Looked at alternative way to finance until reimbursed through RUS funds?
11:56:39 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Explain again issue with RUS?
11:57:22 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	November, entirety of \$9.5 million short term debt almost entirely amount of capital invested since November?
11:58:01 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Started financing projects part of construction work plan applied for loan in November already processing through short term debt before November?
11:58:50 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	What contributes to high equity level, what trying to figure out was filing for loan in November timely or late?
11:59:27 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Capital projects current '23-'26 construction work plan '23-'28?
11:59:44 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	If filed in November, when get answer back?
11:59:56 AM	Chairman Chandler - witness Walter	Note: Sacre, Candace	Construction work plan began Jan?
12:00:28 PM	Chairman Chandler	Note: Sacre, Candace	Redirect?
12:00:35 PM	Atty Honaker Taylor RECC - witness Walter	Note: Sacre, Candace	Redirect Examination. Credit card fees, fees increased or people using credit increased?
12:01:20 PM	Atty Honaker Taylor RECC - witness Walter	Note: Sacre, Candace	Bill format, customer charge kW charge not on bill?
12:01:33 PM	Atty Honaker Taylor RECC - witness Walter	Note: Sacre, Candace	Bill on tariff that's been approved?

12:01:37 PM	Chairman Chandler Note: Sacre, Candace	Short recess.
12:01:54 PM	Session Paused	
12:11:57 PM	Session Resumed	
12:12:06 PM	Chairman Chandler Note: Sacre, Candace	Back on the record.
12:12:12 PM	Chairman Chandler Note: Sacre, Candace	Last witness?
12:12:14 PM	Atty Honaker Taylor RECC Note: Sacre, Candace	John Wolfram.
12:12:17 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
12:12:22 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Examination. Name and address?
12:12:36 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Direct Examination. How employed?
12:12:44 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Hired by Taylor County for proceeding?
12:12:52 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Caused testimony and data responses filed?
12:12:56 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Corrections?
12:13:01 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Asked same questions, responses be same?
12:13:07 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Intent incorporate into proceeding?
12:13:12 PM	Chairman Chandler Note: Sacre, Candace	Ms. Goad?
12:13:16 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Cross Examination. Agree with Defever recommendations?
12:13:26 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Agree normalize depreciation expenses?
12:14:24 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Agree remove employee awards from revenue requirement?
12:14:50 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Agree remove cost GPS system project?
12:15:03 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Agree recommendation reduce test year meter sampling cost?
12:15:25 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Test year meter sampling cost?
12:15:38 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Also agree removing nonrecurring consulting fees?
12:15:48 PM	Asst Atty General Goad - witness Wolfram Note: Sacre, Candace	Taylor County agrees to reduce revenue requirement by \$244,247?
12:16:20 PM	Chairman Chandler Note: Sacre, Candace	Ms. Temple? Ms. Tussey?
12:16:27 PM	Chairman Chandler Note: Sacre, Candace	Vice Chair?
12:16:28 PM	Chairman Chandler Note: Sacre, Candace	Commissioner?
12:16:46 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Examination. Provided support for RECCs over last couple of years?
12:17:06 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Worked for members both systems?

12:17:19 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Own own generation and transmission?

12:17:28 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Also participate wholesale power markets?

12:17:29 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace MISO and PJM?

12:17:33 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace If wholesale power costs are \$5 be surprised buy power \$5 megawatt hour?

12:18:21 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Makes more sense if buy for less than produce, makes sense to buy?

12:18:48 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Expenses from GNT not exclusively for own generation, related purchasing power?

12:19:36 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace All kinds of costs?

12:19:41 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Transmission costs?

12:19:52 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Buying power from market so cheap not operate own generation, or demand in excess of current generation, just buying from market?

12:20:30 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Just effect sometimes net against each other?

12:21:00 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Customer charge above \$30?

12:21:13 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Include demand related expenses?

12:21:21 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace All demand related costs, \$30 minimum size?

