

BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS
Evidentiary Hearing
January 5, 2011
Jefferson City, Missouri
Volume 3

In The Matter Of The Small) File No. SR-2010-0320
Company Rate Increase Of)
Timber Creek Sewer Company)

HAROLD STEARLEY, Presiding
SENIOR REGULATORY LAW JUDGE

ROBERT M. CLAYTON, III, Chairman,
TERRY M. JARRETT,
KEVIN GUNN,
ROBERT S. KENNEY,
COMMISSIONERS

REPORTED BY:
Tracy Taylor, CCR No. 939
TIGER COURT REPORTING, LLC

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

JEREMIAH D. FINNEGAN, Attorney at Law
Finnegan, Conrad & Peterson
3100 Broadway, Suite 1209
Kansas City, Missouri 64111
816.753.1122

FOR: Timber Creek Sewer Company

CHRISTINA BAKER, Senior Public Counsel
PO Box 2230
Jefferson City, Missouri 65102
573.751.4857

FOR: Office of Public Counsel

JAIME OTT, Legal Counsel
PO Box 360
Jefferson City, Missouri 65101
573.751.8700

FOR: Staff of the Missouri Public Service Commission

1 JUDGE STEARLEY: All right. Good
2 morning. It's Wednesday, January 5th, 2011.
3 Commission has set this time for an evidentiary
4 hearing in the matter of Small Company Rate Increase
5 of Timber Creek Sewer Company, which is File
6 No. SR-2010-0320.

7 My name is Harold Stearley and I'm the
8 presiding officer over this hearing today. Our court
9 reporter is Tracy Taylor. And we will begin by taking
10 entries of appearance starting with Timber Creek Sewer
11 Company.

12 MR. FINNEGAN: On behalf of the tariff
13 company, Timber Creek Sewer Company, Jeremiah
14 Finnegan; Finnegan, Conrad and Peterson, 3100
15 Broadway, Suite 1209, Kansas City, Missouri 64111.

16 JUDGE STEARLEY: Thank you, Mr. Finnegan.
17 For the office of the Public Counsel.

18 MS. BAKER: Thank you. Christina Baker,
19 PO Box 2230, Jefferson City, Missouri 65102, appearing
20 on behalf of the Office of the Public Counsel and the
21 ratepayers.

22 JUDGE STEARLEY: Thank you, Ms. Baker.
23 And for the Staff of the Missouri Public
24 Service Commission.

25 MS. OTT: Jaime Ott on behalf of the

1 Staff of the Missouri Public Service Commission, PO
2 Box 360, Jefferson City, Missouri 65102.

3 JUDGE STEARLEY: Thank you, Ms. Ott. And
4 for starters, as always, I'd like to ask that everyone
5 would please turn off all cell phones, Blackberries,
6 electronic devices. Those devices can interfere with
7 our webcasting and our recording, so I'd appreciate it
8 if you'd turn those off.

9 I don't believe we have any pending
10 motions or matters before the Commission for this case
11 so I'm going to quickly run through our witness list.
12 For Timber Creek we have Derek Sherry; Staff, James
13 Busch, Nila Hagemeyer, Martin Hummel, Bret Prenger, D.
14 William Harris; and for the Office of Public Counsel,
15 Ted Robertson. Did I miss anyone?

16 And were the parties wanting to present
17 evidence on an issue-by-issue basis today? It's my
18 understanding Mr. Sherry has some commitments tomorrow
19 so I'd like to be able to complete his testimony
20 today, or is it acceptable just to have each witness
21 address whichever issues they are going to address
22 whenever they're on the stand?

23 MS. BAKER: I think either way is fine
24 with Public Counsel.

25 MS. OTT: Same with Staff.

1 MR. FINNEGAN: Same here. I think
2 just --

3 JUDGE STEARLEY: All right. Sometimes
4 I've had people ask us to go issue-by-issue, so I just
5 wanted to be sure.

6 And preliminarily just to kind of get
7 this out of the way, I did want -- I guess I can have
8 staff offer the two stipulations and the
9 reconciliation into evidence if we could mark those as
10 exhibits. I guess we could mark the unanimous partial
11 stipulation as Exhibit 1 and the unanimous stipulation
12 on undisputed facts as 2 and the reconciliation as
13 Exhibit 3.

14 (Exhibit Nos. 1, 2 and 3 were marked for
15 identification.)

16 MR. FINNEGAN: I'm sorry. What's Exhibit
17 1 and 2?

18 JUDGE STEARLEY: Exhibit 1 would be
19 unanimous partial stipulation.

20 MR. FINNEGAN: Okay.

21 JUDGE STEARLEY: And 2 would be the
22 unanimous stipulation of undisputed facts.

23 MR. FINNEGAN: Thank you.

24 JUDGE STEARLEY: And I'm assuming no
25 party would be objecting to the admission of those

1 exhibits. Hearing none, they will be admitted and
2 received into evidence.

3 (Exhibit Nos. 1, 2 and 3 were received
4 into evidence.)

5 JUDGE STEARLEY: I did have a couple of
6 real quick questions about the unanimous stipulation
7 and undisputed facts just to clear up and then we'll
8 proceed with opening statements.

9 In paragraph 6 it's noted that this
10 agreement, this stipulation notes that the partial
11 agreement resolved all of the issues in this matter
12 except for the five issues that have been identified
13 by the parties. And I just wanted to confirm that.

14 MS. OTT: That is correct.

15 MS. BAKER: I believe the only thing
16 that -- that connects with some of these is payroll
17 tax had an issue and then there was some -- some
18 workers' Comp and insurance that was also in the
19 company's.

20 JUDGE STEARLEY: And that comes in with
21 the payroll issue itself?

22 MS. BAKER: Yes, it does.

23 JUDGE STEARLEY: Okay. With regard to
24 that unanimous partial stip then, there were a couple
25 items I didn't see in there and I just wanted to make

1 sure the parties were all in agreement on. Are all
2 the parties in agreement on the company's rate-base as
3 it's laid out in Staff's accounting schedules?

4 MR. FINNEGAN: Yes.

5 MS. BAKER: Yes.

6 MS. OTT: Yes.

7 JUDGE STEARLEY: Okay. And are all the
8 parties in agreement as to the capital structure
9 that's laid out in the Staff's accounting schedules?

10 MS. BAKER: Yes.

11 MR. FINNEGAN: Yes.

12 JUDGE STEARLEY: Okay. That's all I
13 needed for clarification. I appreciate that. If
14 there's no other preliminary matters then, we can go
15 ahead and begin with opening statements starting with
16 Timber Creek.

17 MR. FINNEGAN: May it please the
18 Commission. I represent Timber Creek Sewer Company,
19 which is unusual for me in a rate case, but here I am.
20 This is a small utility rate case proceeding and
21 although it started off small, I think we've got seven
22 witnesses in this case so it's kind of an oxymoron to
23 call it a small utility rate case because it's a
24 pretty good-sized case but it's a small utility. They
25 have 1,526 customers. They've grown from 47 when they

1 started in 1995.

2 The issues in this case -- or the case
3 came about basically because of two things: One, the
4 increases in the PSC assessment for small -- for this
5 company and for all sewer companies. The most --
6 well, all other utility groups other than the sewer
7 utilities have an assessment of less than 1 percent.
8 Some are really low.

9 But for utility -- for sewer companies,
10 they've gone from 6 to 11 and I think it's 9.3 for the
11 next -- for next year, but that's percentage. It's
12 less -- it's pretty substantial. And it basically
13 took all the profit away from this company and that's
14 one of the reasons it's here. The other is because
15 the electric rates have been increasing substantially
16 over the years, plus just other general cost
17 increases.

18 The issues after trying to work this out
19 came down to there were certain issues that could not
20 be resolved. And basically the first one was the
21 appropriate level of salaries and overtime to be
22 included in this case and the question of whether or
23 not time sheets would be -- would be provided by the
24 company in the future.

25 And with respect to the time sheets, the

1 company's in agreement that it would be willing to do
2 the time sheets, but it's concerned because of an
3 overtime issue. It has two employees which it
4 believes may possibly be subject to -- would no longer
5 be exempt from -- under the Federal Labor Standards
6 Act and would be required to be paid overtime.

7 And the concern was by having the time
8 sheets, they've got the evidence to come before the
9 court and say, I've worked overtime, here's the proof
10 and I wasn't paid and I'm not in the exempt class.
11 And even if they should not succeed, it would cost the
12 company something like 20- or 30,000 dollars in legal
13 fees to fight something like that. So that was the
14 concern as to whether or not we would be required to
15 do time sheets.

16 And we are asking for overtime for two --
17 for the two employees. One is the plant collection
18 system operator and the other is the office manager.
19 They both presently perform overtime duties and they
20 are not paid for it because -- well, they -- we don't
21 pay overtime at this point. But with the time sheets,
22 we plan to be paying overtime and will pay overtime.

23 The question of salaries is a pretty
24 subjective issue as to the dollars and you'll see this
25 and most of it comes in as opinion as to where this

1 should be pegged, but we are ask-- we are feeling that
2 we are below market at this time and that we want to
3 get the company that only has four employees to get
4 them up to the level that they should be being paid
5 commensurate with what their duties are.

6 The next issue is the issue of the rate
7 case, the appropriate rate case expense and this is
8 kind of -- of an ongoing matter at this point. The
9 staff started with the last rate case and tried to
10 come up with some figures for that case as a surrogate
11 for what the costs would be in this case. But I
12 believe now we are moving to what is actually going to
13 be the costs in this case and we're going to be
14 getting in our -- our cost to the staff and to
15 everybody has fastly -- as fast as possible.

16 The other issue is the seeking costs for
17 exploratory alternative energy source. In recent
18 years, Timber Creek drilled an exploratory gas well in
19 an effort to offset electricity costs. They're trying
20 to find gas on the property. There's gas in the -- in
21 the area -- in the Platte County area and they hoped
22 that they would find some on the property.

23 They spent some \$10,000 in trying to get
24 this -- to get this, but they -- after drilling quite
25 a way down in the ground, they decided to stop and

1 capped the well because there was no gas appearing.

2 They spent \$10,849 on this. And what
3 we're seeking is not a recovery of that, but a -- a
4 allocation or -- of cost in that amount over a
5 three-year period -- to recover over a three-year
6 period to continue seeking alternative energy sources
7 to help offset the cost of the utility, which, of
8 course, is passed onto the -- to the ratepayer at the
9 next rate case.

