

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO)	
WHOLESALE WATER RATES CHARGED BY THE)	
CITY OF CARLISLE TO SHARPSBURG WATER)	CASE NO.
DISTRICT AND NICHOLAS COUNTY WATER)	2021-00382
DISTRICT PURSUANT TO KRS 278.200, KRS)	
278.160, KRS 278.180, KRS 278.190 AND 807)	
KAR 5:011)	

NOTICE OF FILING

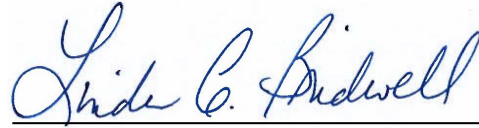
Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on December 17, 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 December 17, 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/L9b6BgEfNqw>.

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 13th day of January 2022.



Linda C. Bridwell
Executive Director
Public Service Commission of Kentucky

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION INTO)
WHOLESALE WATER RATES CHARGED BY)
THE CITY OF CARLISLE TO SHARPSBURG) CASE NO.
WATER DISTRICT AND NICHOLAS COUNTY) 2021-00382
WATER DISTRICT PURSUANT TO KRS 278.200,)
KRS 278.160, KRS 278.180, KRS 278.190 AND)
807 KAR 5:011)

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 December 17, 2021. The Formal Hearing Log is included with the recording on December 17, 2021;
2. I am responsible for the preparation of the digital recording;
3. The digital recording accurately and correctly depicts the Formal Hearing of December 17, 2021; and
4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of December 17, 2021, and the time at which each occurred.

Signed this 11th day of January, 2022.



Candace H. Sacre
Administrative Specialist III



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



City of Carlisle (Carlisle), Nicholas County Water District (Nicholas District), and Sharpsburg Water District (Sharpsburg District)

Date:	Type:	Location:	Department:
12/17/2021	Public Hearing\Public Comments	Hearing Room 1	Hearing Room 1 (HR 1)

Witness: Ronnie Clark; Gayle Haney; Ricky Moore; Monica Pryor
 Judge: Marianne Butler; Kent Chandler; Amy Cabbage
 Clerk: Candace Sacre

Event Time	Log Event	
9:38:42 AM	Session Started	
9:39:24 AM	Video Conference Activated	
9:39:41 AM	Chairman Chandler Note: Sacre, Candace	Good morning, we are on the record in 2021-00382, Electronic Investigation into Wholesale Water Rates Charged by the City of Carlisle to Sharpsburg Water District and Nicholas County Water District pursuant to KRS 278.200, KRS 278.160, KRS 278.180, KRS 278.190, and 807 KAR 5:011.
9:40:09 AM	Chairman Chandler Note: Sacre, Candace	My name is Kent Chandler. I am Chairman of the Kentucky Public Service Commission. I am joined today virtually by Commission Vice Chair Amy Cabbage and Commissioner Marianne Butler.
9:40:19 AM	Chairman Chandler Note: Sacre, Candace	COVID and videoconferencing recommendations. (Click on link for further comments.)
9:41:30 AM	Chairman Chandler Note: Sacre, Candace	The hearing today is for the purpose of taking evidence on the wholesale water rates charged by the City of Carlisle to Sharpsburg Water District and Nicholas County Water District.
9:41:40 AM	Chairman Chandler Note: Sacre, Candace	Appearance of counsel. (Click on link for further comments.)
9:42:02 AM	Atty Watson Carlisle Note: Sacre, Candace	Henry Watson, with me Mayor Clark as well as Ricky Moore.
9:43:12 AM	Atty Rogers Sharpsburg District Note: Sacre, Candace	Earl Rogers, on call Gayle Haney.
9:43:27 AM	Atty Talley Nicholas District Note: Sacre, Candace	Damon Talley, Silas Cleaver is on and Monica Pryor and all commissioners there.
9:44:21 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	Brittany Koenig, and Justin Young, remotely.
9:44:34 AM	Chairman Chandler Note: Sacre, Candace	Public notice. (Click on link for further comments.)
9:45:18 AM	Chairman Chandler Note: Sacre, Candace	Outstanding motions. (Click on link for further comments.)
9:45:41 AM	Chairman Chandler Note: Sacre, Candace	Any motions before hearing? (Click on link for further comments.)
9:51:12 AM	Chairman Chandler Note: Sacre, Candace	Mr. Watson, something to address before hearing?

