

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO THE)	
FINANCIAL AND OPERATING CAPACITY OF)	CASE NO.
RATTLESNAKE RIDGE WATER DISTRICT)	2021-00340

NOTICE OF FILING

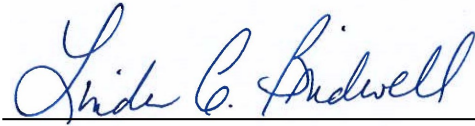
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on January 12, 2022 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- All exhibits introduced at the evidentiary hearing conducted on January 12, 2022 in this proceeding;
- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on January 12, 2022.

A copy of this Notice, the certification of the digital video record, and hearing log have been served upon all persons listed at the end of this Notice. Parties desiring to view the digital video recording of the hearing may do so at <https://youtu.be/kw3Sf6SuCrU>.

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 21st day of January 2022.

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

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RATTLESNAKE RIDGE WATER DISTRICT)	

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 January 12, 2022. The Formal Hearing Log, Exhibits, and Exhibit List are included with the recording on January 12, 2022;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of January 12, 2022; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of January 12, 2022, and the time at which each occurred.

Signed this 19th day of January, 2022.



Candace H. Sacre
Administrative Specialist III



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



Rattlesnake Ridge Water District (Rattlesnake Ridge District)

Date:	Type:	Location:	Department:
1/12/2022	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: David Gifford; Bill Gilbert; Becky Kitchen; Riley Sumner
 Judge: Marianne Butler; Amy Cabbage
 Clerk: Candace Sacre

Event Time	Log Event	
9:01:26 AM	Session Started	
9:01:33 AM	Vice Chairman Cabbage Note: Sacre, Candace	Good morning. We are on the record in Case No. 2021-00340, the Electronic Investigation into the Financial and Operating Capacity of Rattlesnake Ridge Water District.
9:01:45 AM	Vice Chairman Cabbage Note: Sacre, Candace	My name is Amy Cabbage, and I am Vice Chair of the Public Service Commission, and I will be presiding today. Joining me today is Commissioner Marianne Butler remotely. Chairman Kent Chandler will review the hearing as a part of the record in consideration of this matter.
9:02:00 AM	Vice Chairman Cabbage Note: Sacre, Candace	COVID and videoconferencing recommendations. (Click on link for further comments.)
9:03:35 AM	Vice Chairman Cabbage Note: Sacre, Candace	Again, the hearing today is for the purpose of taking evidence on the utility's sustained excess water loss and concerns about financial capacity.
9:03:43 AM	Vice Chairman Cabbage Note: Sacre, Candace	Appearance of counsel. (Click on link for further comments.)
9:03:58 AM	Atty Willis Rattlesnake Ridge District Note: Sacre, Candace	Derrick Willis, with me assistant manager David Gifford; board members Mike Copley, Steve Ison, Jason Carroll, Randy Steagall, Bill Gilbert; and engineer Riley Sumner.
9:04:35 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	Brittany Koenig and Moriah Tussey.
9:04:38 AM	Vice Chairman Cabbage Note: Sacre, Candace	Public notice. (Click on link for further comments.)
9:05:01 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	No outstanding motions, would ask map be entered at this time so parties could use that exhibit?
9:05:06 AM	Vice Chairman Cabbage Note: Sacre, Candace	Outstanding motions?
9:05:16 AM	Vice Chairman Cabbage Note: Sacre, Candace	Objection?
9:05:17 AM	Atty Willis Rattlesnake Ridge District Note: Sacre, Candace	No.
9:05:19 AM	Vice Chairman Cabbage Note: Sacre, Candace	That can be entered.
9:05:20 AM	PSC EXHIBIT 1 Note: Sacre, Candace	MAP OF RATTLESNAKE RIDGE WATER DISTRICT SERVICE AREA

9:05:27 AM	Vice Chairman Cabbage Note: Sacre, Candace	Public comments. (Click on link for further comments.)
9:06:09 AM	Vice Chairman Cabbage Note: Sacre, Candace	Call first witness?
9:06:13 AM	Atty Willis Rattlesnake Ridge District Note: Sacre, Candace	David Gifford.
9:06:21 AM	Vice Chairman Cabbage Note: Sacre, Candace	Witness is sworn.
9:06:30 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Examination. Name and address?
9:06:49 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Direct Examination. Please state your name?
9:06:53 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Position with district?
9:06:58 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	How long worked with district?
9:07:03 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	How long held title of assistant manager?
9:07:11 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Duties?
9:07:29 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Current manager?
9:07:33 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Here today?
9:07:41 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Testimony water loss and operations?
9:07:48 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Who responsible for financials?
9:07:54 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Scheduled to retire?
9:08:04 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Currently off work?
9:08:12 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	During transition, bifurcating duties operations and financials?
9:08:40 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Assistant manager/employed with district prior case 2019-00041?
9:08:52 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	With regard to water loss?
9:08:57 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	At time of case, what was district water loss?
9:09:09 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	After directives from Commission, what steps district take to reduce water loss?
9:09:30 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Current water loss?
9:09:42 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Two new employees, job duties?
9:10:04 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	After 2019-00041 case, district address water loss?
9:10:18 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	One directive, testing schedule all meters ten years old or older, undertake that?

9:10:55 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace District could have done better job communicating that to Commission?

9:11:07 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Not as if completely denied Commission directive?

9:11:13 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace When district hire two new employees?

