COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF NAVITAS KY NG,
JOHNSON COUNTY GAS COMPANY, AND B & H)CGAS COMPANY FOR APPROVAL OF)20ACQUISITION, TRANSFER OF OWNERSHIP, AND)CONTROL OF NATURAL GAS UTILITY SYSTEMS)

CASE NO. 2020-00396

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the

record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on March 16, 2021 in this proceeding;

- Certification of the accuracy and correctness of the digital video recording;

- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on March 16, 2021.

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/g1Nwe5ZyBow.

Parties wishing an annotated digital video recording may submit a written request

by electronic mail to <u>pscfilings@ky.gov</u>. A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 29^h day of March 2021.

Budwell

Linda C. Bridwell Executive Director Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY

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In the Matter of:

ELECTRONIC APPLICATION OF NAVITAS KY NG, JOHNSON COUNTY GAS COMPANY, AND B & H GAS COMPANY FOR APPROVAL OF ACQUISITION, TRANSFER OF OWNERSHIP, AND CONTROL OF NATURAL GAS UTILITY SYSTEMS

CASE NO. 2020-00396

CERTIFICATION

I, Candace H. Sacre, hereby certify that:

1. The attached DVD contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on March 16, 2021. The Formal Hearing Log is included with the recording on March 16, 2021;

2. I am responsible for the preparation of the digital recording;

3. The digital recording accurately and correctly depicts the Formal Hearing of

March 16, 2021; and

4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of March 16, 2021, and the time at which each occurred.

Signed this 17th day of March, 2021.

Candace H. Sacre Administrative Specialist III

Stephahie Schweighardt Notary Public State at Large Commission Expires: January 14, 2023 ID#: 614400

Session Report - Detail

JUSTICE STOLUTIONS

2020-00396 16Mar2021

Navitas KY NG, Johnson County Gas, B & H Gas Company (Applicants)

| | | | (Applicants) |
|-------------|--|---|---|
| Date: | Туре: | Location: | Department: |
| 3/16/2021 | Public Hearing\Public Comments | Hearing Room 1 | Hearing Room 1 (HR 1) |
| | as Hartline; Bud Rife 1athews; Michael Schmitt Sacre | | |
| Event Time | Log Event | | |
| 9:11:20 AM | Session Started | | |
| 9:12:42 AM | Camera Lock Deactivated | | |
| 9:13:27 AM | Chairman Schmitt | | |
| | Note: Sacre, Candace | NAVITAS KY NG, JOHNS GAS COMPANY FOR APP | 0396, ELECTRONIC APPLICATION OF ON COUNTY GAS COMPANY, AND B & H ROVAL OF ACQUISITION, TRANSFER OF TROL OF NATURAL GAS UTILITY SYSTEMS |
| 9:13:46 AM | Chairman Schmitt | | |
| | Note: Sacre, Candace | | an, presiding today, Introduction of ice Chairman Chandler recused. |
| 9:14:19 AM | Chairman Schmitt | | |
| | Note: Sacre, Candace | Videoconferencing and C | OVID recommendations and instructions. |
| 9:17:06 AM | Chairman Schmitt | | |
| | Note: Sacre, Candace | Counsel to identify them | selves, client and witnesses. |
| 9:17:24 AM | Atty Alexander Navitas | | |
| | Note: Sacre, Candace | | for Navitas, with me Thomas Hartline. |
| 9:17:43 AM | Atty Childers Johnson County/E | | |
| | Note: Sacre, Candace | Joe Childers, Johnson Co present today. | ounty Gas and B & H Gas and Bud Rife, |
| 9:18:12 AM | Chairman Schmitt | | |
| | Note: Sacre, Candace | And for Staff? | |
| 9:18:15 AM | Staff Atty Fell PSC | | |
| 0 40 50 444 | Note: Sacre, Candace | Jennifer Fell, Staff Attorr McIntosh, Staff Attorney | ney, and also present Tamara Reid- |
| 9:18:58 AM | Chairman Schmitt | | |
| 0.10.20 414 | Note: Sacre, Candace | Confidential motions. | |
| 9:19:20 AM | Chairman Schmitt | Dublic community | |
| 0.20.54 414 | Note: Sacre, Candace | Public comments. | |
| 9:20:54 AM | Chairman Schmitt | Technological States of the | Mr. Alexander 2 |
| 0.01.46 414 | Note: Sacre, Candace | Introduction of witnesses | 5. Mr. Alexander? |
| 9:21:46 AM | Atty Alexander Navitas | | |
| | Note: Sacre, Candace | Thomas Hartline. | |
| 9:22:10 AM | Chairman Schmitt | Witness is success | |
| 0.22.24 14 | Note: Sacre, Candace | Witness is sworn. | |
| 9:22:24 AM | Atty Alexander Navitas - witnes | | 2222 |
| 0.22.24 *** | Note: Sacre, Candace | Direct Examination. Full | name? |
| 9:22:34 AM | Atty Alexander Navitas - witnes | | |
| 0.22.46 14 | Note: Sacre, Candace | Business addresss? | |
| 9:22:46 AM | Atty Alexander Navitas - witnes | | hehalf of today? |
| | Note: Sacre, Candace | Which joint applicant on | Denail Of LOUdy: |