9:51:26 AM	Atty Watson Carlisle Note: Sacre, Candace	What brought us here is filing of tariff by City of Carlisle. The water rates in that tariff agreed to in meeting with Nicholas County Water District, and City of Sharpsburg Water District filed pleading in this matter, saying not object to tariff. (Click on link for further comments.)
9:52:09 AM	Chairman Chandler Note: Sacre, Candace	Position on proposal? (Click on link for further comments.)
9:52:20 AM	Atty Rogers Sharpsburg District Note: Sacre, Candace	No objection to revised tariff, only issues billing occurred prior to new rate and tariff, ask be refunded amount of \$1600.
9:52:46 AM	Atty Talley Nicholas District Note: Sacre, Candace	Nicholas Water District no objection new rate, \$2.02 fair and reasonable. (Click on link for further comments.)
9:53:22 AM	Chairman Chandler Note: Sacre, Candace	Deny request. (Click on link for further comments.)
9:54:46 AM	Atty Watson Carlisle Note: Sacre, Candace	What like to do in terms of what consider nonissue. Mr. Rogers second point, overcharge, in pleading stipulate rate charged Sharpsburg District pursuant to city ordinance. (Click on link for further comments.)
9:56:14 AM	Chairman Chandler Note: Sacre, Candace	Part of what seeking at hearing today, when rate into effect, how long in effect, rate is today, will take up in examination of witnesses.
9:56:42 AM	Chairman Chandler Note: Sacre, Candace	Public comments. (Click on link for further comments.)
9:57:12 AM	Chairman Chandler Note: Sacre, Candace	Call first witness?
9:58:12 AM	Atty Watson Carlisle Note: Sacre, Candace	Mr. Mayor.
9:58:16 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
9:58:26 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Examination. Name and address?
9:59:19 AM	Atty Watson Carlisle - witness Clark Note: Sacre, Candace	Direct Examination. Explain how long been mayor, share where are at this point?
10:05:48 AM	Atty Watson Carlisle - witness Clark Note: Sacre, Candace	In terms of when cost of living increase applied to Sharpsburg District, when started?
10:07:59 AM	Chairman Chandler Note: Sacre, Candace	Additional questions? (Click on link for further comments.)
10:09:31 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:09:57 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Cross Examination. Been with City 17 years, tell us what have done for City during time period?
10:15:15 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	1989 and 1993 water purchase agreements relatively similar, correct?
10:16:31 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Examination. Have copy 1993 agreement?
10:16:54 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Go to Section 5 of agreement?

10:17:23 AM	Chairman Chandler Note: Sacre, Candace	Provide Section 5 to Mayor? (Click on link for further comments.)
10:17:56 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	See that, Mayor?
10:18:27 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Keep reading, a little more?
10:18:52 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Any increase or decrease in rates, see that?
10:19:28 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Demonstrate increase put through in July by ordinance had exact same increase in cost of production of finished water?
10:20:06 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Different thing, ordinance what saying about entirety of system, asking for can show with financials increase put through in July is exact increase in the cost of production of finished water in accordance with agreement?
10:21:10 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Type of information Commission seeking in data requests, financials support proposed increase, review?
10:21:40 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Cross Examination (cont'd). Any time raise rates to residential clients also raise to wholesale clients?
10:22:29 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Said first cost of living increase, other increases wholesale clients since 1989 or 1993 agreement?
10:23:04 AM	Atty Watson Carlisle Note: Sacre, Candace	Appendix C to initiating order changed only tariff City ever filed with PSC. (Click on link for further comments.)
10:24:37 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	When make rate changes wholesale customers, always ordinances or any other way City raise rates?
10:25:01 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Able to provide that through data request history of all ordinances changed rates to wholesale clients?
10:25:10 AM	Atty Watson Carlisle Note: Sacre, Candace	Probably. That's a good question. (Click on link for further comments.)
10:25:11 AM	POST-HEARING DATA REQUEST Note: Sacre, Candace Note: Sacre, Candace	STAFF ATTY YOUNG PSC - WITNESS CLARK HISTORY OF ORDINANCES WHICH CHANGED RATES TO WHOLESALE CLIENTS
10:26:00 AM	Atty Watson Carlisle Note: Sacre, Candace	Attempt to answer in data request. In process of negotiating cost of service study with engineering firm. (Click on link for further comments.)
10:26:53 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	On 1989 and 1993 agreements, rates a little different, time period cause difference, consistently charge all wholesale customers exact same amounts or ever be reason between Sharpsburg and Nicholas County be charged different?
10:27:35 AM	Atty Watson Carlisle Note: Sacre, Candace	Not sure Mayor caught essence of question. (Click on link for further comments.)