10 The other issue is the issue of the PSC
11 assessment. And as a result of the big increases in
12 the PSC assessment over the last three-year period
13 from the last time that the PSC assessment was -- was
14 set in this -- for the rates for this company, they
15 have been -- paid over 54 -- \$45,902 in PSC assessment
16 costs that were not recovered. And we're seeking to
17 recover that amount \$15,301 a year over the period of
18 three years, which is three into 45,902.

19 And until something happens -- there's a
20 working case on small company -- small sewer and water
21 companies, their problems. But until something is
22 resolved in that case, we're -- we're seeking to pass
23 through the gross -- the PSC assessment as a separate
24 line item, not be a cost -- part of the cost of
25 service, but be treated much like gross receipt taxes

1 and franchise fees, which are not tax on the customer,
2 but that are a tax on the utility in much the same way
3 the PSC assessment is a tax on this utility.

4 And it varies. It's been going up and
5 down each year and the fact that we're here in this
6 rate case is going to actually increase the cost of
7 that assessment for everybody in the sewer utility
8 because that's how it's determined by how much work
9 the staff does and -- in dealing with sewer companies.

10 So not only are they -- we're asking for
11 rate case expenses, but there's also going to be an
12 increase in the sewer assessment -- in the PSC
13 assessment probably as a result of participating in
14 this case and if any other rate cases come down the
15 line. So what we are seeking is to pass this through
16 in the future to the ratepayers as a separate item and
17 on the bill and identified as such.

18 And then the final issue is a contingency
19 emergency repair fund. The question is we want -- we
20 want it to be authorized a contingency in the amount
21 of 50 cents a month for a period of -- per customer
22 for a period of 19 years to reach a goal that
23 Mr. Sherry has worked out based on the probability of
24 the large items failing over a period of time without
25 having any -- anything to be able to pick it up and

1 pay the cost of it.

2 Just this last Sunday a pump station
3 failed in a very strategic location. It was in a park
4 with a walking trail. And it blew off the cone, which
5 is about a five-foot concrete dome with a sewer lid on
6 top, blew it off and all -- and, of course, all the
7 sewage out on -- into the area there. And I'm sure
8 the walkers were not real happy with this as well as
9 the DNR.

10 It's been reported, we're in the process
11 of it. Mr. Sherry has been checking on it from here.
12 In fact, he had a call at 2:30 this morning to see
13 what the status of it is, but just one of the items we
14 believe is the result of the control panel failing.
15 And the last time the control panel failed was like
16 three years ago, it cost about \$10,000 to replace.

17 So this is one of these contingencies
18 that you can't expect, but -- well, you can expect but
19 you don't know when to expect it. So the idea is to
20 create a separate fund and to set up a certain amount
21 in there and to recover this in the rates over the
22 next period of time and so that there would be a fund
23 segregated just for contingencies and emergency
24 repairs.

25 One of the things that I'd like to point

1 out that in the statutes, Section 393.270, subsection
2 5, which says, In determining the price to be charged
3 for sewer service, the Commission may consider all
4 facts which in its judgment have any bearing upon a
5 proper determination of the question, although not set
6 forth in the complaint and not with any allegation
7 contained therein, but do regard among other things
8 reasonable average return upon the value of the
9 property actually used in the public service.

10 This is kind of different than what it is
11 for other utilities, gas, electric and water, because
12 there's is to a reasonable average return on capital
13 actually expended. There must be a difference, but I
14 don't know if it's been treated as such, but that's
15 not the issue at this point.

16 The issue is this: Upon the reasonable
17 return on the value of the property actually used in
18 the public service and to the necessity of making
19 reservations out of income for surplus and
20 contingencies.

21 So the statute authorizes the Commission
22 to allow a contingency. And we think this is a very
23 important one. The company -- if you look, the
24 company's rate-base is very small. The -- it's a
25 small company. Coming up with an extra \$10,000 here

1 or there is going to be a very difficult task to -- to
2 do without something like a contingency fund.

3 so basically that's the five issues that
4 we have at this time. And we're hoping that the
5 Commission will give us a good hearing on this and see
6 if they can't come up with something to help us out.

7 JUDGE STEARLEY: Any questions for
8 Mr. Finnegan? Thank you very much, Mr. Finnegan.

9 MR. FINNEGAN: Thank you.

10 JUDGE STEARLEY: Opening statement from
11 Staff?

12 MS. OTT: Good morning. May it please
13 the Commission. My name is Jaime Ott and I'm here
14 today on behalf of the Staff of the Missouri Public
15 Service Commission.

16 As identified, parties were able to
17 resolve the majority of this case through the small
18 rate case process as identified through the unanimous
19 partial disposition agreement back in October.

20 Mr. Finnegan has identified the five
21 issues that remain in this case: The salaries,
22 overtime and time sheets; rate case expense; the
23 alternative energy natural gas well; the Public
24 Service Commission assessment; and the contingency
25 emergency repair fund.

1 Staff witness Bret Prenger has provided
2 testimony and is here today to discuss the appropriate
3 level of salary and overtime to be included in Timber
4 Creek's rates. Mr. Prenger has researched and
5 evaluated Timber Creek's employees' current salaries
6 and determined what an appropriate, just and
7 reasonable rate to be included in their cost of
8 service based on market price, job duties to be a
9 collective amount of \$245,441.

10 Further, Mr. Prenger and Ms. Hagemeyer
11 have provided testimony that Timber Creek should be
12 required to document all of its employees' time, not
13 just the two that Timber Creek is saying are
14 non-exempt employees that might qualify for overtime.

15 Time-keeping is a management tool that
16 fosters efficiencies and effectiveness in the
17 corporation as well as it enables a company to
18 establish and track trends and workload and company
19 projects that could result in the need for additional
20 work force, a reduction in work force or even more, it
21 could identify problematic issues within the system in
22 which the company is spending excess time working on
23 above and beyond what was the normal course of
24 business.

25 Next, Staff witness Bill Harris has filed

1 testimony and is here to discuss the appropriate level
2 of rate case expense and the appropriate level of PSC
3 assessment that should be included in rates.

4 Mr. Harris' testimony identifies expenses that are
5 reasonable and prudent should be allowed in as rate
6 case expense and should be amortized over three years.

7 However, Mr. Harris does not believe that
8 expenses related to a prior rate case are appropriate
9 to be recovered in this current rate case. It is a
10 violation of retroactive rate-making and a prohibition
11 on single issue rate-making. And Timber Creek should
12 be barred from recovering costs that related to its
13 last rate case before the Commission.

14 Mr. Harris also establishes that the
15 appropriate level of PSC assessment should be \$62,590,
16 the amount Timber Creek has been assessed for the
17 2011 -- 2011 fiscal year and not to go back and
18 collect the fluctuations in PSC assessment since they
19 were last allowed in their cost of service in the last
20 rate case.

21 The third issue is whether or not Timber
22 creek should be allowed to recover costs related to an
23 exploratory alternative energy source or to the
24 continuation of the exploration of alternative energy.

25 Staff expert Martin Hummel has filed

1 testimony on the issue and is here to discuss why it
2 is inappropriate to include in rates a highly
3 speculative venture that the management decided to
4 make and may continue to make and place the burden on
5 ratepayers.

6 The ratepayers have not received any
7 benefit from Timber Creek's decision to explore the
8 possibility of natural gas on its property or they
9 have not received a benefit from the potential of
10 exploring alternative energy source in their area and,
11 therefore, the ratepayers should not have to bear the
12 expense of the company making a management decision
13 that was very speculative and did not foster results.

14 The last two issues in this case relate
15 to issues that are currently being explored in the
16 Commission workshop case, WW-2009-0386. Staff expert
17 James Busch filed testimony and is here to discuss why
18 it's inappropriate to bring the issues of a PSC
19 assessment pass-through and the creation of a
20 contingency reserve fund before the Commission today.

21 These issues are not ripe for Commission
22 determination. The issues could result in a
23 significant policy change as well as potentially
24 having to change current law. The PSC assessment is
25 based upon statutory Section 386.370. This section

1 does not provide the Commission with the authority to
2 place a separate line item on ratepayer's bills to
3 charge them for the cost of the PSC assessment.

4 Now, Staff has stated that one day it
5 could potentially support a contingency reserve fund.
6 However, it cannot support one in this case today. It
7 does not believe that Timber Creek has provided enough
8 detail, information and safeguards to ensure that it
9 would be enforced properly and -- and protect both the
10 ratepayers and the shareholders.

11 Further, if the Commission would create
12 the PSC assessment pass-through or the contingency
13 reserve fund in this case, it could result in many
14 unattended consequences to the sewer industry as well
15 as all other utility industries in this state. It is
16 more appropriate for the Commission, Staff, Public
17 Counsel and the stakeholders to the workshop to
18 continue vetting those issues out in that forum.

19 In conclusion, the Staff believes that it
20 has included the most reasonable and appropriate
21 levels of salary for the Timber Creek work force, that
22 the Commission should require all Timber Creek's
23 employees to track employees' hours, that only
24 reasonable and prudent rate case expense related to
25 this case and this case only to be included in the

1 cost of service, the Commission should disallow any
2 expenses relating to speculative, exploratory,
3 alternative energy sources, and that the Commission
4 should not grant a pass -- a PSC assessment
5 pass-through or a contingency reserve fund for Timber
6 Creek at this time. We hope that you will listen to
7 our witnesses and support our position. Thank you.

8 JUDGE STEARLEY: Any questions for
9 Ms. Ott?

10 COMMISSIONER GUNN: I just have two quick
11 questions and they're mostly factual. The previous
12 rate case was resolved by stipulation; is that
13 correct?

14 MS. OTT: That's correct.

15 COMMISSIONER GUNN: Okay. And then --
16 and then just one legal question. Mr. Finnegan
17 said -- cited a statutory reference about -- that he
18 said authorizes contingency funds. Do you -- do you
19 agree with his assessment -- whether or not we do it
20 as a matter of policy is a separate question, but do
21 you agree with his assessment that the statute
22 authorizes us to do contingency funds as we so choose?

23 MS. OTT: I do not believe so.

24 COMMISSIONER GUNN: Okay. Thanks.
25 That's all I have.

1 JUDGE STEARLEY: Commissioner Jarrett,
2 any questions?

3 COMMISSIONER JARRETT: I have no
4 questions.

5 JUDGE STEARLEY: Thank you, Ms. Ott.
6 Opening statement, Ms. Baker.

7 MS. BAKER: May it please the Commission.
8 My name is Christina Baker and I am here on behalf of
9 the Office of the Public Counsel. As you've heard
10 already today, you will hear evidence regarding the
11 issues of compensation, overtime, time sheets, the
12 exploratory gas well recovery and future exploratory
13 gas work, a contingency emergency repair fund, the PSC
14 assessment amount and pass-through and the rate case
15 expense.