| 9:22:57 AM | Atty Alexander Navitas - witness Hartline |
|--------------|--|
| | Note: Sacre, Candace Position and role? |
| 9:23:20 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace How long? |
| 9:23:36 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace In operation in Kentucky? |
| 9:23:47 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace Where currently operating? |
| 9:24:03 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace How many customers? |
| 9:24:41 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace Navitas party seeking approval? |
| 9:24:52 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace Transferring utility's assets comes with responsibilities and duties providing service? |
| 9:25:10 AM | Atty Alexander Navitas - witness Hartline |
| 5120120 / 41 | Note: Sacre, Candace How many new customers? |
| 9:25:24 AM | Atty Alexander Navitas - witness Hartline |
| 5125121741 | Note: Sacre, Candace Person provided verification to Commission? |
| 9:25:34 AM | Atty Alexander Navitas - witness Hartline |
| 5120101741 | Note: Sacre, Candace Verfied responses to data requests? |
| 9:25:41 AM | Atty Alexander Navitas - witness Hartline |
| | Note: Sacre, Candace Listed as witness for responses? |
| 9:25:51 AM | Atty Alexander Navitas |
| | Note: Sacre, Candace Tender witness. |
| 9:25:57 AM | Chairman Schmitt |
| | Note: Sacre, Candace Mr. Childers? |
| 9:26:02 AM | Atty Childers Johnson County/B & H |
| | Note: Sacre, Candace No. |
| 9:26:05 AM | Chairman Schmitt |
| | Note: Sacre, Candace Ms. Fell? |
| 9:26:09 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Cross Examination. Overview of Navitas in other states? |
| 9:27:36 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace How enhances rural communities? |
| 9:31:02 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Plans for community this affects? |
| 9:32:41 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Gas suppliers Johnson County/B&H? |
| 9:33:54 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace For Johnson, Hall supplier? |
| 9:34:07 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Changes to suppliers and transporters, options available? |
| 9:36:38 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Concerns with wells B&H? |
| 9:36:59 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Navitas responsible for supply? |
| 9:37:16 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Johnson County suppliers? |
| 9:37:34 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Johnson County gas purchases Bradco, Hall Stephens Hall, Diversified prices? |
| 9:38:52 AM | Staff Atty Fell PSC - witness Hartline |
| | Note: Sacre, Candace Navitas concern contracts Diversified? |