10:27:54 AM	Staff Atty Young PSC Note: Sacre, Candace	All was wondering, differences in two contracts. (Click on link for further comments.)
10:29:12 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Relationship Carlisle, Sharpsburg, and Nicholas County, how relationship been going 30-40 years contracts?
10:31:00 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Water usage issues Nicholas County going over limit, how long been going on?
10:33:35 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Earliest time was July 2020, records before then, how far kept records of usage?
10:34:35 AM	Atty Watson Carlisle Note: Sacre, Candace	Historical data part of data you want with City? (Click on link for further comments.)
10:34:48 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	When start noticing usage, reach out/communicate with Districts about that??
10:36:47 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Hear you say have not curtailed Districts if have residential customers?
10:37:32 AM	Atty Watson Carlisle Note: Sacre, Candace	There is another ordinance. (Click on link for further comments.)
10:38:28 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Mentioned spreadsheet provided with direct testimony of Gayle Haney, able provide something similar to that?
10:39:51 AM	Atty Watson Carlisle Note: Sacre, Candace	Not disagree with numbers. (Click on link for further comments.)
10:40:02 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Any discrepancies or disagreements and able provide similar information?
10:40:38 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	Could you supply similar usage rate information?
10:40:51 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	But it can be done?
10:40:57 AM	Staff Atty Young PSC - witness Clark Note: Sacre, Candace	To verify, not have issues/disagreements with what Sharpsburg provided with Haney testimony?
10:41:32 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:41:38 AM	Vice Chairman Cabbage - witness Clark Note: Sacre, Candace	Examination. Capital improvements, information regarding cost investing, that kind of data could look at if need to?
10:43:27 AM	Vice Chairman Cabbage - witness Clark Note: Sacre, Candace	Are there efforts right now, mentioned meters being pulled?
10:44:50 AM	Vice Chairman Cabbage - witness Clark Note: Sacre, Candace	Audits caught up, as result of audits residential customers subsidizing wholesale contracts, how figure that out?
10:47:03 AM	Vice Chairman Cabbage - witness Clark Note: Sacre, Candace	Cost of living, actually covering costs right now?
10:47:33 AM	Atty Watson Carlisle Note: Sacre, Candace	Question of audits, I think filed all those. (Click on link for further comments.)

10:47:56 AM	Vice Chairman Cabbage - witness Clark Note: Sacre, Candace	Issue of other parts of City budget subsidizing water, going to show in audits?
10:49:42 AM	Vice Chairman Cabbage - witness Clark Note: Sacre, Candace	If could set increase get out of red and cover costs moving forward, even have a guess how much need?
10:53:50 AM	Chairman Chandler Note: Sacre, Candace	Questions?
10:53:54 AM	Commissioner Butler - witness Clark Note: Sacre, Candace	Examination. Talked about replacing meters, ever pull meters to test if accurate?
10:55:57 AM	Commissioner Butler - witness Clark Note: Sacre, Candace	Do you know what water loss is?
10:58:08 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Examination. Know how much per gallon costs to produce water?
11:00:03 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	All is information need to determine wholesale water rate, agree?
11:00:49 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Arguing ought to have rates comparable other producers, not what costs are?
11:01:39 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	What actual costs, what wholesale costs versus retail costs, not have great insight into that with records have?
11:02:00 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	How long lost money wholesale rate in your opinion?
11:03:13 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Trying to get exigent circumstances that require immediately approve increase result of not high enough for 15 years, agree?
11:04:46 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Issue is with General Assembly didn't say come up by agreement whatever want to charge, what appropriate rate, 1993 agreement all have to do produce ordinance raise rates based on increases/decreases production costs?
11:05:26 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Nothing has precluded you from passing ordinances that increase or decrease based off increases/decreases in production costs?
11:05:52 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Could have at any time as costs changed by ordinance changed rates, until this year not proposed to change wholesale rate?
11:06:55 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	What want ask, when raise rates on July 20 ordinance, aware had to file with PSC?
11:07:16 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Aware in 2019 had to have tariff sets forth actual rate?
11:07:46 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Aware before July 20 ordinance existence of tariff setting forth rate City of Carlisle able charge for wholesale rates filed in 2019, aware of it?
11:08:21 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Aware of tariff at Commission that included wholesale rate?
11:08:32 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	On or after July 20 when read that?
11:09:28 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Agreement says raise rates based on increases/decreases in production costs?