9:11:25 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace If said just a matter of weeks/months after directives, accurate?

9:11:36 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace In addition to new employees, other measures?

9:12:23 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace As undergoes transition, intend use more resources?

9:12:35 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Appear to help (inaudible)?

9:12:46 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Water theft, policy?

9:12:55 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Suspect theft, what first do?

9:13:23 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Substantiate water loss, take to prosecutor?

9:13:30 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace District experience much water theft?

9:13:41 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Fire department usage, tariff in place?

9:13:52 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace What is policy?

9:14:10 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Informal conference last month?

9:14:16 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace After discussing, guidance and suggestions, take steps address that?

9:14:42 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace After 2019-00041 case, continue send documentation forms?

9:14:58 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace And they typically ignore?

9:15:07 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Looking into tariffs and amend those to best improve policy?

9:15:29 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace As transition, district do better job taking care of it?

9:15:36 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Tell us about geographic area live and work?

9:16:17 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace How affect ability to calculate or even find fire department usage?

9:16:32 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace In a very rural area, this water district?

9:16:35 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Have to witness putting out fire to determine usage?

9:16:45 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Think fire departments not followed up with district contributed to unaccounted water?

9:16:58 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Any way knowing how much?

9:17:28 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Terrain contribute to causing lines break?

9:17:46 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Cause pipe to move, buckle in different places?

9:17:54 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace When main lines installed, type of material district use?

9:18:09 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Not familiar with polybutylene, tell what those are and challenges that creates?

9:19:09 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Discussed difficulty and challenges with polybutylene, what steps district take improve on water loss?

9:19:49 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Project in motion for district, Phase 12 project?

9:20:08 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Explain what Phase 12 project consists of?

9:20:58 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace In addition to two employees added after 2019-00041 completed, almost immediately ready start Phase 12 project?

9:21:13 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace When expect bid Phase 12 project?

9:21:45 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Within one year after 2019-00041 case, expect Phase 12 project be completed/in progress?

9:22:06 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Expected progressing through 2020?

9:22:11 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Not even bid yet?

9:22:14 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace What some problems caused bidding process and everything else be delayed?

9:22:33 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Hate blame everything on COVID but have great impact?

9:22:49 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Lot of challenges since COVID and other factors beyond district control?

9:22:58 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Stated expect project just begin bidding next few months?

9:23:10 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Plans drawn?

9:23:20 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Engineer working tremendous amount of hours, planning, mapping, doing all?

9:23:40 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace District just receive substantial grants?

9:23:47 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Explain that?

9:24:06 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Actually have large checks?

9:24:08 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Another million dollars?

9:24:18 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Almost \$1.6 million?

9:24:26 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Be used to fund Phase 12 or something use in addition?

9:25:11 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Way doing now difficulty because delay determining production/output versus usage?

9:25:38 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Effect could be if reflected more water produced than through meters?

9:25:48 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Water not run through meters considered water loss?

9:26:06 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace What zone meter do?

9:26:29 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Isolate wherever loss occurring?

9:26:35 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace If isolate where occurring, what steps take?

9:27:00 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Something purchased after 2019-00041, listening devices?

9:27:13 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Purchased to address water loss?

9:27:17 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Service lines, what benefit?

9:28:03 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace How much main line anticipate be replaced Phase 12?

9:28:18 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Before assistant manager, job title?

9:28:29 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Worn many hats?

9:28:33 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace As future manager, experience allow you to help?

9:28:52 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Greatest hurdle for district at this time?

9:29:39 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Kinda changed morale?

9:29:41 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Other steps take reduce water loss and better communicate?

9:30:12 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Because you didn't know?

9:30:16 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Looks like district ignored Commission not turning in reports, ignoring Commission or just failing to file those?

9:30:43 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Largest problem that causes water loss?

9:31:23 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Supplemental responses filed in case, employees since 2019-00041 case fixed approximately 160 leaks?

9:31:42 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Drastic improvement than completed before case?

9:32:06 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace District reduced water loss by over ten percent?

9:32:24 AM Atty Willis Rattlesnake Ridge District - witness Gifford
Note: Sacre, Candace Anything believe helpful for Commission?

9:32:41 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Cross Examination. Testifying as representative for Willis Gilbert?

9:33:44 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	Gilbert responsible for most testimony in 2019-00041, Gifford account for that in absence. Staff not informed going to be absent. Hearing scheduled since October. Accept Gifford testimony?
9:34:32 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Qualified testify about time period Gilbert testified in 2019-00041?
9:34:51 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	With permission, will instruct witness, if not respond, refer Gilbert questions to Gifford.
9:35:04 AM	Vice Chairman Cubbage Note: Sacre, Candace	Have any problem with that? (Click on link for further comments.)
9:35:33 AM	Atty Willis Rattlesnake Ridge District Note: Sacre, Candace	Unaware until this morning. (Click on link for further comments.)
9:36:07 AM	Vice Chairman Cubbage Note: Sacre, Candace	Fair and appropriate, move forward, discuss Gilbert absence at end. (Click on link for further comments.)
9:36:31 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Cross Examination (cont'd). Clarify, also serving as manager with Gilbert?
9:36:48 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Present for 2019-00041 hearing in July 2019?
9:37:08 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Looks like everyone on board or employed now also present at hearing?
9:37:31 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Steve Ison not present, accountant or treasurer on board?
9:37:44 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Present today?
9:37:51 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Responsible helping with any responses in 2019-00041 or responses this case?
9:38:08 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Cost of production, covered in 2019-00041, stated cost of production \$2.50, recall?
9:38:30 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Discussion how developed, perhaps needed updated, been updated?
9:38:46 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	What cost of production is now?
9:39:17 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Is W.C. Willis or Bill?
9:39:29 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Bill Gilbert chairman?
9:39:35 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Brothers?
9:39:40 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Have any hand in presenting information to board at monthly meetings?
9:39:54 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Testimony board discusses analyzing cost benefit analysis, part of determination based on cost of production \$2.50, Gilbert testified presented to board, involved?
9:40:23 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Right now, present information to board?
9:40:31 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	In training, worked with Gilbert to do or sole responsibility now?