12:21:40 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Includes no demand related expenses, only customer related?

12:22:32 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Costs classified as customer related easily classified as demand related?

12:23:46 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Included imbedded costs?

12:24:30 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace What is cost of zero size transformer?

12:24:41 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace There is a cost, what is cost of that transformer?

12:25:20 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace What is that transformer, equivalent cost?

12:25:43 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Percentage portion of all transformers in system, particular type?

12:26:41 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace Total number and size?

12:26:57 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace If all customers 27,800 more energy efficient appliances and upgrades to homes, reduction in demand and usage affect zero intercept study?

12:28:24 PM Chairman Chandler - witness Wolfram
Note: Sacre, Candace How unrelated, exclusively proportional to customer counts if changes on customer demand?

12:29:07 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Pursuant to zero intercept study, customer related expenses?
12:29:32 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Percentage related to customer costs?
12:30:04 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Identifying cost of transformers customer related?
12:30:43 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If demand changes, resulting cost decreases?
12:30:54 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Not proposing pay percentage, pay customer charge on bill?
12:31:00 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Is end dollar amount that is rate subject to jurisdiction?
12:31:16 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Customers pay \$30 customer charge costs related to serving a customer?
12:31:29 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If demand reduced and cost of transformers reduced, reduce that \$30 number?
12:31:54 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Both go down?
12:32:15 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Looking at imbedded expenses?
12:32:22 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Incremental investments in transmission, removed or not replaced or replaced with smaller transformers?
12:32:48 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Difference between imbedded and avoided?
12:33:09 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Future action that has to occur?
12:34:02 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Entire purpose of COSS recover from customers costs utility incurred?
12:34:34 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Recovering revenue requirement?
12:34:50 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Those imbedded historical costs?
12:34:59 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If interested in avoiding expenses, what service COSS play in information actions?
12:35:49 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Can costs identified in COSS and customer related be avoided but maintain same number of customers?
12:36:51 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If certain costs classified in more than one bucket, transformer split not have to go in one bucket?
12:37:24 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If reduction in demand/customers, follow-on effect total cost transformers?
12:37:57 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	When talk about costs can avoid, jointly classify costs on basis of customers in demand hide or make less obvious avoided costs based off energy and demand going forward?
12:40:33 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	What portion transformers being allocated to customer related as opposed to demand related?

12:41:05 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Sixty percent transformers, fair?
12:41:18 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If Williams wanted to use rate design induce customer behavior to reduce overall costs, trying to reduce total cost of service, how using imbedded COSS and rates help inform ability to reduce expenses signals to customers change usage behavior reduce overall capital expenses?
12:44:25 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	If Williams concerned about ability to get transformers and send appropriate signal to customers not related to portion of costs serving them but to incent them to reduce, agree imbedded COSS is not tool to further that interest?
12:46:09 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Residential customers, entirety of increase, three-part rate design still backwards looking study?
12:46:32 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Forecasted test period, still imbedded expenses?
12:46:48 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	PJM and MISO, either allocated to GNT and passed on through to distribution and then on to customers, all being charge based off similar COS assumptions?
12:47:35 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Residential customer has two part rate customer charge and energy charge, if live in Taylor County, not know how expensive coop buying what is their cost?
12:48:23 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	No idea what cost EKPC buy power?
12:48:45 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Indifferent do laundry night or day?
12:48:57 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Indifferent whether run appliances at same time?
12:49:16 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Taylor County not under either scenario?
12:49:42 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Even with ordinary demand charge not time differentiated?
12:49:59 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Utility does care using all appliances at once?
12:50:22 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Also for their bill?
12:50:39 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Demand in middle of day verse night, GNT not necessarily indifferent?
12:51:08 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Same difference care about aggregate demand if all customers spreading demand, not indifferent to that?
12:51:32 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Load share ratio or peak demand, GNT not indifferent to that?
12:51:56 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Customer charge, average bill \$100, got rid of energy charge, flat bill, indifferent how much uses, Taylor not indifferent,
12:52:37 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Extreme other end, just energy charge, customers sensitive how much electricity use, Taylor and GNT sensitive?