16 On the issue of compensation, overtime
17 and time sheets, Timber Creek has requested that the
18 Commission authorize a total of \$265,742 in
19 compensation for its four positions of general
20 manager, office manager, operations manager and P and
21 C systems operator.

22 The evidence will show that this amount
23 of compensation is excessive given the small size of
24 the utility and the small number of customers. The
25 evidence will show that rather than basing each

1 employee's compensation on suitable market data for a
2 utility of this size in the Kansas City area, Timber
3 Creek first determined how much it would like to pay
4 its employees and then sought out random information
5 in an attempt to justify those amounts as just and
6 reasonable.

7 It is Public Counsel's position that the
8 Commission should base its authorization -- its
9 authorization of compensation on information provided
10 in the MERIC Occupation Wages, Kansas City region,
11 2009 along with the verifiable additional support. In
12 our position statement, we listed out what Public
13 Counsel's position was on each of those positions for
14 a total compensation of 190,543.

15 The issue of overtime, Timber Creek is
16 requesting the inclusion of approximately \$10,000 per
17 year for overtime costs for the office manager and the
18 P and C systems operator positions. However, the
19 evidence will show that Timber Creek incurred no
20 overtime during the test year for this rate case and,
21 therefore, the amount of overtime is pure estimation
22 of future and unlikely expenses.

23 It is Public Counsel's position that the
24 Commission should not authorize the inclusion of any
25 alleged or estimated overtime costs in the

1 determination of the utility's annualized payroll.

2 Also, Timber Creek opposes the
3 requirement that it keep accurate time sheets for its
4 employees. The evidence will show that keeping
5 accurate time sheets is a normal business practice
6 which protects both the utility and the employees.

7 The evidence will also show that it is --
8 it is -- and as Mr. Finnegan stated this morning, that
9 basically their -- their main issue with time sheets
10 is because it might be used against them for how they
11 classify their employees under the Fair Labor
12 Standards. That is not an issue of the -- of the
13 Commission and it is inappropriate for the utility to
14 say that it wants to hide behind not keeping time
15 sheets so it doesn't have to meet with the Fair Labor
16 Standards. So it is Public Counsel's Commission -- or
17 position that the Commission should require Timber
18 Creek to keep and implement time reporting.

19 You've heard a lot about the exploratory
20 gas well. We all know that -- that the utility
21 attempted to drill for gas, was unsuccessful, spent
22 almost \$11,000 doing so. Now they've come to the
23 Commission asking that the 11,000 not necessarily be
24 recovered, but that they get almost that amount back
25 for future exploratory use.

1 It is -- it is not an amount that is used
2 and useful by the ratepayers so, therefore, it is
3 Public Counsel's position that the Commission
4 should -- should deny the request for recovery of the
5 amount or for future money from the ratepayers for the
6 exploratory gas well. The -- and also Public Counsel
7 believes that the -- the ratepayers should not be
8 placed in a position to be the piggy bank for future
9 speculative gas drilling.

10 For the contingency emergency repair
11 funds, Staff said it very plainly. There are no --
12 the evidence will show that there are no protections,
13 no specifics on what Timber Creek is asking for this
14 emergency repair fund. The evidence will show that
15 Timber Creek's estimation of future repairs is just a
16 broad statement of what-ifs and what-may-bes.

17 The evidence will show that Timber Creek
18 offers only statements of the money they wish to
19 receive from the ratepayers, but offers no guidelines
20 for operations, protections for the ratepayers or
21 consequences of abuse. The evidence will show that
22 what Timber Creek is actually attempting to do is to
23 transfer the risk of owning and operating a public
24 utility onto the customer. So is it Public Counsel's
25 position that the Commission should reject Timber

1 Creeks' request to establish an emergency contingency
2 repair fund.

3 On the issue of the PSC assessment,
4 Timber Creek is asking the Commission to include not
5 only the current PSC assessment amount of \$62,590, but
6 also an additional \$45,902 normalized over three
7 years, asking the customers to pay \$19,391 per year
8 for recovery of costs associated with PSC assessments
9 from previous -- or since the previous rate case.
10 Timber Creek is also requesting that the Commission
11 allow it to establish a pass-through surcharge for the
12 assessment.

13 The evidence will show that the Timber
14 Creek -- that Timber Creek is attempting to recover
15 past expenses which are beyond the test year true-up
16 for this rate case as, therefore, retroactive
17 rate-making.

18 The evidence will also show that Timber
19 Creek is attempting to gain Commission approval to
20 initiate single-issue rate-making in regards to the
21 request for the pass-through surcharge, which is
22 prohibited in utility regulation. Therefore, it is
23 Public Counsel's position that the Commission should
24 authorize the inclusion of the current PSC assessment
25 rate of \$62,590 but reject the inclusion of the prior

1 assessment expenses as well as the request for a
2 pass-through surcharge.

3 On the last issue of rate case expense,
4 the evidence will show that some of the rate case
5 expenses Timber Creek has incurred are just and
6 reasonable to be recovered in rates. However, the
7 evidence will also show that a significant portion of
8 the rate case expense incurred has been merely for the
9 benefit of Timber Creek and its wish to have face time
10 with the Commission.

11 The evidence will show what this -- what
12 sets this case apart from a typical small company rate
13 case procedure is Timber Creek's insistence that the
14 case go to evidentiary hearing on issues which it was
15 fully aware were in violation of prudent rate-making
16 practices such as single-issue rate-making,
17 retroactive rate-making, improper risk shifting and
18 the recovery of costs to which there was no customer
19 benefit.

20 Therefore, it is Public Counsel's
21 position that the Commission should authorize the
22 inclusion of all prudent rate case expense associated
23 with the current case except for those attorney costs
24 billed by the firm Finnegan, Conrad and Peterson. And
25 for those amounts, Public Counsel -- it is Public

1 Counsel's position that the Commission should
2 authorize an inclusion of 50 percent of the Finnegan,
3 Conrad, Peterson costs, excluding certain mileage
4 charges normalized over three years.

5 At the time of the filing of the
6 reconciliation in this case, this amounts to \$8,691
7 which will be updated throughout the case which Public
8 Counsel believes the Commission should authorize as
9 rate case expense.

10 Overall, Public Counsel asks that the
11 Commission set the rates for the customers of Timber
12 Creek which are just and reasonable and protective of
13 the interests of the ratepayers. Thank you.

14 JUDGE STEARLEY: Any questions for
15 Ms. Baker?

16 COMMISSIONER GUNN: I just have two again
17 real quick. You -- you stated that no overtime was
18 incurred in the test year?

19 MS. BAKER: That's correct.

20 COMMISSIONER GUNN: Is that undisputed or
21 is that -- because I thought I heard Mr. Finnegan talk
22 about some people performing overtime.

23 MS. BAKER: Staff -- Staff witness also
24 talks about the fact that there was -- there was no
25 rate case -- or I'm sorry -- no overtime expense

1 during the test year.

2 COMMISSIONER GUNN: Now just a quick
3 follow-up question. If they're not doing time sheets
4 and everybody's salaried, how do we know that no
5 overtime was incurred or that outside the normal
6 9:00 to 5:00, 40-hour workweek?

7 MS. BAKER: There have been data requests
8 that have gone to the company. And if they had paid
9 out overtime at -- at more than, you know, at time,
10 time and a half, that would have been on their books.

11 COMMISSIONER GUNN: Okay. But I guess
12 just to be clear, does -- did the fact that Public
13 Counsel -- Staff agrees that no overtime had been
14 incurred. Does the company agree with that?

15 MS. BAKER: I think you'll have to ask
16 Mr. Finnegan.

17 COMMISSIONER GUNN: We can get to that
18 then.

19 And then secondly, I'll ask you the same
20 question I asked Ms. Ott. Is Public Counsel's
21 objection to the contingency fund based on the lack of
22 protections or is it based on the fact that they don't
23 believe that it's statutorily authorized?

24 MS. BAKER: We don't believe that it is
25 statutorily authorized because what it comes down to

1 is single-issue rate-making where if you have a
2 contingency fund that is -- that is collected each
3 month from -- from the customers, it's not used and
4 useful, it's not attached into the rate-base of -- of
5 the utility itself, it's a separate fund.

6 COMMISSIONER GUNN: So you disagree with
7 Mr. Finnegan's interpretation of the statute?

8 MS. BAKER: Yes, we do.

9 COMMISSIONER GUNN: That's all I have.

10 JUDGE STEARLEY: Commissioner Jarrett?

11 COMMISSIONER JARRETT: I just wanted to
12 clarify what Commissioner Gunn had asked. Are you
13 saying that there was no overtime expense incurred or
14 are you saying that none of the employees worked over
15 40 hours a week?

16 MS. BAKER: May I -- may I let
17 Mr. Robertson answer that since he is the one who did
18 the testimony or should I get -- get the exact answer
19 from him?

20 COMMISSIONER JARRETT: If he's got it. I
21 was trying to clarify.

22 MS. BAKER: We're getting a little ahead.

23 JUDGE STEARLEY: Right. At this point
24 he's not sworn in. I can swear him in for purposes of
25 this question.

1 COMMISSIONER JARRETT: All right. Well,
2 I guess I'll ask that question later then.

3 MS. BAKER: I do believe that that will
4 hinge on a lot of the decision in that particular
5 issue.

6 JUDGE STEARLEY: All right. Thank you,
7 Ms. Baker.

8 MS. BAKER: Thank you.

9 JUDGE STEARLEY: All right. We can begin
10 with witness examination then. Mr. Finnegan?

11 MR. FINNEGAN: I'd like to call Derek
12 Sherry to the stand, please.

13 (Witness sworn.)

14 (Exhibit Nos. 4, 5 and 6 were marked for
15 identification.)

16 DEREK SHERRY, having been sworn, testified as follows:

17 DIRECT EXAMINATION BY MR. FINNEGAN:

18 Q. Mr. Sherry, would you state your name,
19 please.

20 A. My name is Derek Sherry.

21 Q. And by whom are you employed?

22 A. By Timber Creek Sewer Company.

23 Q. Are you the Timber -- are you the Derek
24 Sherry who filed prepared direct, rebuttal and
25 surrebuttal testimony in this case?