9:40:55 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace In 2019, what done since, where now and plans for future, at time of 2019-00041 hearing, utility meeting with consultant groups determine plan for water loss reduction, did that happen or choose firm?

9:42:11 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Due to COVID cancel meetings?

9:42:22 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace How many operators have right now?

9:42:36 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Counting Gilbert?

9:42:42 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Willis Gilbert not considered working for utility at moment?

9:42:56 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Taking vacation, out until then?

9:43:14 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace No longer making decisions?

9:43:23 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Gilbert certified operator, you are, and then another, and then two employees hired for leak detection?

9:43:50 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace How two leak detection employees trained?

9:44:15 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Performed internally?

9:44:23 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Responsible for 160 leaks found?

9:44:39 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Say performing well?

9:44:50 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Plans to put on path become certified operators?

9:45:03 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Not written policy in place how employees certified?

9:45:24 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Have to meet standards by having at least one certified?

9:45:35 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace How employees find out requirements, regulations?

9:46:33 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Tariff contract with public, communication with employees, submitted several policies and changes after 2019-00041 order, area for improvement?

9:47:03 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Fire department situation, discussed in 2019-00041 in July 2019, serve three counties or five counties?

9:47:38 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Includes seven volunteer fire departments?

9:47:48 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Out of seven, only one at one period of time filing required reports?

9:48:02 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Policy going to change, anything happened, any progress relationship with fire departments?

9:48:48 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace \$100 fine for not reporting, already in tariff?

9:49:11 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Issue with fire department filling up swimming pools and charging, continued since 2019?

9:49:44 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Area focus on for future?

9:49:56 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Money in 2019 spent on line breaks, recall?

9:50:08 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Progress in that area, how much spent this year repairing line breaks?

9:50:26 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Big problem for district?

9:50:51 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Asking about line breaks 8-1-1 digging, discussion not charging responsible party, aware of issue?

9:51:50 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Not aware that is large issue?

9:52:04 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Not in \$800,000 range like in 2019?

9:52:18 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Meter replacement progress, hope address Phase 12 project?

9:52:35 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace How many meters need be replaced?

9:52:57 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Update meters, not because not working, so radio read, why replacing?

9:53:44 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Sumner Bluegrass Engineering project leader on that?

9:54:00 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Been consulting utility since 2019 or before?

9:54:11 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Available for testifying?

9:54:24 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Sumner advise you at board meetings or meet regularly, how work with him?

9:55:08 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Responsible for filing annual report?

9:55:17 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Gilbert's responsibility?

9:56:22 AM Vice Chairman Cabbage
Note: Sacre, Candace Recess until ten after.

9:56:40 AM Session Paused

10:11:58 AM Session Resumed

10:12:03 AM Vice Chairman Cabbage
Note: Sacre, Candace Back on the record in Case No. 2019-00041.

10:12:28 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Cross Examination (cont'd). Who responsible for annual report, Gilbert before but going to be you, at December IC provided 2020 audit report, correct?

10:12:56 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Reviewed that audit?

10:13:04 AM Asst Gen Counsel Koenig PSC - witness Gifford
Note: Sacre, Candace Net losses, understand what talking about?

10:13:13 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Informal conference, Staff questions, based on annual report and audits, utility experienced losses for last few years, explain how operate with net losses for several years now?
10:13:56 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Based on what, accountant or auditor advising you or board?
10:14:10 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Who is accountant?
10:14:19 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	How long been accountant?
10:14:30 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Was in 2019?
10:14:37 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Gilbert testified felt utility doing better, money into short-lived asset fund, in charge of putting money in funds?
10:15:04 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Performed business like that yet?
10:15:25 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Not able speak to using depreciation funds or what funds operating on?
10:15:38 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Kitchen able to speak to that?
10:15:56 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Before break, map of system, agree accurate?
10:16:13 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Professional engineer with degree, consultant with PSC based on WRIS system, developed for this hearing, stated service territory covers five counties?
10:16:51 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Part of new project discussed extending service lines?
10:17:03 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Indicated in green?
10:17:18 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	How many customers line will serve?
10:17:33 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Twenty-five?
10:17:42 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Discussed in 2019 hearing, direct testimony stated originally thought would be bid out quicker and progress quicker, same 25 receive service in 2019?
10:18:15 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Paid tap-on fees?
10:18:27 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Service area and map, testimony at 2019 hearing several projects extend lines in recent years, not been project to repair/maintain main line but only to extend service line?
10:18:58 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Discussion about one service line given as example, loan in excess of \$800,000 and served three customers, recall?
10:19:26 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Problem with extending service lines to customers in number not able to make up cost?
10:20:10 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Attribute financial troubles to utility assuming cost extend service line to customers not able pay cost of line?