| 9:41:39 AM Staff Atty Fell PSC - witness Hartline | | ne |
|---|--------------------------------------|--|
| | Note: Sacre, Candace | Gas purchase agreements, amended? |
| 9:42:17 AM | Staff Atty Fell PSC - witness Hartli | ne |
| | Note: Sacre, Candace | Asset purchase agreement, equipment purchase agreement, base contract between Hall Stephens Hall and Navitas and BS&B and Navitas? |
| 9:43:04 AM | Staff Atty Fell PSC - witness Hartli | ne |
| | Note: Sacre, Candace | No other material changes agreements? |
| 9:43:20 AM | Staff Atty Fell PSC - witness Hartli | ne |
| | Note: Sacre, Candace | Gas purchase agreement Hall Stephens Hall and Navitas, contract price? |
| 9:44:08 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Henry Hub figure or settlement figure? |
| 9:44:27 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Fit into settlement figures? |
| 9:45:15 AM | POST-HEARING DATA REQUEST | |
| | Note: Sacre, Candace | STAFF ATTY FELL PSC - WITNESS HARTLINE |
| | Note: Sacre, Candace | DETAILS ON NYMEX INDEX |
| 9:45:35 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | How price negotiated NYMEX plus ten dollars? |
| 9:46:09 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Someone could speak to that applicant side? |
| 9:46:35 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Navitas agreed to rate? |
| 9:47:12 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Navitas not executed Bradco agreements, expectation can be negotiated, less than current? |
| 9:48:52 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Concerns Johnson County supply? |
| 9:49:49 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Aware if current PGA rate NYMEX Johnson County? |
| 9:50:37 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | B & H refund disallowed gas costs 2015-00367 subject of case? |
| 9:51:01 AM | Staff Atty Fell PSC - witness Hartli | |
| | - | Order refund ten-year period? |
| 9:51:19 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Commission originally required refund over two years? |
| 9:51:36 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Explain how ten years reasonable? |
| 9:53:47 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Propose 65 cents discount applied gas purchase Navita and B&S? |
| 9:54:06 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Contract Price states rate PSC rate 136 plus \$2? |
| 9:54:26 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Explain why 136 gas purchase contract used? |
| 9:55:19 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | PSC rate plus 136 account not intended double heat rate adjustment? |
| 9:55:49 AM | Staff Atty Fell PSC - witness Hartli | |
| | Note: Sacre, Candace | Understand B&H gas cost rate 201-00367 PSC rate only, gas purchase Navitas and B&S raise B&H customers by \$2? |
| 9:56:26 AM | Staff Atty Fell PSC - witness Hartli | ne |
| | Note: Sacre, Candace | Understand rate proposed raising cost of gas B&H customers \$2? |

| 9:57:31 AM | Staff Atty Fell PSC - witness Hartline | | |
|-------------|--|---|--|
| | Note: Sacre, Candace | Commission Feb 1 Order refund to B&H customers, understand Commission final position refunds? | |
| 9:58:10 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Understand Commission require same commitment any overcollection made another case 2020-00122 for Johnson County? | |
| 9:59:33 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Navitas agree make same reduction discussed? | |
| 9:59:51 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | PGA, clarify Navitas proposing purchase gas adjustment current system and Johnson County and B&H systems? | |
| 10:01:55 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Navitas not proposing three separate PGA systems, how propose ensure B&H refunds only customers B&H system? | |
| 10:03:16 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Same refund mechanism B&H and Johnson, not create difficulties customers receiving refunds? | |
| 10:05:04 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Navitas aware no gas utility regulated by Commission maintained no multiple PGA mechanisms unification base rates following acquisition? | |
| 10:06:30 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | March 2 2021 preapproval financing? | |
| 10:06:46 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Financing term two years or more? | |
| 10:06:53 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Approval of financing per KRS 278.300 before financing? | |
| 10:07:23 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Exhibits filed provide information, not provided maps/plans 807 KAR 5:001(18)(2)(c), maps Johnson County exist? | |
| 10:08:21 AM | POST-HEARING DATA REQUEST | | |
| | Note: Sacre, Candace | STAFF ATTY FELL PSC - WITNESS HARTLINE | |
| | Note: Sacre, Candace | MAPS AND PLANS | |
| 10:08:38 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Explain annual reports prior 2014 not basis for adjusted plant balance? | |
| 10:11:20 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Increase basis net plant already depreciated? | |
| 10:14:55 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Explain basis 9 percent weighted average cost of capital? | |
| 10:16:44 AM | Camera Lock Comm Wide Activa | | |
| 10:18:45 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Responses First Request Information Joint Response Feb 1 Order, utility plant \$650,000 include land rights of way remaining life for depreciable portion gas systems, confirm Navitas replace meters, trucks, office space acquired system construction on gas systems? | |
| 10:21:55 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Actual replacements, part of utility plant? | |
| 10:22:21 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Navitas projected cost undergo replacements improvements? | |
| 10:23:50 AM | Staff Atty Fell PSC - witness Har | | |
| | Note: Sacre, Candace | Any plant to Navitas from Navitas Service include rate of return? | |
| 10:24:36 AM | Staff Atty Fell PSC - witness Har | tline | |
| | Note: Sacre, Candace | Navitas intends file unified rate case, intends file with alternative rate adjustment procedure or ARP? | |