1 A. Yes.

2 Q. And do you have that before you?

3 A. Yes.

4 Q. Looking at those -- well, let me ask you,
5 is Exhibit No. 4 -- do you see that? Is that the
6 direct testimony of Derek Sherry?

7 A. Yes.

8 Q. And is Exhibit No. 5 the rebuttal
9 testimony of Derek Sherry?

10 A. Yes.

11 Q. And is Exhibit No. 6 the surrebuttal
12 testimony of Derek Sherry?

13 A. I don't have that one. Maybe I do.

14 Q. There it is.

15 A. Yes, I do.

16 Q. Is that correct?

17 A. Correct.

18 Q. Okay. And was this prepared by you or
19 under your supervision and control?

20 A. Yes.

21 Q. And if the questions were asked of you
22 today, would they be the same?

23 A. Yes.

24 Q. And would your responses be the same as
25 they were then?

1 A. Yes.

2 Q. Okay. Do you have any corrections to any
3 of the testimony?

4 A. I think we found one.

5 Q. Some surrebuttal testimony?

6 A. We found one correction on the
7 surrebuttal testimony. On page 6, isn't it?

8 Q. Six?

9 A. Line --

10 Q. Sixteen?

11 A. Yep, 16. Should say, Increase rates --
12 where it says "with," it should say "without" the
13 approval of Commission.

14 Q. Okay. So that's page 6, line 16?

15 MS. OTT: The direct?

16 MR. FINNEGAN: The surrebuttal.

17 BY MR. FINNEGAN:

18 Q. So that would read, After all, a utility
19 may not increase rates without the approval of the
20 Commission --

21 A. Correct.

22 Q. -- rather than with -- okay. And is
23 there anything further you wish to add to these
24 testimony exhibits?

25 A. Not at this time.

1 MR. FINNEGAN: Okay. At this time, I'd
2 like to offer into tes-- into the record Exhibits 4, 5
3 and 6 and tender Mr. Sherry for cross-examination.

4 JUDGE STEARLEY: Any objections to the
5 offering of Exhibits 4, 5 and 6?

6 MS. OTT: I would like to object to
7 schedule DS-10 in the surrebuttal. It's an unverified
8 PowerPoint presentation from an unknown -- well, an
9 entity not a party to this case with nobody here to
10 attest to the voracity of it.

11 JUDGE STEARLEY: Mr. Finnegan, your
12 response?

13 MR. FINNEGAN: My response, your Honor,
14 is this from the Johnson County Wastewater website.
15 The Staff has brought in the Johnson County Wastewater
16 into this case as to determine costs and -- and the
17 payroll. So I think it -- this is relevant and should
18 be permitted.

19 MS. OTT: The information Staff brought
20 in from Johnson County is certified by the custodian
21 of records of Johnson County Wastewater. I don't
22 believe this is a certified document.

23 JUDGE STEARLEY: Mr. Finnegan, are you
24 able to lay some foundation for this schedule with
25 your witness?

1 MR. FINNEGAN: Yes, I can.

2 JUDGE STEARLEY: All right. You may
3 proceed.

4 BY MR. FINNEGAN:

5 Q. Mr. Sherry, do you have before you what's
6 Schedule DS-10 to Exhibit 6?

7 A. Yes.

8 Q. And where did you obtain this?

9 A. If you go to Johnson County's legislative
10 site where they publish all of the county commission
11 meeting minutes and presentations that occur as part
12 of the normal course of business, that legislative
13 site has all the county budgets, presentations that
14 happen in that public forum. And this was downloaded
15 directly from that site.

16 Q. And the purpose that you're using this
17 exhibit for -- or this schedule is to show the cost
18 structure implications?

19 A. Yes. What we were doing is looking at
20 various wastewater utilities within the Kansas City
21 area. Johnson County was one of those as looking at
22 it from a payroll perspective. So the information
23 here was to take a look at other utilities and payroll
24 as it relates to their budget. So this was a document
25 that was presented as part of the county commission in

1 reviewing Johnson County wastewater's operation and
2 maintenance and budgeting rate case kind of en--
3 issues that they were faced with.

4 And the presentation talks about
5 operation of maintenance expense and personnel costs.
6 So it gives a very good view of a large utility, how
7 much personnel costs are associated with that utility.

8 Q. And what is that amount?

9 A. The amount is what it -- the -- what I
10 think is important about this is that it takes away
11 from size and scale of the utility and looks at
12 personnel costs as it relates to providing the
13 service. And what it -- it shows is that 41 percent
14 of their personnel cost goes towards operation
15 maintenance expense.

16 Q. And this is a public record?

17 A. Yes. Yeah. You could download it -- you
18 could go onsite today and find this document.

19 MR. FINNEGAN: Thank you, your Honor.

20 JUDGE STEARLEY: Ms. Ott?

21 MS. OTT: Just for the record, staff did
22 not bring in Johnson County. Timber Creek did in its
23 direct case and then staff went and found the
24 certified copies only as a response to Timber Creek
25 bringing it up in their direct.

1 JUDGE STEARLEY: All right. In light of
2 the foundation Mr. Finnegan has just explored with his
3 witness, does your objection still remain?

4 MS. OTT: It does. It's still not
5 verified. It doesn't have a date which this was
6 pulled from the website. It's -- I still don't
7 believe it's a certified document. It doesn't show
8 that -- the URL at the bottom in which -- and what
9 date the search was done on.

10 JUDGE STEARLEY: All right. The
11 objection will be overruled. There's sufficient
12 indicia of reliability to the document and it can be
13 verified by public access. Any other objections to
14 the admissions of Exhibits 4, 5 and 6?

15 Hearing none, they shall be received and
16 admitted into the record.

17 (Exhibit Nos. 4, 5 and 6 were received
18 into evidence.)

19 JUDGE STEARLEY: Cross-examination
20 beginning with Staff.

21 MS. OTT: May Staff cross from counsel
22 table?

23 JUDGE STEARLEY: Yes, you may remain at
24 counsel table if you wish.

25 MS. OTT: Thank you.

1 CROSS-EXAMINATION BY MS. OTT:

2 Q. Good morning, Mr. Sherry. Could you
3 please turn to page 3 on 7 of your surrebuttal?

4 MR. FINNEGAN: Did you say surrebuttal?

5 MS. OTT: Yes.

6 THE WITNESS: Okay.

7 BY MS. OTT:

8 Q. When you're addressing Mr. Prenger's
9 individual salary per customer cost, it identifies
10 that Platte County has 3,200 customers and
11 10 employees and then it identifies that Timber Creek
12 has 1,526 customers and 4 employees. Isn't that a
13 similar ratio of employees per customer?

14 A. It's not. Because in the -- if you look
15 at the -- if it goes on to the percentages, that
16 regional sewer district is 209 percent and they have
17 250 percent for staff. So the ratios are different.

18 Q. But in terms of -- if you would take
19 it -- 320-to-1 to about 380-to-1, that's pretty close
20 in terms of employees to customer ratio. Could you
21 agree with that?

22 A. No. I mean I would not agree with that
23 because the idea is that if the same amount of
24 employees that Timber Creek has and the structure we
25 have was to serve 3,200, we would -- in essence, if

1 you did a straight line, we would double our staff,
2 four to eight. And Platte County has ten. So I can't
3 agree with that ratio.

4 Q. Did Timber Creek issue any salary
5 increases in the year 2010?

6 A. They did not.

7 Q. For any employee?

8 A. Did not.

9 Q. Does Timber Creek plan on increasing --
10 issuing any salary increases for the year 2011?

11 A. Now, that decision has not been made yet.

12 Q. When would that decision be made?

13 A. That will be made on the outcome of this
14 case as well as a board meeting that will be upcoming.

15 Q. So dependent upon the outcome of the
16 case, would each employee receive a salary increase?

17 A. At this time the plan is not to give the
18 operations manager a increase in salary, as I've
19 stated in my testimony.

20 Q. But you would be giving an increase to
21 the general manager, yourself?

22 A. Correct.

23 Q. The office manager?

24 A. Correct.

25 Q. And the assistant operator?

1 A. Correct.

2 Q. Now, your -- Timber Creek's position is
3 they're seeking approximately a \$20,000 increase in
4 salaries in this case. Correct?

5 A. I believe so. It's over and above what
6 we've already agreed on.

7 Q. And about 17,000 of that is attributed to
8 your salary?

9 A. That sounds about right.

10 Q. And only 3,000 attributed to the other
11 three employees?

12 A. Correct. Actually, no, that's incorrect.
13 The plant system operator is currently at
14 40-some-thousand and we're asking for 49,000. So
15 \$9,000 would be for that position.

16 Q. And you're asking for more than \$20,000
17 in a salary increase?

18 A. Let me get to my testimony.

19 Q. Is that an increase from your direct
20 testimony?

21 A. What we're asking for is for the general
22 manager salary to move to the \$94,000 range. We're
23 asking for the office manager to move to the 43,000 --
24 let me get to the right page. We're asking for the
25 plant and collection system operator to move from the

1 41,000 roughly to the 49,000 and we're asking to keep
2 the operation manager the same.

3 Q. So you don't believe the operation -- the
4 plant manager should receive a cost of living
5 increase?

6 A. Not at this time.

7 Q. Now, has Timber Creek implemented the
8 payment of overtime since it had a discussion with
9 staff back in September?

10 A. No, it has not.

11 Q. When does Timber Creek plan on
12 implementing the overtime policy?

13 A. Depending on the outcome of this case.

14 Q. So if -- are you saying you're not going
15 to pay overtime if you don't like the outcome of this
16 case?

17 A. No. If we're going to be required to
18 pay -- if we're going to be required to do time
19 sheets, I'll have to start paying overtime.

20 Q. Okay. How do you track trends in -- in
21 the Timber Creek Sewer system?

22 A. I don't understand the question.

23 Track -- I don't understand track trend.

24 Q. How do you evaluate and determine
25 different trends? Like if a bunch of pumps are going

1 out or equipment is going bad, how -- how do you kind
2 of keep a list to see if there's a trend, if
3 something's happening every January or every
4 September?

5 A. So we really maintain two systems. We
6 have a work order system which has now been automated
7 to an asset management system that tracks failures or
8 unscheduled events or in this case scheduled events
9 that need to take place as far as the normal operation
10 and maintenance of the system.