10:20:51 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Feel grant money and not loans from RD or loans utility responsible for now?
10:21:11 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Situation few customers near Grayson territory and long discussion whether district ask Grayson take customers on end so not expend money keep service line maintained and keep customers in service, discussion ended Gilbert saying consider that, know what has progressed in that regard?
10:22:21 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Several lines extend out to other counties maybe option consider, more efficient, savings to utility?
10:22:55 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Also not been discussion?
10:23:02 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Near a purchase point on map marked in red?
10:23:33 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Know why?
10:24:00 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Think good policy consider as option in future?
10:24:17 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Three customers revenue for utility, analysis how much cost utility to provide those customers water and how much getting for those three customers?
10:24:46 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Several issues Staff asking what has been developed, policy, anything written down, recall?
10:25:15 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	That was going to be developed, want to note those areas that could use a good policy?
10:25:53 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Acknowledge in preparation and in consultation, Inspection Staff felt utility has gotten better, improving, note that, fair assessment have big service territory, got out of hand for a while?
10:27:03 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Testified earlier feel things be different as become manager and take on responsibilities, elaborate, communications, with Commission or internally or with board?
10:28:10 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Analysis/discussion, point person at most recent board meetings or former manager?
10:28:32 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Attended board meetings?
10:28:36 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Discussion taken place as far as filing rate case, last in 2013, discussed at 2019 hearing, what analysis has occurred as far as filing new rate case?
10:30:16 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Say lot of focus Phase 12 project since 2019-00041?
10:30:40 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Utility not stop there, hired two leak focused employees, doing other things, a lot put into Phase 12 project?
10:31:13 AM	Asst Gen Counsel Koenig PSC - witness Gifford Note: Sacre, Candace	Zone meters, included in Phase 12 project?

10:31:47 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Examination. Start with map, topic not covered, selling points in green, purchase points in red, where currently purchasing/selling water, purchasing from Grayson?
10:32:40 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Any plans to purchase in future?
10:32:47 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Sales in green, emergency Big Sandy Water District, currently emergency sales to Big Sandy?
10:33:13 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	How rates set with Big Sandy?
10:33:20 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Last time rate revisited?
10:33:33 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Sandy Hook emergency or monthly?
10:33:43 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Also set by contract?
10:33:51 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Vanceburg Water, recurring sale?
10:34:23 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Meters and replacement planned, Phase 12 proposing replace all meters with radio-read meters?
10:34:43 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	How many meters in place?
10:34:50 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	How many active with customer?
10:35:02 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	How many inactive?
10:35:17 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	As far as how go about replacing, plan how be staged?
10:35:52 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Areas determined by where biggest water loss, how deciding which ones do first?
10:36:27 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	When district deciding move to radio-read, cost benefit analysis in writing move to those meters instead of traditional?
10:36:53 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Two new employees good job finding leaks, finding and fixing, documenting all repair in writing?
10:37:18 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Phase 12 delayed, new estimate how much cost and grant money cover?
10:38:02 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	If grant money not cover, plan to pay for it?
10:38:20 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Water loss huge issue, controlling it help district avoid rate increases, have in your mind what reasonable water loss rate would be for district?
10:38:58 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Think get down in 20s?
10:39:10 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Which is great improvement?
10:39:15 AM	Vice Chairman Cubbage - witness Gifford Note: Sacre, Candace	Have zone meters now or all be new?

10:39:28 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Communication issues, wanting to improve internally and with PSC, monthly water loss reports, all up to date?
10:40:02 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Things like that didn't know, written procedures in place, monthly checklist, someone else knows what to file?
10:40:50 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Planning on putting all in writing in manual?
10:41:02 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Recommend that. Communications you and board of commissioners, how that work, how often talk to commissioners?
10:42:12 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Who sets board agenda?
10:42:26 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Know how agenda decided?
10:42:41 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Know if got something from PSC automatically sent to commissioners?
10:43:00 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Might help?
10:43:34 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Transition of financials, Kitchen handling those?
10:43:50 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Gilbert train her before leave?
10:44:16 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	You also learning financials so know what going on as manager?
10:44:29 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Encourage you get things in writing make sure know everything needs be done each month?
10:44:59 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Water line extensions last few years, one planned Phase 12, board approve those?
10:45:21 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Help understand how project come up start to finish?
10:46:17 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Tap fees, put in escrow account until person gets service?
10:46:28 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Once user agreement, presented board for approval?
10:46:58 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Only analysis that's done engineering analysis or financial analysis done?
10:47:20 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Who is engineer, contract with?
10:47:30 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Talking about same people?
10:47:43 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	Once done with Phase 12, current rates enough to support maintenance of all system?
10:48:35 AM	Vice Chairman Cabbage - witness Gifford Note: Sacre, Candace	With revenues coming up, customers prepared for increased bills?
10:49:12 AM	Vice Chairman Cabbage Note: Sacre, Candace	Questions?
10:49:30 AM	Vice Chairman Cabbage Note: Sacre, Candace	Redirect?