11:09:38 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Manner in which can change by city ordinance?
11:09:47 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	City not take action other than ordinance?
11:10:03 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Has to be change in production costs, without change rates not change under agreement?
11:10:16 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Respectfully, quoting terms of agreement, increase or decrease in production costs, Section 5 discussed earlier?
11:10:32 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Manner to change rate is through ordinance, agreement says?
11:10:43 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Passed ordinance, aware on or before July 20, after City files ordinance, have to file rate with PSC?
11:11:22 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Mentioned earlier more than half costs for water are outside City?
11:11:43 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Clarify talking about Carlisle customers not in city limits, not necessarily wholesale customers outside City?
11:12:02 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Carlisle meter that water running through?
11:12:16 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:12:30 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
11:12:35 AM	Atty Watson Carlisle Note: Sacre, Candace	Redirect Examination. Ordinance in July 2020, Mayor said yes, there was ordinance, think meant operable ordinance cost of living ordinance passed in 2006, Ordinance 6-2000, Exhibit 4.
11:13:08 AM	Chairman Chandler Note: Sacre, Candace	My understanding ordinance passed in July this year that increased rate.
11:13:17 AM	Atty Watson Carlisle Note: Sacre, Candace	That was to enact tariff filed in August, subject matter of this hearing.
11:13:33 AM	Chairman Chandler Note: Sacre, Candace	Asking about ordinance that set forth new rate, was there an ordinance that set that rate and was it done in July this year?
11:13:56 AM	Atty Watson Carlisle Note: Sacre, Candace	It was not, not sure of date of that. (Click on link for further comments.)
11:14:25 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Examination. What action taken by City to increase rates?
11:14:46 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	A resolution that set forth dollar amount increase that occurred this year?
11:15:14 AM	Atty Watson Carlisle Note: Sacre, Candace	I will see if I can find that.
11:15:40 AM	Chairman Chandler Note: Sacre, Candace	Ask in written manner, easier provide documentation, what saw in agreement, rates established from time to time by ordinance, you are saying instead of rates changed by ordinance rates changed by resolution of City Counsel authorizing Mayor to change rates in accordance what Mayor determined costs to be, accurate?

11:16:39 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Speaking about ordinance earlier, really was resolution in middle of this year, correct, is that an affirmative?
11:17:04 AM	Chairman Chandler - witness Clark Note: Sacre, Candace	Raise rates to either wholesale customers prior to resolution?
11:17:18 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
11:17:28 AM	Atty Watson Carlisle Note: Sacre, Candace	No further.
11:17:39 AM	Chairman Chandler Note: Sacre, Candace	Recess until 11:25.
11:17:48 AM	Session Paused	
11:30:08 AM	Session Resumed	
11:30:12 AM	Chairman Chandler Note: Sacre, Candace	Back on the record in Case No. 2021-00382.
11:30:18 AM	Chairman Chandler Note: Sacre, Candace	Additional witness this morning? (Click on link for further comments.)
11:31:23 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:31:35 AM	Chairman Chandler - witness Moore Note: Sacre, Candace	Examination. Name and address?
11:31:52 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	Direct Examination. Explain duties as far as City of Carlisle water distribution system?
11:32:20 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	How long meters serve Nicholas in use?
11:32:38 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	Not been replaced?
11:32:47 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	Been calibrated ever?
11:32:55 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	Sharpsburg meter, how many meters serve Sharpsburg?
11:33:01 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	How long meter been in service?
11:33:12 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	Ordered meters to replace meters serving wholesale customers?
11:33:28 AM	Atty Watson Carlisle - witness Moore Note: Sacre, Candace	Have figure on what think cost produce water for Carlisle is including treatment and distribution?
11:33:59 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:34:18 AM	Staff Atty Young PSC - witness Moore Note: Sacre, Candace	Cross Examination. Deal with rate issues or billing processes with District?
11:34:29 AM	Staff Atty Young PSC - witness Moore Note: Sacre, Candace	You focus on plant management and distribution?
11:34:40 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:34:47 AM	Chairman Chandler - witness Moore Note: Sacre, Candace	Examination. Involved in billing wholesale customers?
11:35:01 AM	Chairman Chandler Note: Sacre, Candace	Questions?