11 Q. Could time reporting help you track
12 trends?

13 A. Against the assets?

14 Q. Or against maybe emergencies or
15 different -- if there was pump failures or --

16 A. We record time as -- as part of the
17 actual event itself. So in the case of the pump
18 station outing that we had on Sunday, as part of
19 completing that work order, we will complete how much
20 time was spent by the vendors, how much time was spent
21 by the personnel to manage that event.

22 Q. Did you ever do an analysis of those
23 records?

24 A. I did as part of this case to present how
25 much overtime was worked in 2009.

1 Q. How do you determine efficiencies in the
2 utility?

3 A. Efficiencies in?

4 Q. To run your operations more efficiently,
5 to run your business.

6 A. How do I determine how efficiently we run
7 our business?

8 Q. Yes.

9 A. I look at the market in which we work in,
10 we look at how other utilities operate, we look at how
11 much costs that we're incurring, we look at rates that
12 we incur and then compare that to see if it makes
13 sense as to other utilities. We also have a pretty
14 high standard about what it is that we think, you
15 know, our efficiencies should run at, how much staff
16 we have to have to do certain activities.

17 Q. So if you don't keep time reports, how do
18 you determine how much staff you need -- how
19 efficiently your staff is operating?

20 A. Because I'm there every day. I have a
21 pretty good sense of what each employee's doing on
22 a -- any given hour.

23 Q. Do you know what your employees are doing
24 at every minute of the day?

25 A. Not every minute.

1 Q. Do you ever take a vacation?

2 A. Sure.

3 Q. So you're not there every day knowing
4 everything they're doing at every minute?

5 A. Right.

6 Q. Now, time records could keep track of
7 what your employees are doing because they'd have to
8 be verified?

9 A. Is that a question?

10 Q. Yes. Could time records --

11 A. Sure. Absolutely.

12 Q. -- help track the time --

13 A. Yeah.

14 Q. -- to make sure your employees --

15 A. Yeah. I mean it's another tool to look
16 at to say, you know, how are they spending their time.

17 Q. How do you verify that your employees
18 actually work 40 hours a week?

19 A. Again, you know, for the most part
20 because it's a small team there isn't a lot of
21 opportunity to, quote, hide. The interdependencies of
22 the team between the office and the operations staff
23 and the workload and the work schedule doesn't allow
24 for folks to run off and do something else.

25 Q. But couldn't working with a close team

1 also do exactly the opposite, that you're so close
2 together and so closely -- a close relationship that
3 maybe you kind of overlook maybe somebody taking an
4 extra long lunch?

5 A. I guess it's possible.

6 Q. Does Timber Creek have a plan to expand
7 its current work force?

8 A. Not at this time.

9 Q. Timber Creek has had significant growth
10 within the last five years. Correct?

11 A. Correct.

12 Q. So at some point you could use additional
13 employees?

14 A. Possibly.

15 Q. So time sheets could adequately reflect
16 when you might need to expand your work force if
17 somebody's -- if your employees are all working
18 significant amounts over their 40 hours a week?

19 A. Yeah. Again, it's another tool.

20 Q. And that tool could help staff then and
21 Public Counsel at some point say it might be
22 appropriate to expand your work force and include more
23 salaries in your rates?

24 A. If you -- I guess that's interpretation
25 for you guys as far as understanding how we spend our

1 time. So seems to me that that tool is what you'd
2 prefer.

3 Q. And do you understand the principles of
4 rate-making?

5 A. I think I have a decent understanding of
6 it.

7 Q. So are you familiar with the prohibition
8 on retroactive rate-making?

9 A. I'll let my attorney answer that one.

10 Q. But do you just -- not in a legal sense,
11 do you understand the concept?

12 A. Yeah, I understand the concept.

13 Q. Do you also understand the concept of
14 single-issue rate-making in a nonlegal interpretation?

15 A. I understand the concept.

16 Q. Now, for the -- your rate case expense
17 from the last rate case, did you ever provide invoices
18 to the Staff of the Commission for your services in
19 that case?

20 A. I missed the first part.

21 Q. Relating back to the last rate case in
22 which you were seeking compensation for your time that
23 you worked on the case, did you ever provide invoices
24 to the Staff of the Commission during that rate case?

25 A. Not during that rate case, no.

1 Q. So are you suggesting that every past
2 invoice in which Timber Creek digs up outside of the
3 test year that could have been brought up in a prior
4 rate case should be -- should be allowed to be brought
5 up in this rate case?

6 A. No. What I'm suggesting is that in the
7 past practice as part of a small company rate case, we
8 looked at -- in the 2007 rate case, we looked at 2004
9 rate case expenses as a surrogate to determine that.
10 So moving into this rate case was looking at 2007 as a
11 surrogate for this rate case. Unfortunately, that got
12 derailed when we had to go to a contested case
13 process.

14 Q. But rate case expense was allowed in --
15 in rates during your last rate case?

16 A. In 2007, yeah. But it was using 2004
17 expenses.

18 Q. Now, has the Commission ever disallowed
19 Timber Creek's electric bills in rates?

20 A. No.

21 Q. Has the Staff of the Commission ever
22 proposed a disallowance to Timber Creek's electric
23 bills in a rate case?

24 A. No.

25 Q. Prior to drilling the exploratory well,

1 what did the driller say the probability of finding
2 gas was?

3 A. Well, in that industry they're going to
4 say it's a 50/50 shot.

5 Q. Now, is that a 50/50 shot of finding --

6 A. Yes.

7 Q. -- natural gas or is it a 50/50 shot of
8 finding commercial quantities of natural gas?

9 A. Finding natural gas.

10 Q. So do you know what the probability of
11 finding commercial quantity of natural gas was?

12 A. Yeah. I looked at the Tiffany Springs
13 wells that were drilled and looked at the volume of
14 production that the natural gas produced there to see
15 if it would, in fact, be able to power a generator to
16 produce electricity.

17 Q. Now, does the Tiffany Spring well produce
18 electricity?

19 A. No. They decided to cap those due to a
20 bankruptcy of the current owner -- or wasn't the
21 current owner, but the owner at the time.

22 Q. But the natural gas found at Tiffany
23 Springs was commercial quantity?

24 A. Yeah. They were planning to do exactly
25 what we were doing, which was to use it to power a

1 commercial development.

2 Q. But was it just to burn natural gas or
3 was it actually enough natural gas to then be used to
4 generate electricity?

5 A. It was enough natural gas to actually
6 power a generator to generate electricity.

7 Q. what types of alternative energy does
8 Timber Creek plan to explore?

9 A. So there's a -- the three that I'd still
10 like to see if there's a possibility, we need to go
11 through the feasibility, obviously solar is still an
12 option. Unfortunately, the costs are still pretty
13 high and we want to continue to get an update and find
14 out if there's new tax incentives on those that might
15 make it more attractive to do that.

16 Same way with wind energy. That tends to
17 have some tax incentives with it that we'd like to
18 find if that's possible. And then the third one, that
19 is a biogas production which would mean a change in
20 our treatment process and digestion of sludge, but to
21 use that as a -- for methane production and to find
22 out what the changes to our treatment process that
23 would have to occur and then what the likelihood of
24 how much we could actually produce.

25 Q. Now, what costs are involved in just

1 exploring those options?

2 A. Typically what you're going to do is talk
3 to experts in those industries, ask them to come and
4 assess your situation and give you a view of what it
5 would take. So in the case of the biogas, there's
6 going to be implications to our treatment processes so
7 what would happen there. And then look at the capital
8 costs it would take to probably invest in going from
9 aerobic or anaerobic digestion as an example.

10 Q. But what's the actual cost involved?
11 what would you be paying for?

12 A. You'll be paying for consulting services.

13 Q. Do these consulting services not provide
14 a complimentary evaluation?

15 A. They'll come and give you a, Is it
16 generally possible or not, but to do any kind of a --
17 to get you to a point where you can actually make a
18 business case, no, they're not going to develop that
19 for you.

20 Q. Do you have any business plan that spells
21 out what the cost of exploring those; the solar, wind
22 or the sludge digestion?

23 A. I've talked to a couple of firms to get
24 high-level consulting costs, what it would take for
25 them to develop a plan to see what it would be. And

1 depending on the firm, but it's a pretty wide range of
2 cost, but anywhere from -- last time, this was in 2009
3 when I talked to them, it was 5- to 10,000 dollars
4 per -- per study, if you will.

5 Q. Now, you discussed the tax incentives.
6 Do you know if the -- the tax incentive versus the
7 cost of generating -- or doing wind energy is really
8 viable for a small utility?

9 A. I don't know. That's why I would need
10 some help.

11 Q. But isn't that research that could be
12 done just by yourself by doing research on the
13 internet or --

14 A. Yeah.

15 Q. -- just calling --

16 A. Sure.

17 Q. -- asking for brochures?

18 A. Yeah, I've done that. I've got what I
19 can. But the actual when it comes down to what does
20 it mean financially to -- are we I guess -- what's the
21 word? Have the authority or available to actually
22 take advantage of the tax incentive, that's the
23 questions -- I don't have that answer yet.

24 And there's -- the other thing that -- in
25 talking to them, I guess there's a number of different

1 tax incentive vehicles that I'm not aware of. So
2 again, I'd need help with that.

3 Q. Now, in your testimony you said that
4 you've -- you have explored solar and wind. So what
5 further cost would you be involved in --

6 A. Yeah.

7 Q. -- something that you've already done and
8 determined that was not cost effective for your
9 company?

10 A. I did a very high-level kind of
11 100,000-foot view to say how much power or how much
12 cost would it generally take by just doing what you've
13 said earlier, doing some high-level research. But to
14 take the -- a deeper dive into that, I have not done
15 that.

16 Q. Are you aware of any other sewer utility
17 in the state of Missouri that is exploring alternative
18 energy sources?

19 A. I know that they're exploring them. I
20 don't know anybody that's actively doing them in the
21 state of Missouri. I do know one in Kansas.

22 Q. What company is that?

23 A. That would be the Johnson County
24 wastewater doing biogas. And they received a
25 \$4 million grant to do that.

1 Q. Now, you contacted 15 drilling companies?

2 A. Uh-huh.

3 Q. And you received 3 bids?

4 A. Correct.

5 Q. what information did the other

6 12 companies provide?

7 A. They didn't provide a bid.

8 Q. And do you know why they didn't provide a

9 bid?

10 A. No. Because they didn't respond.

11 Q. what is available to ratepayers from this

12 exploratory well?

13 A. At this point there is a metal standpipe

14 standing in the middle of the -- next to the plant.