10:49:54 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Redirect Examination. Following 2019-00041 case, update district safety meeting logs and safety manuals?
10:50:23 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Issue Commission addressed property damage, follow up and comply with directive?
10:50:52 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	Property damage PSC Staff touched on something discussed in 2019-00041 case?
10:51:07 AM	Atty Willis Rattlesnake Ridge District - witness Gifford Note: Sacre, Candace	As well as safety meetings, logs, and manual?
10:51:17 AM	Vice Chairman Cabbage Note: Sacre, Candace	Questions?
10:51:40 AM	Vice Chairman Cabbage Note: Sacre, Candace	Next witness?
10:51:43 AM	Atty Willis Rattlesnake Ridge District Note: Sacre, Candace	Riley Sumner.
10:51:52 AM	Vice Chairman Cabbage Note: Sacre, Candace	Witness is sworn.
10:52:04 AM	Vice Chairman Cabbage - witness Sumner Note: Sacre, Candace	Examination. Name and address?
10:52:23 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Direct Examination. Name of business?
10:52:33 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Bluegrass perform work for district?
10:52:36 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	How long?
10:53:04 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Responsible for obtaining and completion of Phase 12?
10:53:16 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Expand on Phase 12 project?
10:53:53 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Believe district made great progress tackling water loss?
10:54:31 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	When was Phase 12 project (inaudible)?
10:56:19 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	How much money expect through grants and procurement efforts?
10:56:49 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	How much project cost?
10:57:46 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Any job duties related to advising district financially?
10:58:46 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Lot of work with water districts?
10:59:01 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Attended nearly all meetings since 2019-00041 case?
10:59:41 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Board discuss water loss every meeting?
11:00:03 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	What steps referring to?
11:01:00 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	How Rattlesnake Ridge compare other districts?
11:01:55 AM	Atty Willis Rattlesnake Ridge District - witness Sumner Note: Sacre, Candace	Area is more remote and distance between customers, create more difficulty locating leaks?

11:02:31 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace Believe greatest difficulties Rattlesnake Ridge has problems with infrastructure/other factors beyond control versus competence of guys in field?

11:03:30 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace District undergoing changes, what difference between district now versus when first began?

11:04:15 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace Worked closely with Gifford and Kitchen?

11:04:21 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace Believe will do good job in future?

11:04:39 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace Regards COVIC, ice storms, floods, district still managed to greatly reduce water loss?

11:05:18 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace Anything did not ask or Gifford not address think helpful?

11:05:37 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace What about actual district have seen changing, anything comment on?

11:07:16 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace After 2019-00041, change in maintenance, continues to be change, also really good crew on outside?

11:08:04 AM Atty Willis Rattlesnake Ridge District - witness Sumner
Note: Sacre, Candace Seem to be good morale, everyone gets along?

11:08:44 AM Vice Chairman Cubbage
Note: Sacre, Candace Recess ten minutes, come back at 11:20.

11:09:09 AM Session Paused

11:20:59 AM Session Resumed

11:21:03 AM Vice Chairman Cubbage
Note: Sacre, Candace Back on the record.

11:21:22 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Cross Examination. Phase 12 project, district have hydraulic model?

11:21:35 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Did you develop it?

11:21:41 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Know when last calibrated with field data?

11:22:00 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Know if used in design of Phase 12?

11:22:18 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Standard procedure contract manager not engineer?

11:22:39 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Not engineer, also have someone in office does financial analysis?

11:22:50 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Know how depreciation treated in summary addendum treated for RD?

11:23:18 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace You said Paul, is he available, who is Paul?

11:23:39 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Paul who?

11:23:43 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Accountant?

11:23:56 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace How project presented to utility, financial analysis, something presented by engineering firm or Bluegrass Engineering assume utility doing that analysis?

11:25:16 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Who was that?

11:25:41 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace They came up with idea, looked at system meters, water loss, service lines, utility generated idea and sought assistance to develop project?

11:26:34 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Mentioned in testimony 2019-00041 project, already developed before 00041 investigation?

11:27:09 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace When testimony going to do new project, not this project?

11:27:30 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace July 2019 hearing, present for that or know anything about?

11:27:40 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Not know about Order, not read this or investigative report?

11:27:50 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Phase 12 not developed in response of 2019-00041?

11:28:12 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Zone meters and water loss part of, utility moved forward with Phase 12 and put those elements in?

11:28:31 AM Asst Gen Counsel Koenig PSC - witness Sumner
Note: Sacre, Candace Talked to you about requirements for 2019-00041 but just going off of it from independent standpoint addressing water loss in general?

11:29:05 AM Vice Chairman Cabbage
Note: Sacre, Candace Questions?

11:29:24 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace Examination. Current cost estimate for entire project today?

11:30:56 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace When said being approximately 55 percent grant funded, today's dollars or back in 2019-2020?

11:31:42 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace 55 percent based upon the 3.7?

11:31:51 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace Know if Paul Reynolds did analysis on effect project have on future rates as far as maintenance in calculating this?

11:32:36 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace May be in attachment to RD application?

11:33:02 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace If no cost estimates or no current analysis, how evaluate bids when come in?

11:33:41 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace When bids come in, comparing against current pricing?

11:33:57 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace Phase-in of new meters, how determined, one making recommendations what first, what next?

11:35:26 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace As far as which goes first, prioritizing oldest most water loss?

11:35:55 AM Vice Chairman Cabbage - witness Sumner
Note: Sacre, Candace If ask you for recommendation where think start, where you recommend?