11:35:07 AM	Atty Talley Nicholas District - witness Moore Note: Sacre, Candace	Cross Examination. Not sure what said cost was, two \$2.50?
11:35:18 AM	Atty Talley Nicholas District - witness Moore Note: Sacre, Candace	Fifty-six?
11:35:26 AM	Atty Talley Nicholas District - witness Moore Note: Sacre, Candace	Understand correctly not do anything at water treatment plant itself?
11:35:44 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:36:00 AM	Chairman Chandler Note: Sacre, Candace	Witnesses excused.
11:36:21 AM	Chairman Chandler Note: Sacre, Candace	All witnesses?
11:36:27 AM	Chairman Chandler Note: Sacre, Candace	Any witnesses today?
11:36:36 AM	Atty Rogers Sharpsburg District Note: Sacre, Candace	Submitted testimony of Gayle Haney. (Click on link for further comments.)
11:37:57 AM	Chairman Chandler Note: Sacre, Candace	Witness is sworn.
11:38:07 AM	Chairman Chandler - witness Haney Note: Sacre, Candace	Examination. Name and address?
11:38:21 AM	Atty Rogers Sharpsburg - witness Haney Note: Sacre, Candace	Direct Examination. Recall direct testimony before notary Nov 12 2021?
11:38:39 AM	Atty Rogers Sharpsburg - witness Haney Note: Sacre, Candace	Have with you today?
11:38:44 AM	Atty Rogers Sharpsburg - witness Haney Note: Sacre, Candace	Testimony true and accurate?
11:38:48 AM	Atty Rogers Sharpsburg - witness Haney Note: Sacre, Candace	Have edits, changes, or comments about testimony?
11:39:12 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	Cross Examination. Have been manager Sharpsburg Water District for 38 years, entirety of contract with Carlisle?
11:39:25 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	Been other rate changes since most recent one effective July 2020, any changes in rates before then?
11:39:45 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	How informed of rate change in July 2020?
11:40:12 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	July 2020 to July 2021, rate charged consistent?
11:40:52 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	Document tendered with direct testimony water district rate schedule, note saying effective August 2021, did you write that or on there when received?
11:41:20 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	According to your records, rates went into effect July 2020?
11:41:30 AM	Staff Atty Young PSC - witness Haney Note: Sacre, Candace	Carlisle refunded, credited accounts?
11:41:45 AM	Chairman Chandler Note: Sacre, Candace	Questions?
11:41:56 AM	Chairman Chandler - witness Haney Note: Sacre, Candace	Examination. Still being charged same rates since August this year?
11:42:05 AM	Chairman Chandler Note: Sacre, Candace	Questions?