15 Q. So they're not really receiving any

16 benefit from it?

17 A. No.

18 Q. why is a speculative venture a good basis

19 to look for alternative energy going forward?

20 A. I think it's imperative that companies

21 continue to look at how to save costs. And in that

22 kind of research and development is where I think

23 ratepayers get the benefits. The -- in my opinion,

24 Timber Creek is probably one of the best run companies

25 in the state and that's through that innovative sort

1 of mind set that we have to try to figure out how to
2 get things done and then come up with interesting ways
3 to do it.

4 So the -- we're going to continue to
5 challenge ourselves to look at better ways of doing
6 things, whether that's power, asset management,
7 whatever our operations are to continue to try to be
8 as efficient as we can.

9 So to answer your question, I think
10 it's -- would be beneficial to the Public Service
11 Commission and its ratepayers for us to continue to
12 look at creative, innovative ways to try to save them
13 money.

14 Q. But is it really saving them money if
15 it -- if a windmill is going to be several hundred
16 thousand dollars, is that really saving them money on
17 a -- through electric bills?

18 A. If you can say that the run rate on the
19 electric bills are going to go less, yes, it would.

20 Q. But the cost of installing a windmill --

21 A. That would be a capital investment.

22 Q. And you're willing to make that capital
23 investment?

24 A. If it pans out that it's a strong
25 business case, you bet.

1 Q. Are you aware of statutory Section
2 386.370 of the revised statutes?

3 A. Probably not.

4 Q. If I told you it's where the PSC
5 assessment comes from, would you agree with that?

6 A. I have read that section, yes.

7 Q. Do you understand it in a nonlegal
8 manner?

9 A. In a nonlegal manner, yes.

10 Q. Do you understand why Timber Creek is
11 assessed a PSC assessment?

12 A. Yes.

13 Q. And do you understand how the PSC
14 assessment works?

15 A. Yes.

16 Q. Is Timber Creek willing to invest in its
17 sewer system?

18 A. Yes.

19 Q. What are its current investment plans for
20 the next year?

21 A. The -- we've picked up a new certificated
22 area and are currently working with two developments
23 to install -- it would be shared infrastructure to
24 serve those developments.

25 Q. I'm sorry. I missed the last part.

1 A. Shared infrastructure to serve those
2 developments.

3 Q. Shared. How about within the next five
4 years? What investments does Timber Creek plan to be?

5 A. It would be the continued build-out of
6 those areas. So whether it's in the current
7 watersheds that we're serving or in the new watershed
8 that we're serving. So as development and activity
9 increases, we would obviously in the case of our
10 Prairie Creek pump station, probably if the
11 development occurs south of it, we would move that
12 pump station and extend the interceptor south, as an
13 example.

14 Q. Now, has Timber Creek ever had an
15 emergency repair in which they could not afford?

16 A. We have always seemed to have found the
17 money.

18 Q. So if you couldn't afford it, you could
19 find the financing for it?

20 A. Yeah. But it was at the cost of other
21 issues, like salary increases.

22 Q. Isn't that a normal cost of doing
23 business?

24 A. I suppose so.

25 Q. Now, on schedule -- of your direct, your

1 Schedule 7, is it an emergency that a -- that should
2 be pre-funded if --

3 A. You said my direct?

4 Q. The direct.

5 A. Okay.

6 Q. Schedule 7, it's the last page.

7 A. All right. Thanks.

8 Q. This schedule identifies different fund
9 estimations. How is it an emergency if the general
10 manager decides to depart?

11 A. Because you'll be without the leader for
12 the company for a period of time.

13 Q. How -- I just -- I'm not getting how
14 that's an emergency. Isn't that just normal business?
15 Employees come and go and as part of --

16 A. Right.

17 Q. -- the cost you have to train new people?

18 A. Yeah. So this model's actually built off
19 of some of the EPA asset management best practices as
20 well as other companies that I've looked at as to how
21 to start to develop a reserve fund or contingency
22 fund.

23 And what you look at are the elements
24 both from a people process and technology to say what
25 are those critical elements when it comes to managing

1 the facility. So one of the critical elements would
2 be key staff. Right? So those folks -- with Timber
3 Creek being a very small company and the number of
4 people providing that service, there's -- other than
5 the -- since we have a backup on the operator itself,
6 the rest of the other three, obviously there's a
7 single point of failure.

8 Q. And you believe that constitutes an
9 emergency in which a ratepayer should be funding?

10 A. Yes.

11 Q. Do you recognize that in the regulated
12 utility industry that profit is based on shareholder
13 investment?

14 A. Yes.

15 MS. OTT: I don't have any further
16 questions.

17 JUDGE STEARLEY: All right. Thank you,
18 Ms. Ott.

19 Cross-examination, Public Counsel?

20 MS. BAKER: Thank you.

21 CROSS-EXAMINATION BY MS. BAKER:

22 Q. Good morning, Mr. Sherry. It was Timber
23 Creek's decision to proceed to an evidentiary hearing
24 in this case, wasn't it?

25 A. Correct.

1 Q. Did Staff and/or OPC ever inform company
2 that plant that is not used and useful is not included
3 in the calculation of rate-base?

4 A. Can you rephrase the question, make sure
5 I understand it?

6 Q. Was Timber Creek informed before --
7 before the decision to proceed to an evidentiary
8 hearing, that plant that is not used and useful is not
9 included in the calculation of rate-base for a public
10 utility?

11 A. Other than the issues they contested, no.

12 Q. Can you explain your answer?

13 A. So we've agreed on what is -- plant is
14 used and useful in the unanimous stipulation. What
15 we --

16 Q. No, no. I'm talking about in an overall
17 broad statement.

18 A. Well, we have -- we obviously don't agree
19 or otherwise we wouldn't be in this contested case.

20 Q. But a broad statement that plant that is
21 not used and useful is not normally included in rates?

22 A. Yeah, the Staff and both Public Counsel
23 have stated that.

24 Q. All right. And have Staff and Public
25 Counsel stated that expenses that are not known and

1 measurable are not included in the calculation of
2 rates?

3 A. They have stated that as well.

4 Q. Under the issue of salaries, you have
5 presented a lot of information about regional sewer
6 districts from different areas; is that correct?

7 A. Correct.

8 Q. But Timber Creek is not a regional sewer
9 district, is it?

10 A. I believe it is. We serve a region.

11 Q. Under -- under the definition of a
12 regional sewer district as a quasi-governmental entity
13 that is not under the --

14 A. Yeah, we're not a public entity, correct.

15 Q. So Timber Creek is not a regional sewer
16 district. Timber Creek is under the jurisdiction of
17 the Public Service Commission?

18 A. Correct.

19 Q. Okay.

20 A. I guess I just have a hard time with
21 regional because in the practice, region being a
22 defined area or a watershed. So you're using it in
23 the sense of a -- what is the governance, so I agree.
24 I agree with the governance issue.

25 Q. All right. So it's not a sewer district?

1 A. Again, if that --

2 Q. A quasi-governmental --

3 A. I would agree with that, yeah. From a
4 governance perspective, I agree.

5 Q. All right. As far as the issue of
6 overtime, has Timber Creek incurred overtime costs
7 during the test period for this case?

8 A. In the -- cost in the sense that the
9 employees have spent time, yes; that we have not
10 booked as far as financial costs in the test year, no.

11 Q. Okay. So when staff came and did their
12 audit, there were no booked overtime costs?

13 A. Correct.

14 Q. On the issue of the contingency emergency
15 repair fund, ongoing maintenance is already included
16 in normal rates; isn't that correct?

17 A. Yeah.

18 Q. And under the issue of the emerg-- or
19 under the issue of the gas well, Timber Creek is a
20 sewer company, not an energy company. Correct?

21 A. Correct.

22 MS. BAKER: No further questions. Thank
23 you.

24 JUDGE STEARLEY: All right. Mr. Sherry,
25 as you can see, the bench is pretty empty right now.

1 The Commissioners had to go up for their regularly
2 scheduled agenda meeting. I know several of them do
3 want to have questions for you. So I'm going to allow
4 you to step down at this time, but I expect we will be
5 recalling you for their questions.

6 MR. FINNEGAN: My redirect would follow
7 that?

8 JUDGE STEARLEY: Yes. If you would like
9 to do some redirect at this point with these
10 questions, Mr. Finnegan, I can allow that or if you
11 want, you can wait. But thank you for --

12 MR. FINNEGAN: I think I'd just like to
13 wait for the Commission.

14 THE WITNESS: Good to go?

15 JUDGE STEARLEY: You may step down.

16 THE WITNESS: Thanks.

17 JUDGE STEARLEY: And, Ms. Ott, you may
18 call your first witness.

19 MS. OTT: I'd like to call Bret Prenger.
20 And at this time Staff would like to have marked as
21 Exhibit -- I believe we're at 7 the Staff accounting
22 schedules. Also, I'd like to mark as Exhibit 8 Bret
23 Prenger's direct testimony; as Exhibit 9, Bret
24 Prenger's rebuttal testimony; and as Exhibit 10, Bret
25 Prenger's surrebuttal testimony.

1 (Exhibit Nos. 7, 8, 9 and 10 were marked
2 for identification.)

3 MS. OTT: I'd like to admit those into
4 the record. Sorry. I'll do that after I question him
5 on that. I got a little ahead of myself.

6 BY MS. OTT:

7 Q. Can you please state your name for the
8 record?

9 A. Bret G. Prenger.

10 Q. And who --

11 JUDGE STEARLEY: And excuse me. I do
12 need to swear Mr. Prenger in also.

13 (Witness sworn.)

14 JUDGE STEARLEY: Thank you. And you may
15 proceed, Ms. Ott.

16 MS. OTT: Thank you. Sorry about that.

17 BRET G. PRENGER, having been sworn, testified as
18 follows:

19 DIRECT EXAMINATION BY MS. OTT:

20 Q. Please state your name for the record.

21 A. Bret G. Prenger.

22 Q. Whom are you employed, in what capacity?

23 A. I am a utility regulatory auditor with
24 the Missouri Public Service Commission.

25 Q. And are you the same Bret Prenger who has

1 previously caused to be filed prepared direct,
2 rebuttal and surrebuttal, as well as contributed to
3 the accounting schedules which have been previously
4 marked for identification as Exhibits 7, 8, 9 and 10?

5 A. I am.

6 Q. And with respect to your prepared direct,
7 rebuttal and surrebuttal, was that prepared by you or
8 under your direct supervision?