11:36:02 AM	Vice Chairman Cabbage - witness Sumner Note: Sacre, Candace	Service lines first, then meters?
11:36:47 AM	Vice Chairman Cabbage Note: Sacre, Candace	Redirect?
11:36:56 AM	Vice Chairman Cabbage Note: Sacre, Candace	Witness excused.
11:37:03 AM	Vice Chairman Cabbage Note: Sacre, Candace	Next witness?
11:37:06 AM	Atty Willis Rattlesnake Ridge District Note: Sacre, Candace	Bill Gilbert.
11:37:31 AM	Vice Chairman Cabbage Note: Sacre, Candace	Witness is sworn.
11:37:42 AM	Vice Chairman Cabbage - witness Gilbert Note: Sacre, Candace	Examination. Name and address?
11:37:57 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Direct Examination. Current title?
11:38:05 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	How long chairman?
11:38:10 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	How long on board?
11:38:14 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Since inception of Rattlesnake Ridge?
11:38:20 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Present for 2019-00041 hearing?
11:38:26 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	What steps taken since 2019-00041 hearing to address water loss?
11:39:13 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	True 160 leaks detected since hearing?
11:39:35 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Two new employees, what other steps taken?
11:40:08 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Water loss attributable to slow meters?
11:40:41 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Does district discuss steps taken to reduce water loss at each monthly meeting?
11:40:56 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Since 2019, been one of district's primary goals to reduce water loss?
11:41:23 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Think district better address water loss after project?
11:41:52 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	When district entered into sales purchase contract with Big Sandy?
11:42:07 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Rate remained same?
11:42:16 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Something else district does, keep an eye on financial status?
11:42:24 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Other steps district taken to improve financial status?
11:42:40 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	No way of knowing but believe Phase 12 detect more water loss and increase revenue?
11:43:18 AM	Atty Willis Rattlesnake Ridge District - witness Gilbert Note: Sacre, Candace	Leaking service lines, think partially due to material and type line installed?

11:43:47 AM Atty Willis Rattlesnake Ridge District - witness Gilbert
Note: Sacre, Candace Small leaks more difficult in that line than another type line?

11:44:06 AM Atty Willis Rattlesnake Ridge District - witness Gilbert
Note: Sacre, Candace Has district continued contact fire departments and request information?

11:44:27 AM Atty Willis Rattlesnake Ridge District - witness Gilbert
Note: Sacre, Candace In addition to contacting fire departments, Gifford addressed change tariff?

11:44:56 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Cross Examination. Talking about blue line, also type of piping referred to as Blue Max?

11:45:25 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Something different?

11:45:50 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Been similar reports other utilities trouble with Blue Max line, two engineering firms worked on project, not use any more, switched to Bluegrass Engineering?

11:46:35 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Testified in July 2019, utility asked set three priorities felt top projects needed to happen put back on better footing, submitted service line number one, second meter change-out, upgrade telemetry, those same priorities, how list priorities now?

11:47:46 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace What about tank overflows?

11:47:57 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Been addressed?

11:48:20 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Agree with recommendations PSC made in 2019-00041 case?

11:48:38 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Specifically, Nov 22 2019 Order ordered district comply with several items listed, zone metering, additional resources and assessments, recall Order?

11:49:21 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Feel like better off now than in 2019?

11:49:42 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Have exact water loss right now, just monthly water loss or average from 2021?

11:50:09 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Know water loss for 2021?

11:50:19 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Which month was the 40 percent water loss?

11:50:35 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace How board assess finances of utility, what take into analysis?

11:50:53 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Report given by manager is what board looks at to determine how doing financially?

11:51:13 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Last hearing, discussion \$650 payment to accountant, any change to that, same accountant, under contract or how relationship?

11:51:51 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Something did in response, look at relationships, financial analysis done from what manager provide, accountant provide monthly update?

11:52:25 AM Asst Gen Counsel Koenig PSC - witness Gilbert
Note: Sacre, Candace Provide to manager and manager supplies it?

11:52:51 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Gifford, losses reported for several years, know how maintain operations?
11:53:30 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Repeat, caught every other word, saying loss due to depreciation?
11:54:00 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Using money out of depreciation to keep utility running?
11:54:12 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	It is there as a figure?
11:54:28 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Have been reporting loss last several years, Willis Gilbert testified utility doing better, submitting \$500,000 into short-lived asset fund, not able fund depreciation previously, still contributing?
11:55:22 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Portion had to ask permission to use, but Doug Hoff from RD advised contribute to depreciation funds, are reporting losses every year, just using funds that would have gone to depreciation to keep utility running?
11:55:57 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Not quite sure?
11:56:18 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	What analysis to see if rates sufficient and how compares to financial situation?
11:56:47 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	As part of loan, RD determined rates needed be increased to make debt payment?
11:57:04 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Sumner, utility knew system better what needed, presented to Bluegrass Engineering what wanted to do, then he developed project, doing financial assessment whether can afford project or someone else doing assessment?
11:57:44 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Recall discussion at IC about depreciation RD includes in loans different than what PSC assesses in base rate cases?
11:58:10 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Withdraw question. Board discussed rate sufficiency and discussed new rate case?
11:58:41 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Saying across-the-board rate increase, RD assessed project suggested across-the-board rate increase but different than base rate case?
11:59:00 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Different assessment, RD not looking at utility assets and maintenance requirements and system requirements for depreciation, different analysis?
11:59:46 AM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Discussion happened last hearing, whether assessment in system when just few customers on line or customers near another territory, board do analysis another utility take customers versus spending money to get water to those customers?
12:00:33 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Board not done that, be your responsibility make those choices and make assessment?