| 10:25:51 AM | Staff Atty Fell PSC - witness Hart Note: Sacre, Candace | Monthly rent figure paid to Rife, describe office space Besty Layne |
|-------------|--|---|
| | | property? |
| 10:26:46 AM | Camera Lock Deactivated | |
| 10:27:45 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Bud Rife Construction shares site? |
| 10:28:16 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Any space shared other entity owned by Rife? |
| 10:28:38 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Navitas agrees retain foreman/secretary, hire additional employee? |
| 10:29:12 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Who additional employee? |
| 10:30:04 AM | Chairman Schmitt | |
| | Note: Sacre, Candace | Recess until 10:40. |
| 10:30:19 AM | Session Paused | |
| 10:43:08 AM | Session Resumed | |
| 10:43:12 AM | Chairman Schmitt | |
| | Note: Sacre, Candace | Back on record. |
| 10:44:55 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Rife not employed by Navitas but provide resources, what services, paid consultant? |
| 10:46:18 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Navitas Utility Corp employ two employees retaining, Allen and Lawson, and new employee instead of Navitas KY, benefit of that? |
| 10:47:37 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Annual Reports prior 2014, clarify Navitas aware problems, disagreeing figures information provided in 2014 and previous reports regards net plant? |
| 10:48:37 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Describe Navitas due diligence efforts Johnson County and B&H, identified need safety/operational changes? |
| 10:50:34 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | When Navitas implementing emergency plan, public awareness, |
| | , | drug alcohol plans, other plans? |
| 10:50:58 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Training employees newly implemented plans? |
| 10:52:05 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Confirm operator qualified employees operating gas systems? |
| 10:52:44 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Clarify who running day-to-day operations of systems? |
| 10:53:30 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Clarify who maintaining records for compliance for systems? |
| 10:54:26 AM | Staff Atty Fell PSC - witness Hart | line |
| | Note: Sacre, Candace | Explain reason Navitas request one-year forbearance distribution integrity management plan and operation and maintenance compliance? |
| 10:56:29 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Explain reason Navitas request waiver of meter inspection requirements? |
| 10:57:40 AM | Staff Atty Fell PSC - witness Hart | • |
| | Note: Sacre, Candace | Meter shop Oklahoma? |
| 10:57:51 AM | Staff Atty Fell PSC - witness Hart | |
| | Note: Sacre, Candace | Navitas set procedures curriculum program materials testing procedures meter testers? |

| 10:59:51 AM | Staff Atty Fell PSC - witness Ha | rtline |
|-------------|----------------------------------|---|
| | Note: Sacre, Candace | Figures on how many those type meters each system? |
| 11:01:07 AM | POST-HEARING DATA REQUES | Γ |
| | Note: Sacre, Candace | STAFF ATTY FELL PSC - WITNESS HARTLINE |
| | Note: Sacre, Candace | EXAMPLES AND DOCUMENTATION OF TRAINING/TESTING METER TESTERS |
| 11:01:49 AM | Staff Atty Fell PSC - witness Ha | rtline |
| | Note: Sacre, Candace | Contract price, NYMEX figure, based on NYMEX futures plus \$2? |
| 11:03:15 AM | Staff Atty Fell PSC - witness Ha | rtline |
| | Note: Sacre, Candace | Source Navitas obtain future prices? |
| 11:03:44 AM | Staff Atty Fell PSC - witness Ha | rtline |
| | Note: Sacre, Candace | Contract price based on NYMEX, not Citygate? |
| 11:06:10 AM | Staff Atty Fell PSC | |
| | Note: Sacre, Candace | Staff has no further. |
| 11:06:18 AM | Chairman Schmitt | |
| | Note: Sacre, Candace | Commissioner Mathews? |
| 11:06:25 AM | Commission Mathews | |
| | Note: Sacre, Candace | Do not. |
| 11:06:28 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | Examination. Navitas purchasing gas for B&H from Rife company? |
| 11:07:00 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | Know any other source of gas for present B&H customers other than B&S? |
| 11:07:44 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | Remaining customers, other than must be served by B&S, other suppliers to Navitas other than B&S? |
| 11:08:25 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | Johnson County customers, present supplier Hall Stephens Hall and Diversified? |
| 11:08:50 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | How many wells Bradco has that contribute to supply? |
| 11:09:09 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | Columbia Gas of Kentucky or affiliate ability to supply gas to Johnson Co or B&H customers? |
| 11:10:34 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | Customer refunds/credits overpayment of \$101,876, who responsible customers credited/reimbursed overpayment in past years? |
| 11:12:23 AM | Chairman Schmitt - witness Har | tline |
| | Note: Sacre, Candace | If Rife ulitmately to pay, Navitas legally responsible for reimbursing |
| | | customers and then negotiate deal with Rife? |
| 11:17:46 AM | Chairman Schmitt | |
| | Note: Sacre, Candace | No further. Mr. Alexander? |
| 11:17:59 AM | Atty Alexander Navitas | |
| | Note: Sacre, Candace | One follow up. |
| 11:18:42 AM | Chairman Schmitt | |
| | Note: Sacre, Candace | Mr. Childers? |
| 11:19:13 AM | Atty Childers Johnson County/B | &H |
| | Note: Sacre, Candace | That's fine. Thank you. |
| 11:19:23 AM | Atty Alexander Navitas - witnes | |
| | Note: Sacre, Candace | Redirect Examination. South Central Kentucky GCA and Eastern Kentucky GCA, clarity unified GCA? |
| 11:20:05 AM | Atty Alexander Navitas | |
| | Note: Sacre, Candace | All I have. |