9 A. Yes, it was.

10 Q. Do you have any corrections to make at
11 this time to that testimony?

12 A. At this time, no, I do not.

13 Q. And if I were to ask you the same or
14 similar questions that are contained within that
15 testimony, would your answers given today be the same
16 or substantially similar?

17 A. Yes, they would.

18 Q. would they be true and accurate to the
19 best of your information, belief and knowledge?

20 A. Yes, they would.

21 MS. OTT: With that, I'd like to offer
22 Exhibits 7, 8, 9 and 10 into the record.

23 JUDGE STEARLEY: Any objections to the
24 Exhibits 7, 8, 9 and 10?

25 MR. FINNEGAN: No objection.

1 JUDGE STEARLEY: Hearing none, they shall
2 be admitted and received into the record.

3 (Exhibit Nos. 7, 8, 9 and 10 were
4 received into evidence.)

5 MS. OTT: And I tender Mr. Prenger for
6 cross-examination.

7 JUDGE STEARLEY: Cross-examination from
8 Public Counsel?

9 CROSS-EXAMINATION BY MS. BAKER:

10 Q. Good morning, Mr. Prenger.

11 A. Good morning.

12 Q. Your -- your issue in this case is the
13 compensation, the overtime and the time sheets; is
14 that correct?

15 A. That would be correct.

16 Q. Going to your direct testimony, page 16,
17 beginning with the question on line 14: what sources
18 did staff use to calculate the payroll expense? Could
19 you read your answer, please?

20 A. Yes. Staff used a variety of different
21 sources to justify the amount of payroll included in
22 this case. Surveys and websites like MERIC and The
23 Market survey for the Bureau of Labor Statistics were
24 used. Staff also used discussions and information
25 provided by the company to aid, as well as other

1 material internal to the Staff such as prior cases and
2 a salary database maintained by the auditing
3 department.

4 Q. To begin Staff's look into the payroll
5 for this case, did Staff start with the current
6 salaries of Timber Creek's employees?

7 A. The initial step would have been looking
8 back through the prior cases' salaries. And then the
9 second step would have been, yes, looking at their
10 current salaries prior to the -- this portion of time.

11 Q. Okay. And then the next step would have
12 been to try to justify whether the company's salaries
13 were reasonable?

14 A. That would be correct.

15 Q. So you had a number in mind and then you
16 looked at -- looked for documentation in order to
17 prove those numbers to be correct?

18 A. We had the current salaries and we had a
19 treatment that we thought at that time would be
20 appropriate and we wanted to see that that treatment
21 fit into a level -- a justifiable level, which these
22 surveys and discussions would aid in.

23 Q. Okay. But it is not Staff's normal
24 practice to look at what the market level is first for
25 a system like this?

1 A. I would say that they're always looking
2 at market rates and surveys and databases to aid in a
3 justifiable salary. I'd say you look at what they're
4 currently paid and find a treatment of how you are
5 going to handle it at that case and then find data
6 that would support your treatment of those salaries.

7 Q. So if one -- one source like MERIC showed
8 that the company's payroll was excessive, Staff would
9 look to another source?

10 A. You're always looking at multiple
11 sources. MERIC is just one of the sources that we
12 use. It's not based upon just the MERIC research.
13 It's based upon a multitude of things, including the
14 utilities that Mr. Sherry had mentioned earlier as --
15 as testified.

16 Q. Going to your rebuttal on page 5, line 9,
17 here your statement is that the operations manager
18 salary is currently higher than the market; is that
19 correct?

20 A. That is correct.

21 Q. Okay. But yet Staff is still -- it's
22 still Staff's position that the operations manager,
23 even though it's higher than the market, is a just and
24 reasonable salary for that position?

25 A. Based upon the duties of that operations

1 manager, the fact that he is one of two field
2 employees that are doing all field maintenance and
3 operations for this system, staff finds it reasonable,
4 yes.

5 Q. Even though it is currently higher than
6 the market?

7 A. It is on the higher end, yes.

8 Q. Okay. And is it Staff's position that
9 the general manager should be paid more than the
10 operations manager?

11 A. It is Staff's position that that would
12 generally be the hierarchy of the company structure,
13 yes.

14 Q. All right. So if the operations
15 manager's salary is currently higher than the market,
16 then it would be Staff's position that the general
17 manager's position, since it should be paid more,
18 should also be higher than the market?

19 A. I can't agree with that statement. It
20 would more so be two different job comparisons. It's
21 apples and orange kind of comparison. You're
22 comparing an operations manager and a general manager
23 with different job duties and different job
24 descriptions.

25 Q. Okay. Could you read the question

1 on line 4, please?

2 A. Mr. Sherry identifies at page 9 of his
3 direct testimony a concern that his salary as general
4 manager is lower than the operations manager. Does
5 Staff agree with Mr. Sherry's assessment of this
6 situation?

7 Q. And your answer is yes; is that correct?

8 A. Yes. His salary is currently lower.

9 Q. But you share a concern also?

10 A. Yes.

11 Q. On page 12, lines 1 through 2 of your
12 surrebuttal --

13 A. Page 12?

14 Q. Page 12, lines 1 through 2. You state
15 that, Public Counsel's position for the general
16 manager's salary should be calculated on the entry
17 level MERIC amount; is that correct?

18 A. Public Counsel states that it should be,
19 yes.

20 Q. Right.

21 A. Correct.

22 Q. Doesn't Public Counsel's position on the
23 general manager's salary also include a 3 percent per
24 year increase for the approximate three years that
25 Mr. Sherry has been the general manager?

1 A. I do believe that that is what
2 Mr. Robertson included, yes.

3 Q. All right. And then also on page 12,
4 line 8 of your surrebuttal you state, Mr. Sherry has
5 held various executive positions at Johnson County
6 wastewater over 17 years.

7 Please identify each executive position
8 that he has held and the job duties and
9 responsibilities for each position.

10 A. That is pulled from Mr. Sherry's direct
11 testimony. I don't have an answer for every job
12 position he's held at Johnson County.

13 Q. Did you review and verify the information
14 that you used for this statement?

15 A. I took him at his word.

16 Q. So you really don't know what level of
17 management experience and expertise Mr. Sherry has?

18 A. I took him at his word for his
19 statements.

20 Q. All right. On -- also in the surrebuttal
21 on page 17, lines 5 through 6, you state that, Public
22 Counsel attempts to lessen the office manager's
23 position in order to propose a lower salary in Staff's
24 view; is that correct?

25 MS. OTT: Excuse me. I didn't get what

1 line you're reading from.

2 MS. BAKER: I'm sorry. Page 17,
3 surrebuttal, lines 5 through 6.

4 BY MS. BAKER:

5 Q. And I'll repeat. On page 17, lines 5
6 through 6 of your surrebuttal you state that, Public
7 Counsel attempts to lessen the office manager's
8 position in order to propose a lower salary in Staff's
9 view; is that correct?

10 A. That is what it states, yes.

11 Q. To your knowledge, did OPC base its
12 position on documented MERIC information?

13 A. Yes.

14 MS. BAKER: No further questions.

15 JUDGE STEARLEY: Cross-examination,
16 Timber Creek?

17 CROSS-EXAMINATION BY MR. FINNEGAN:

18 Q. Mr. Prenger with respect to the position
19 of plant and collection systems operator you are
20 proposing \$7,000 in overtime; however, to do that
21 you're reducing the salary to \$39,000 from what's
22 currently \$45,867?

23 A. That position -- the end total of \$46,000
24 salary for the total compensation of that position is
25 the number that Staff was inputting. Now that number

1 is -- is made up a \$39,000 salary and overtime
2 portion, yes.

3 Q. So presently the position pays 45,867
4 without overtime; is that correct?

5 A. I don't believe -- I don't believe that's
6 correct.

7 Q. I'm sorry. That's Public Counsel. I'm
8 in the wrong spot here. \$40,980?

9 A. That -- that seems correct, yes.

10 Q. Okay. And to have -- so you're proposing
11 a position for 46-- \$46,000 basically, including
12 overtime?

13 A. We're proposing a \$46,000 compensation
14 level for this -- for this position.

15 Q. Now, is the overtime time and a half
16 you're figuring?

17 A. The overtime was brought -- brought to
18 our attention in a September 28th meeting -- phone
19 call, excuse me, with Mr. Sherry. And at that --
20 prior to that position, Staff had granted a 3 percent
21 COLA increase for all of the company positions.

22 And at that time Mr. Sherry brought to
23 our attention that he was going to be paying overtime
24 regardless on how the outcome of this case played out.
25 And according to that statement, Staff agreed with

1 that position and incorporated an amount of overtime
2 for that position to be paid out.

3 Q. Okay. But so -- but you're saying it's
4 \$7,000, but basically it's more like \$5,020 based on
5 the current salary?

6 A. well, no. We took into consideration the
7 full \$7,000 amount that we proposed that that position
8 worked. We found a number for the 39,000 that was
9 supported by our databases and we -- we added the
10 additional amount to get to the ending total that we
11 felt was appropriate for this position.

12 Q. And by your databases, what do you mean?

13 A. That particular position would have been
14 MERIC -- MERIC based in that conversation with
15 Mr. Sherry.

16 Q. I believe in a study that the staff
17 performed in -- in what was it, August of -- or that
18 you'd found that that the salary -- the mean salary
19 level for the system operator was \$49,290 and that the
20 salary level paid to Timber Creek system operator is a
21 conservative level compared to information reviewed?

22 A. The -- I believe you're looking at MERIC.
23 I'm not quite sure. Is that --

24 Q. I'm looking at Schedule DS-3 to
25 Mr. Sherry's testimony. It's the memorandum from the

1 Staff dated August 2nd, 2010 regarding the
2 determination -- the determinations in this case.

3 A. Staff has never supported a \$49,000 level
4 for this position. I don't know where exactly on this
5 schedule it said --

6 Q. It's on page --

7 A. -- it's stating that.

8 Q. -- 7 of the schedule. Starts at the
9 bottom of page 6, just one word. Staff concluded that
10 the salary levels paid to Timber Creek employees are
11 conservatively priced in relationship to salaries paid
12 to other similar positions to other entities.

13 A. Correct.

14 Q. An example of the survey viewed would be
15 the following. And there's four bullet points there
16 and the third bullet point is for the system operator?

17 A. Okay. It does indeed read that the mean
18 salaries would be a 49,290. But based upon further
19 review from Staff, that that is not an accurate salary
20 for that position.