12:53:15 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Any combination on sliding scale affect all three separately?
12:54:18 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	How recommend set rates ensure paying attention how customers use and reducing costs going forward verse focusing on how incurred in past?
12:55:19 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Maximizing own welfare?
12:59:48 PM	Chairman Chandler - witness Wolfram Note: Sacre, Candace	Saying refinement requires incremental and recurring COSS and rate design changes?
1:00:19 PM	Chairman Chandler Note: Sacre, Candace	Ms. Honaker?
1:00:25 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Redirect Examination. Adjustments agreed with?
1:00:44 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Even though agreed with that not recommend customer charge change?
1:01:56 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Mentioned this, in room when Goad stated what percentage increase was?
1:02:09 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	Sounds high when say 64 percent?
1:02:17 PM	Atty Honaker Taylor RECC - witness Wolfram Note: Sacre, Candace	What is reasoning why that should occur?
1:03:44 PM	Chairman Chandler Note: Sacre, Candace	Questions for Defever? (Click on link for further comments.)
1:04:04 PM	Chairman Chandler Note: Sacre, Candace	Recess until 2.
1:04:20 PM	Session Paused	
2:19:28 PM	Session Resumed	
2:19:39 PM	Chairman Chandler Note: Sacre, Candace	Back on the record.
2:19:46 PM	Chairman Chandler Note: Sacre, Candace	Ms. Honaker, anything else?
2:19:56 PM	Chairman Chandler Note: Sacre, Candace	Ms. Goad?
2:19:59 PM	Asst Atty General Goad Note: Sacre, Candace	John Defever.
2:20:56 PM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
2:20:59 PM	Chairman Chandler - witness Defever Note: Sacre, Candace	Examination. Name and address?
2:21:12 PM	Asst Atty General Goad - witness Defever Note: Sacre, Candace	Direct Examination. Occupation?
2:21:21 PM	Asst Atty General Goad - witness Defever Note: Sacre, Candace	Cause testimony be filed?
2:21:26 PM	Asst Atty General Goad - witness Defever Note: Sacre, Candace	Additions or corrections?
2:21:36 PM	Asst Atty General Goad - witness Defever Note: Sacre, Candace	Filed an errata filing?
2:21:45 PM	Asst Atty General Goad - witness Defever Note: Sacre, Candace	Walk through changes made in errata filing?

2:22:29 PM	Asst Atty General Goad - witness Defever Note: Sacre, Candace	Discovered other corrections?
2:23:18 PM	Chairman Chandler Note: Sacre, Candace	Ms. Honaker, Ms. Koenig?
2:23:23 PM	Atty Koenig Taylor RECC - witness Defever Note: Sacre, Candace	Cross Examination. Qualifications, first Kentucky rate case?
2:23:40 PM	Atty Koenig Taylor RECC - witness Defever Note: Sacre, Candace	Lot of experience in regulatory cases, experience with electric coops?
2:24:00 PM	Atty Koenig Taylor RECC - witness Defever Note: Sacre, Candace	First coop case and first Kentucky case?
2:24:05 PM	Atty Koenig Taylor RECC - witness Defever Note: Sacre, Candace	Been doing this since 2010?
2:24:27 PM	Atty Koenig Taylor RECC - witness Defever Note: Sacre, Candace	If have a user above average cost, if energy charge increased, bill go up?
2:25:47 PM	Chairman Chandler Note: Sacre, Candace	Ms. Goad, anything else?
2:25:53 PM	Chairman Chandler Note: Sacre, Candace	Questions?
2:26:00 PM	Chairman Chandler Note: Sacre, Candace	Filings. (Click on link for further comments.)
2:26:37 PM	Chairman Chandler Note: Sacre, Candace	Data request responses, briefs. (Click on link for further comments.)
2:30:58 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
2:31:06 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
2:31:25 PM	Session Ended	

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