| 11:20:08 AM | Chairman Schmitt |
|---------------|--|
| | Note: Sacre, Candace Mr. Childers? |
| 11:20:12 AM | Atty Childers Johnson County/B&H Note: Sacre, Candace No questions. |
| 11:20:20 AM | Chairman Schmitt |
| 11.20.20 AM | |
| 11.20.20 AM | Note: Sacre, Candace Present Rife for questioning? |
| 11:20:30 AM | Atty Childers Johnson County/B&H |
| | Note: Sacre, Candace Few minutes to collect thoughts, ten minute break? |
| 11:20:42 AM | Chairman Schmitt |
| | Note: Sacre, Candace Break until 25 till noon. |
| 11:21:03 AM | Session Paused |
| 11:36:39 AM | Session Resumed |
| 11:36:44 AM | Chairman Schmitt |
| | Note: Sacre, Candace On the record. Mr. Childers? |
| 11:36:55 AM | Camera Lock Deactivated |
| 11:37:22 AM | Chairman Schmitt |
| | Note: Sacre, Candace Witness is sworn. |
| 11:37:33 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Direct Examination. Name? |
| 11:37:39 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Explain position with B&H? |
| 11:37:51 AM | Atty Childers Johnson County/B&H - witness Rife |
| 11.57.517.11 | Note: Sacre, Candace Own 100 percent stock? |
| 11:37:56 AM | Atty Childers Johnson County/B&H - witness Rife |
| 11.57.50 AM | Note: Sacre, Candace Position Johnson County Gas? |
| 11:38:03 AM | |
| 11.30.03 AM | Atty Childers Johnson County/B&H - witness Rife |
| 11.20.00 AM | Note: Sacre, Candace Own 100 percent stock? |
| 11:38:08 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Position with B&S? |
| 11:38:18 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Sole owner? |
| 11:38:21 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Hall Stephens Hall owner? |
| 11:38:30 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Own stock? |
| 11:38:39 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Ordered pay fines \$107,000, appealed, in court system? |
| 11:39:07 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Commission not willing waive fines, able go forward transfer? |
| 11:39:23 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Gas purchased from Diversified cheaper than Hall Stephens Hall, |
| | true? |
| 11:39:43 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Explain why not true? |
| 11:40:07 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace 114 percent of what? |
| 11:40:11 AM | Atty Childers Johnson County/B&H - witness Rife |
| 11.10.11.7.11 | Note: Sacre, Candace Plus a dollar twenty-five? |
| 11:40:21 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Rate charged by Diversified to Johnson County? |
| 11.40.26 444 | |
| 11:40:36 AM | Atty Childers Johnson County/B&H - witness Rife |
| 11,40,52 444 | Note: Sacre, Candace How much rate Hall Stephens Hall to Johnson County? |
| 11:40:53 AM | Atty Childers Johnson County/B&H - witness Rife |
| | Note: Sacre, Candace Transportation paid by Hall Stephens Hall? |