12:00:50 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Valid point of inquiry considering loans to extend service lines for very few customers, those rates never able pay enough to pay off loan?
12:01:36 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Do what engineer tells you on that?
12:01:56 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	When refer to engineer, who is engineer?
12:02:12 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Somebody else does analysis?
12:02:24 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Not an engineer, project manager does analysis?
12:02:48 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Plan for Phase 12, develop plan for Phase 12 with board and manager?
12:03:18 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Going forward, plan is Phase 12 will progress, two leak employees, new manager, what is your term on the board, same board makeup for a while?
12:03:53 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Don't know about terms?
12:03:59 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Same board makeup as in 2019?
12:04:10 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	One new one?
12:04:12 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Five board members?
12:04:19 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Staggered terms, brother retired, new manager, Kitchen take on financial, correct?
12:04:43 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	Board approved all hiring changes?
12:04:52 PM	Asst Gen Counsel Koenig PSC - witness Gilbert Note: Sacre, Candace	How assess communication with management?
12:05:18 PM	Vice Chairman Cabbage Note: Sacre, Candace	Questions?
12:05:23 PM	Commissioner Butler - witness Gilbert Note: Sacre, Candace	Examination. Said readjusted rates with Big Sandy last year?
12:05:43 PM	Commissioner Butler - witness Gilbert Note: Sacre, Candace	Go through Commission on that, let know had a rate adjustment with them?
12:05:49 PM	Vice Chairman Cabbage - witness Gilbert Note: Sacre, Candace	Examination. How board supervise staff?
12:06:40 PM	Vice Chairman Cabbage - witness Gilbert Note: Sacre, Candace	Ever ask and do spot checks monthly reports filed with PSC?
12:06:53 PM	Vice Chairman Cabbage Note: Sacre, Candace	Failure to file is how we got here, good thing to do make sure all moving forward, commend you for working hard. (Click on link for further comments.)
12:07:44 PM	Vice Chairman Cabbage Note: Sacre, Candace	Redirect?
12:07:51 PM	Vice Chairman Cabbage Note: Sacre, Candace	Witness excused.

12:07:56 PM	Vice Chairman Cubbage Note: Sacre, Candace	Other witnesses?
12:08:05 PM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	Possible for Kitchen to testify? (Click on link for further comments.)
12:09:06 PM	Vice Chairman Cubbage Note: Sacre, Candace	Recess till 12:15.
12:09:25 PM	Session Paused	
12:15:42 PM	Session Resumed	
12:15:52 PM	Vice Chairman Cubbage Note: Sacre, Candace	Back on the record.
12:16:00 PM	Vice Chairman Cubbage Note: Sacre, Candace	Witness is sworn.
12:16:11 PM	Vice Chairman Cubbage - witness Kitchen Note: Sacre, Candace	Examination. Name and address?
12:16:29 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Direct Examination. How long worked for district?
12:16:44 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Always office manager?
12:17:03 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Describe duties be after Feb 1 2022?
12:17:39 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Interface between utility and accountant?
12:17:52 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Gifford responsible filing annual report, work with him?
12:18:08 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Give recommendations as far as rates sufficient, financial trouble?
12:18:53 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Only internal control as far as duplication, you two only ones handling money in and out?
12:19:14 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Have job descriptions written anywhere?
12:19:42 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Yearly budget?
12:19:49 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Capital improvement plan or infrastructure plan?
12:20:02 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Involved in planning for Phase 12 project?
12:20:10 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Know how finances assessed?
12:20:24 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Never seen a budget, not prepared for monthly meetings for board?
12:20:54 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Willis Gilbert advise you of training, when start and when stopped?
12:21:21 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Education background and work history?
12:21:37 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	Education history?
12:21:48 PM	Asst Gen Counsel Koenig PSC - witness Kitchen Note: Sacre, Candace	In business?
12:22:09 PM	Vice Chairman Cubbage Note: Sacre, Candace	Questions?
12:22:14 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	Cross Examination. Change in management change in distribution of duties?

12:22:28 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	Going over finances?
12:22:32 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	David unavailable, be able step in and take over?
12:22:55 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	Believe with change in management improved communications what job duties are?
12:23:10 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	More checks and balances?
12:23:20 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	Board more involved monthly reports and budget?
12:23:27 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	One of issues discussed in 2019-00041 late payments and cutoffs, started to implement/develop new policy for that?
12:23:51 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	Began to review tariffs and prepare discuss with board and make necessary changes?
12:24:10 PM	Atty Willis Rattlesnake Ridge District - witness Kitchen Note: Sacre, Candace	Anything like to tell Commission or Staff?
12:24:40 PM	Vice Chairman Cabbage Note: Sacre, Candace	Questions?
12:24:44 PM	Commissioner Butler Note: Sacre, Candace	As start pulling together HR policy, manuals, reach out to Ky Rural Water. (Click on link for further comments.)
12:25:22 PM	Vice Chairman Cabbage Note: Sacre, Candace	Witness excused.
12:25:29 PM	Vice Chairman Cabbage Note: Sacre, Candace	Further witnesses?
12:25:56 PM	Vice Chairman Cabbage Note: Sacre, Candace	Other motions? (Click on link for further comments.)
12:26:27 PM	Vice Chairman Cabbage Note: Sacre, Candace	Post-hearing data requests. (Click on link for further comments.)
12:30:16 PM	Vice Chairman Cabbage Note: Sacre, Candace	Procedural schedule. (Click on link for further comments.)
12:30:42 PM	Vice Chairman Cabbage Note: Sacre, Candace	Anything else?
12:30:50 PM	Vice Chairman Cabbage Note: Sacre, Candace	Hearing adjourned.
12:31:02 PM	Session Ended	