11:42:10 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Cross Examination. Not sure numbered exhibit, District rates start 1148 and ended with 202, reflective of tariff just filed by City in August?
11:42:39 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	So 1148 Tier 1 running out to 202 Tier 8 those numbers not match with tariff City filed with PSC?
11:43:15 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Sheet on City of Carlisle letterhead?
11:43:46 AM	Atty Watson Carlisle Note: Sacre, Candace	Think new tariff, actually, the only number that is same is at bottom there. (Click on link for further comments.)
11:44:40 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Did you not get copy of notice of filing of tariff by City in September?
11:44:56 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	What looking at dated August?
11:45:14 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Where reflect is cost of living increase?
11:45:25 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Those rates actually negotiated with Nicholas County Water District as far as bottom line 202 being minimum City said needed.
11:45:41 AM	Asst Gen Counsel Koenig PSC Note: Sacre, Candace	Clarify which exhibits?
11:45:52 AM	Chairman Chandler Note: Sacre, Candace	Staff counsel asks identify document reading from.
11:46:18 AM	Atty Watson Carlisle Note: Sacre, Candace	Filed tariff as part of exhibit. (Click on link for further comments.)
11:46:44 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Proposed tariff, when effective date of it?
11:47:19 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Tariff ever go into effect, Sharpsburg billed amount?
11:47:30 AM	Chairman Chandler Note: Sacre, Candace	Redirect?
11:47:39 AM	Chairman Chandler Note: Sacre, Candace	Additional questions?
11:47:56 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Recross Examination. Who else does Sharpsburg purchase potable water from?
11:48:08 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	Know what pay 1,000 gallons to Bath County?
11:48:18 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	How many gallons per month purchase from them?
11:48:25 AM	Atty Watson Carlisle - witness Haney Note: Sacre, Candace	How much purchase from City of Carlisle?
11:48:39 AM	Chairman Chandler Note: Sacre, Candace	Witness excused.
11:48:46 AM	Chairman Chandler Note: Sacre, Candace	Call any witnesses?
11:48:53 AM	Atty Talley Nicholas District Note: Sacre, Candace	No, not wish present testimony, however available.
11:49:02 AM	Chairman Chandler Note: Sacre, Candace	Questions? (Click on link for further questions.)

11:51:47 AM Chairman Chandler
Note: Sacre, Candace Witness is sworn.

11:52:31 AM Chairman Chandler - witness Pryor
Note: Sacre, Candace Examination. Name and address?

11:52:51 AM Atty Talley Nicholas District - witness Pryor
Note: Sacre, Candace Direct Examination. What are duties?

11:52:58 AM Atty Talley Nicholas District - witness Pryor
Note: Sacre, Candace How long worked as office manager?

11:53:32 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Cross Examination. Seen spreadsheet been discussing Haney prepared, breaks down charges?

11:53:50 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Information provided was usage amount, current rate, and what thought rate should be, something Nicholas County also provide?

11:54:10 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Aware any other changes in rates besides most recent one that came through?

11:54:20 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Said been with Nicholas County board four years?

11:54:27 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace How much water used during time period?

11:55:13 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace If submitted data request, information going further back in history or as far as records go?

11:55:29 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace When notice rate change?

11:56:50 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace When say gave corrected totals, mean went back to previous rate?

11:56:56 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Ever actually overpay anything?

11:57:04 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Know how far back in time new rate in effect before noticed or first time?

11:57:15 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Still charging old rate or new rate?

11:57:27 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace Off top of head what rate is?

11:57:41 AM Staff Atty Young PSC - witness Pryor
Note: Sacre, Candace \$1.63 per 10,000 gallons?

11:58:05 AM Chairman Chandler
Note: Sacre, Candace Questions?

11:58:16 AM Atty Watson Carlisle - witness Pryor
Note: Sacre, Candace Cross Examination. Familiar with operation of board of Nicholas District?

11:58:45 AM Atty Watson Carlisle - witness Pryor
Note: Sacre, Candace As far as their meetings, decision making, things like that?

11:58:49 AM Atty Watson Carlisle - witness Pryor
Note: Sacre, Candace Present at meeting Mayor attended in July 2021 at which he raised issue with the City needing additional money for wholesale water rate?

11:59:10 AM Atty Watson Carlisle - witness Pryor
Note: Sacre, Candace Relate what circumstances were and what ultimately decided?

11:59:51 AM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Any other matters to be discussed other than rate of \$2.02 per 1,000? Any other matters raised regarding agreement between the City and District except for change in rate of \$2.02 per thousand?
12:00:25 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Reflected in minutes?
12:00:55 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Know whether condition for agreement to \$2.02?
12:01:08 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Reflected in minutes?
12:01:18 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Not know who ask, whether Ms. Pryor or if secretary to board, get certified copy of minutes of that meeting in July?
12:01:31 PM	Atty Watson Carlisle Note: Sacre, Candace	Make that a part of your testimony today?
12:01:36 PM	Chairman Chandler Note: Sacre, Candace	If you need documents, at end of hearing short discussion to set dates. (Click on link for further comments.)
12:02:07 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Why Nicholas District need increase of 100 percent?
12:03:45 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Is growth in water sales retail customers solely?
12:04:04 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Nicholas District provide water at wholesale?
12:04:12 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	To who?
12:04:20 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	On file with PSC both entities showing going from you to Harrison County?
12:04:33 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Gallons sold a month to Harrison County?
12:04:45 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	How long Nicholas District selling water to Harrison County?
12:05:00 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Whole amount of time been there, four years at least?
12:05:04 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Provide records show how much water Harrison County purchased from Nicholas County?
12:05:15 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	What rate Harrison County pays Nicholas County?
12:06:32 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Numbers received from Harrison County Water District?
12:06:42 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Is what charged Harrison County per 1,000?
12:06:49 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Reflected in tariff on file with PSC?
12:06:55 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	When tariff filed?
12:07:16 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Recall justification Nicholas District made to get 50 increase in rates in Harrison County?
12:07:46 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	How reflected in amount of water that comes from Carlisle to Harrison County?