| 11:41:02 AM | Atty Childers Johnson County/B&H | |
|----------------|--|---|
| | • | Who paid to? |
| 11:41:08 AM | Atty Childers Johnson County/B&H Note: Sacre, Candace | I - witness Rife Transportation costs? |
| 11:41:15 AM | Atty Childers Johnson County/B&H | • |
| 11.41.15 AM | , | How much? |
| 11:41:37 AM | | |
| 11.41.37 AM | Atty Childers Johnson County/B&H Note: Sacre, Candace | Rate charged customer \$6? |
| 11:41:44 AM | Atty Childers Johnson County/B&H | - |
| 11.71.77 AM | | \$1.81 of that transportation? |
| 11:41:59 AM | Atty Childers Johnson County/B&H | • |
| 11.41.35 AM | Note: Sacre, Candace | Discussion earlier PSC Order B&H refund case, refund over two |
| | Note: Sacre, Candace | years, request ten years, recall? |
| 11:42:28 AM | Atty Childers Johnson County/B&H | I - witness Rife |
| | | If requirement stands refund paid over two years, approximately \$3.25 per mcf, discounted by B&S to repay Navitas refunding customers? |
| 11:43:02 AM | Atty Childers Johnson County/B&H | I - witness Rife |
| | Note: Sacre, Candace | If B&S required discount price of gas to Navitas, B&S able to operate? |
| 11:43:21 AM | Atty Childers Johnson County/B&H | • |
| 111 10121 / 11 | | Why not? |
| 11:43:43 AM | Atty Childers Johnson County/B&H | |
| 11110110711 | | Refund paid over ten years 65 cents mcf, B&S able operate? |
| 11:44:31 AM | Atty Childers Johnson County/B&H | |
| - | | Saying B&S could operate if discount on price of 65 cents mcf? |
| 11:45:05 AM | Atty Childers Johnson County/B&H | |
| | | Rate B&H charging customers? |
| 11:45:24 AM | Atty Childers Johnson County/B&H | • • |
| | Note: Sacre, Candace | With contract would raise \$2, accurate? |
| 11:46:06 AM | Atty Childers Johnson County/B&H | I - witness Rife |
| | Note: Sacre, Candace | System mapping, have maps of B&H and Johnson County? |
| 11:46:29 AM | Atty Childers Johnson County/B&H | I - witness Rife |
| | | Supply those in PDR? |
| 11:46:38 AM | Atty Childers Johnson County/B&H | I - witness Rife |
| | Note: Sacre, Candace | Rife share office space? |
| 11:46:45 AM | Atty Childers Johnson County/B&H | I - witness Rife |
| | Note: Sacre, Candace | Other companies owned Hall Stephens Hall share office space? |
| 11:47:00 AM | Atty Childers Johnson County/B&H | |
| | Note: Sacre, Candace | Intent after transfer to Navitas to use same office space for Rife |
| | | Construction, et cetera, Navitas leasing? |
| 11:47:26 AM | Atty Childers Johnson County/B&H | |
| | - | All questions I have. |
| 11:47:31 AM | Chairman Schmitt | |
| | Note: Sacre, Candace | Mr. Alexander? |
| 11:47:37 AM | Atty Alexander Navitas | N |
| 11.47.20 414 | Note: Sacre, Candace | No questions. |
| 11:47:39 AM | Chairman Schmitt | |
| 11.47.44 *** | Note: Sacre, Candace | Ms. Fell? |
| 11:47:44 AM | Staff Atty Fell PSC - witness Rife | Cross Evamination Managor Hall Stophone Hall? |
| 11:48:03 AM | Note: Sacre, Candace Staff Atty Fell PSC - witness Rife | Cross Examination. Manager Hall Stephens Hall? |
| | Note: Sacre, Candace | Plan to continue? |
| | | |