Exhibit List Report

2021-00340 12Jan2022

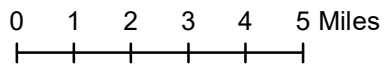
**Rattlesnake Ridge Water District
(Rattlesnake Ridge District)**

Name:**Description:**

PSC EXHIBIT 1

MAP OF RATTLESNAKE RIDGE WATER DISTRICT SERVICE AREA

CASE 2021-00340: ELECTRONIC INVESTIGATION INTO THE FINANCIAL AND OPERATING CAPACITY OF RATTLESNAKE RIDGE WATER DISTRICT

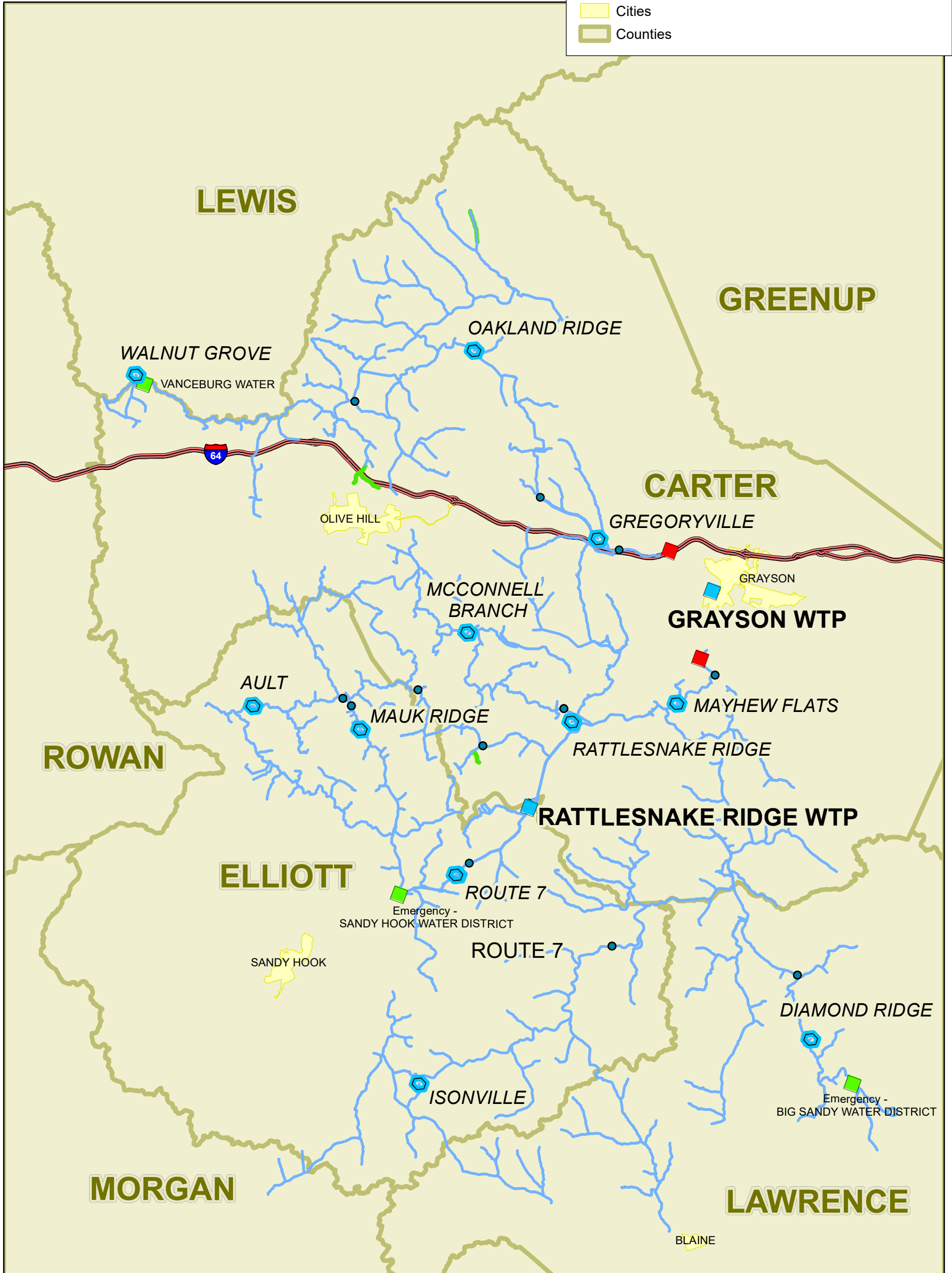


Data from the Water Reesource Information System

January 5, 2022



- Water Treatment Plants Serving Rattlesnake Ridge
- ⬢ Rattlesnake Ridge WD Water Tanks
- Rattlesnake Ridge WD Selling Point
- Rattlesnake Ridge WD Purchase Point
- RATTLESNAKE RIDGE WATER DISTRICT
- Proposed Water Extensions
- WX21043047
- Interstates
- Cities
- Counties



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