12:08:18 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	How much of water purchase from Carlisle goes to Harrison County?
12:08:38 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Carlisle not change rates in 2021, did they?
12:08:54 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	The \$3.02 reflected as pass through based on increased cost from West Kentucky?
12:09:06 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Increased cost also applies to one-third of water buy from Carlisle?
12:09:49 PM	Atty Watson Carlisle Note: Sacre, Candace	Submit questions in writing. (Click on link for further comments.)
12:10:05 PM	Chairman Chandler Note: Sacre, Candace	Any additional questions?
12:10:16 PM	Chairman Chandler Note: Sacre, Candace	Redirect?
12:10:25 PM	Chairman Chandler Note: Sacre, Candace	Additional questions Nicholas County witnesses?
12:10:50 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Cross Examination. As long as talking rates and quantities, terms in 35-year-old agreement between City and Nicholas County willing to renegotiate?
12:12:14 PM	Atty Watson Carlisle - witness Pryor Note: Sacre, Candace	Any other provisions in contract between City and Water District that water district prepared to renegotiate?
12:13:06 PM	Chairman Chandler Note: Sacre, Candace	Anything else?
12:13:16 PM	Chairman Chandler Note: Sacre, Candace	Not intend call other witnesses? (Click on link for further comments.)
12:13:24 PM	Chairman Chandler Note: Sacre, Candace	Witness excused.
12:13:37 PM	Chairman Chandler Note: Sacre, Candace	Post-hearing data requests, scheduling. (Click on link for further comments.)
12:16:01 PM	Chairman Chandler Note: Sacre, Candace	Evidence provided in response to November 9 data requests necessary to rule on proposed tariff, ruling dependent upon receive evidence, second look at necessity/timing of February hearing given evidence in record. (Click on link for further comments.)
12:17:39 PM	Chairman Chandler Note: Sacre, Candace	Additional questions? (Click on link for further comments.)
12:18:20 PM	Chairman Chandler Note: Sacre, Candace	Anything else? (Click on link for further comments.)
12:19:11 PM	Chairman Chandler Note: Sacre, Candace	Ensure Staff's post-hearing data requests will seek file as PDF in response to post-hearing data requests on 24th.
12:19:36 PM	Chairman Chandler Note: Sacre, Candace	Anything else before adjourning?
12:19:41 PM	Chairman Chandler Note: Sacre, Candace	Hearing adjourned.
12:19:54 PM	Session Ended	

*Mayor Ronnie Clark
City of Carlisle
107 East Chestnut Street
Carlisle, KY 40311

*Mary Ellen Wimberly
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*City of Carlisle
107 East Chestnut Street
Carlisle, KY 40311

*Nicholas County Water District
1639 Old Paris Road
Carlisle, KY 40311

*Honorable Damon R Talley
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Nicholas County Water District
Nicholas County Water District
1639 Old Paris Road
Carlisle, KY 40311

*Attorney Earl Rogers III
Campbell Rogers & Hill, PLLC
Campbell & Rogers
154 Flemingsburg Road
Morehead, KENTUCKY 40351

*Ms. Gayle Haney
Manager/Distribution Operator
Sharpsburg Water District
16 East Mill Street
P. O. Box 248
Sharpsburg, KY 40374

*Sharpsburg Water District
16 East Mill Street
P. O. Box 248
Sharpsburg, KY 40374

*Honorable Henry Watson, III
Attorney at Law
525 High Street, Suite 328
Paris, KENTUCKY 40361