| 11:48:08 AM | Staff Atty Fell PSC - witness Rife | |
|---------------|------------------------------------|---|
| | Note: Sacre, Candace | Possibility stepping down? |
| 11:48:34 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Plan to step down as manager Hall Stephens Hall? |
| 11:48:44 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Hall Stephen Hall continue to transport gas? |
| 11:48:56 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Transport from B&S to B&H? |
| 11:49:04 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Aware of age of wells? |
| 11:49:18 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | B&S? |
| 11:49:35 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Do you know age of wells? |
| 11:49:44 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Both B&S and Hall Stephen Hall wells? |
| 11:49:55 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Estimate drilled in '30s or '40s solely B&S wells? |
| 11:50:05 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | How long expect be in production no less current capacity? |
| 11:50:25 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Maximum amount gas currently produce? |
| 11:50:45 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Producing as much as can at this point? |
| 11:50:53 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Don't expect any excess production? |
| 11:51:04 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | B&S supply concern for any reason? |
| 11:51:17 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Alternatives for B&H to be provided supply of gas? |
| 11:51:56 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Hall Stephen Hall supply, any concern? |
| 11:52:06 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Alternatives for Johnson County provided reliable source of gas? |
| 11:53:13 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Familiar with gas purchase contracts in record? |
| 11:53:22 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Under contract Hall Stephen Hall and Navitas supply to Johnson |
| | | County, aware whether figure based on Henry Hub or settlement? |
| 11:54:24 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Confirm contract price based on NYMEX? |
| 11:54:51 AM | Staff Atty Fell PSC - witness Rife | Courses used to obtain NIV/MEV puises? |
| 11.55.45 AM | Note: Sacre, Candace | Source used to obtain NYMEX prices? |
| 11:55:45 AM | Staff Atty Fell PSC - witness Rife | Contract rate DSC and Navitae intent contract rate identical |
| | Note: Sacre, Candace | Contract rate B&S and Navitas, intent contract rate identical approved in current B&H formula? |
| 11:56:43 AM | Staff Atty Fell PSC - witness Rife | |
| 11.30.43 AM | Note: Sacre, Candace | B&S and Navitas intent to provide \$2 markup? |
| 11:57:01 AM | Staff Atty Fell PSC - witness Rife | שמש מווע אמיונמש ווונפות נט פוטיועפ שב ווומוגעף: |
| 11.37.01 AM | Note: Sacre, Candace | Affects \$2 markup to ratepayers? |
| 11:58:04 AM | Staff Atty Fell PSC - witness Rife | |
| 11100101 ///1 | Note: Sacre, Candace | Current Johnson County GCA rate, confirm currently \$6 flat rate and |
| | | not formula rate? |

| 11:58:52 AM | Staff Atty Fell PSC - witness Rife | |
|-------------|------------------------------------|---|
| | Note: Sacre, Candace | If Commission approves proposal tie refund overcollection of funds, commit honor proposed plan discounted gas purchases from any gas supplier owned by you? |
| 11:59:31 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Aware pending case 2020-00122 similar overcollection Johnson County customers? |
| 11:59:55 AM | Staff Atty Fell PSC - witness Rife | |
| | Note: Sacre, Candace | Commit honor Navitas proposed plan discounted gas purchases from any owned/managed by you? |
| 12:02:32 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Mr. Alexander, Mr. Childers, data requests in writing. (Click on link for further comments.) |
| 12:04:09 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Ms. Fell? |
| 12:04:11 PM | Staff Atty Fell PSC | |
| | Note: Sacre, Candace | No further. |
| 12:04:13 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Commissioner Mathews? |
| 12:04:15 PM | Commissioner Mathews | |
| | Note: Sacre, Candace | No. |
| 12:04:33 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | I have no questions. Mr. Childers? |
| 12:04:52 PM | Atty Childers Johnson County/B& | H - witness Rife |
| | Note: Sacre, Candace | Redirect Examination. Hartline treat same as B&H, 65 cents per mcf; same applied Johnson County side, Hall Stephens Hall able continue operate discounting gas? |
| 12:05:50 PM | Atty Childers Johnson County/B& | H - witness Rife |
| | Note: Sacre, Candace | If Commission does find overcollection, Hall Stephens Hall discount by 65 cents mcf, Hall Stephens Hall live with? |
| 12:06:18 PM | Atty Childers Johnson County/B& | H |
| | Note: Sacre, Candace | All I have. |
| 12:06:21 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Mr. Alexander? |
| 12:06:29 PM | Atty Alexander Navitas | |
| | Note: Sacre, Candace | Not at this time, but procedural matter. |
| 12:06:45 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Go ahead. (Click on link for further comments.) |
| 12:08:49 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Data Requests March 22, response by Navitas and Rife on or before April 5. |
| 12:09:12 PM | Chairman Schmitt | |
| | Note: Sacre, Candace | Hearing adjourned. |
| 12:09:22 PM | Session Ended | |

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