21 Q. Well, if MERIC said it then, why isn't it
22 now?

23 A. Well, at the time of this memorandum
24 there's been significant changes as far as additional
25 research performed by Staff, including looking into

1 the other utilities that Mr. Sherry brought to our
2 attention. As far as at one point an update to the
3 MERIC website -- and I don't know when that all
4 transcribed as to the time of this particular
5 document, but there has been changes to the MERIC
6 website from an '07 database to an '09 database.

7 Q. Okay. And this says mean salary level
8 we're talking. There's -- there's different items
9 under MERIC, aren't there?

10 A. There is.

11 Q. Median, mean, entry, experienced and
12 median -- I'm sorry. Mean, entry, experienced and
13 median?

14 A. Yes.

15 Q. And the figures are all different?

16 A. Yes. The figures are all different.

17 Q. So basically this gives you a range?

18 A. There is a range. MERIC is based on
19 many, many things, as you're saying. There is a range
20 based on experience is what you're referring to as an
21 entry level employee all the way through, I'm
22 assuming, based on tenure and experience level
23 employee. And it also has a breakdown of hourly if
24 you'd like to treat it in that manner. There's a lot
25 of information provided by MERIC.

1 Q. So basically you look at all these things
2 and you make an educated guess as to what you think
3 might be reasonable?

4 A. MERIC is only but one of the items we
5 look at, as stated. We don't make an educated guess.
6 We define the salaries we start with, what was paid in
7 the last case and we find a treatment or a manner that
8 we wish to apply to this case and we use these
9 databases and other methods of research as support for
10 what we feel should be included in this case.

11 Q. And is it still your position that the
12 salary levels for Timber Creek employees are
13 conservatively priced in relationship to the salaries
14 paid other similar positions for other entities?

15 A. There is a conservative nature in their
16 pricing, yes. But again, you're looking at entities
17 that are on a completely different scale than Timber
18 Creek. The entities being compared to are much larger
19 with much higher amount of customers. So there should
20 be a conservative level built into that. It should be
21 more conservatively priced versus those entities.

22 Q. But with the -- for example, the general
23 manager position, that also has a mean entry,
24 experienced and median rate. Correct?

25 A. That would be correct.

1 Q. And in -- there's -- in your memo --

2 A. Uh-huh.

3 Q. -- Staff's memo, it points out the median
4 annual salary for general managers was \$94,529, which
5 coincidentally is the amount that Mr. Sherry is
6 seeking in this case. That would be conservatively
7 priced?

8 A. That management occupation search is a
9 general management occupation search. It does not
10 specify utility, does not specify size of company, it
11 does not specify work force, it doesn't specify a lot
12 of things. That is a search to just say in a Kansas
13 City region for an employee of that title, a median
14 salary is expected to earn around that.

15 Q. Does Staff have any position on what is
16 the reasonable percentage of personnel costs to -- the
17 O&M cost?

18 A. Repeat that for me, please.

19 Q. well, as far as the total overall
20 salaries paid as compared to the overall expenses, do
21 you remember looking at any percentage --

22 A. I --

23 Q. -- to see if that's reasonable -- or
24 other industries and other companies to what their
25 percentage of --

1 A. I did not look at any other industries or
2 companies. I simply found the most reasonable
3 recommendation sal-- recommended salary for Timber
4 Creek Sewer Company.

5 Q. And -- but basically it comes down to a
6 subjective determination based on what you think is
7 best?

8 A. Comes -- I would say it comes down to
9 finding a position of how you would like to treat
10 salaries in this case and finding support for what you
11 believe is the recommended salary, which is what Staff
12 has done.

13 Q. Okay. In your rebuttal testimony, you
14 have a schedule for wyandotte County. I think it's
15 schedule 3-2. Have you found that?

16 A. Yes.

17 Q. On page -- schedule 3-4 --

18 A. Yes.

19 Q. -- there's the -- for 2009 this shows the
20 budget in actual -- for wyandotte County, the Water
21 Pollution Control Board?

22 A. I see that, yes.

23 Q. Okay. You see the personnel cost of
24 \$7,514,440 under operating expenses, the first item?

25 A. I do.

1 Q. And then you see what the total operating
2 expenses are of \$17,791,488?

3 A. Yes.

4 Q. Can you compute what that percentage is?

5 A. I don't have a calculator or any sort of
6 device to compute that. And off the top of my head, I
7 don't feel like I would provide you a --

8 Q. would you do it subject to check, like we
9 used to?

10 A. I could say that. Subject to check, I
11 can find that answer for you.

12 Q. All right. would you say 42 percent?

13 A. Again, subject to check. I would have to
14 do the computation, but yes.

15 MR. FINNEGAN: Okay. Does anybody have a
16 calculator? I don't have one except my telephone. I
17 don't know how to use it. Who knows how to use this?
18 This one might be the most reasonable.

19 BY MR. FINNEGAN:

20 Q. would you be dividing the 7 million by --

21 A. 17,9 --

22 Q. Yeah.

23 A. -- 791. Roughly 42.24 is what I'm
24 calculating.

25 Q. Okay. And with respect to Johnson

1 County, do you know what their cost is?

2 A. I -- I don't believe -- I don't believe I
3 provided that data.

4 Q. would you look at -- do you have a copy
5 three of Mr. Sherry's testimony?

6 A. Copy three?

7 Q. To the surrebuttal testimony.

8 MR. FINNEGAN: May I approach? I already
9 have.

10 JUDGE STEARLEY: You may.

11 BY MR. FINNEGAN:

12 Q. I'm not going to hurt you. Schedule
13 DS-10 to the surrebuttal. Yeah, just in front of that
14 right here.

15 A. Okay

16 MS. OTT: what page are you looking at?

17 MR. FINNEGAN: Six.

18 BY MR. FINNEGAN:

19 Q. And there's a -- there's a pie chart
20 there. It says, Breakdown of 2009 actual spending,
21 looks like the total is 32.62 million total. That's
22 kind of hard for you to read.

23 A. Yeah.

24 Q. And it says --

25 A. Personnel.

1 Q. -- personnel is what?

2 A. 41 percent.

3 Q. 41 percent. I believe it also says it's
4 12.5 million. I assume that would be about right.

5 For Timber Creek do you know what its personnel cost
6 is percentage-wise?

7 A. I do not. Is there a schedule?

8 Q. On page 2 of Mr. Sherry's surrebuttal
9 testimony at the bottom, the last line -- line 23 --
10 starting at line 23.

11 A. Okay.

12 Q. It states, In comparison, Timber Creek's
13 current personnel costs are 38 percent, including
14 benefits, of revenue. Timber Creek's salaries as part
15 of this case will put personnel cost at 40 percent,
16 including benefits and 10,000 overtime.

17 Do you read -- do you see that?

18 A. Yes, I see that.

19 Q. Do you have any reason to doubt that?

20 A. No, I do not.

21 Q. In -- in your testimony you refer to the
22 Lake Region Company. Is it a company or is it --

23 A. Lake Region is a water and sewer company,
24 yes.

25 Q. That has kind of some sewer districts in

1 it or water districts in it and --

2 A. It's actually composed of a water and
3 sewer district at which everyone is a contracted
4 employee of that water and sewer district. And then
5 there's two other entities, Ozark Shores and Lake
6 Region, in which those employees would provide service
7 on a need or necessity basis out to Lake Region. So
8 it's a contract group of entities.

9 Q. And by the Lake Region, I assume we're
10 talking Lake of the Ozarks?

11 A. That is correct. It is located at the
12 Lake of the Ozarks.

13 Q. So it's not the Kansas City metropolitan
14 area?

15 A. No. No, it is not.

16 Q. And with respect to the -- let's see. On
17 page 13 of your rebuttal testimony you indicate that
18 the Lake Region has 1,413 -- 1,413 customers; is that
19 correct?

20 A. Yes. That is correct.

21 Q. Now, do you know -- you say it's -- 1,852
22 were water customers, 179 water customers, 117 sewer
23 customers. So there's -- right above that you talk
24 about the number. Do you know if these water and
25 sewer customers are the same people?

1 A. The numbers that you were just quoting
2 were the makeup of the three separate entities.

3 Q. Right.

4 A. There's 1,413 for the Lake Region system,
5 there's 1,852 for Ozark Shore system and then there's
6 179 water, 117 sewer for the district. They are
7 different -- different customers, correct. They're
8 all different entities and those are the customer
9 counts for each of those entities.

10 Q. I guess what I'm trying to get to, if
11 you're a water customer, you could also be a sewer
12 customer?

13 A. For this specific entity?

14 Q. For one of those specific entities.

15 A. Yes, you could.

16 Q. Probably in all likelihood, you are?

17 A. I'm assuming in all likelihood, yes.

18 Q. So basically we're kind of double
19 counting here as to how many customers there are?

20 A. Well, you're still a water and a sewer
21 customer, you're still a separate customer. So I
22 wouldn't see that as a double counting. There's still
23 1,400 customers.

24 MR. FINNEGAN: I believe that's all the
25 questions I have.

1 JUDGE STEARLEY: Questions from the
2 Bench? I know Commissioners are just getting back
3 from agenda and trying to catch up here. I -- as with
4 Mr. Sherry, I've allowed him to step down and we can
5 call him back later for redirect and -- or for some
6 questions from the Bench and if there's another -- if
7 you're not ready at this time, we can always have
8 questions later.

9 COMMISSIONER JARRETT: I'm ready for a
10 few questions anyway.

11 JUDGE STEARLEY: Go ahead.

12 QUESTIONS BY COMMISSIONER JARRETT:

13 Q. Good morning Mr. Prenger.

14 A. Good morning.

15 Q. How are you?

16 A. Good. Thank you.

17 Q. In your testimony you provided -- I guess
18 was it four examples, Johnson County, Wyandotte
19 County, Platte County, and then Lake Region; is that
20 correct?

21 A. That is correct.

22 Q. Okay. Do you know are -- which one of
23 those are privately owned, for-profit regulated
24 entities?

25 A. Two entities at Lake Region would be

1 privately owned, Lake Region and Ozark Shores for sure
2 off the top of my head.

3 Q. All right. Should it make a difference
4 whether a company is for-profit or not-for-profit --
5 should the salary structure -- should it make a
6 difference on salary structure?

7 A. In my opinion, no.

8 Q. would you agree that companies -- water
9 companies, sewer companies need quality employees to
10 make sure that the operations are run effectively and
11 efficiently and that customers get adequate service?

12 A. Certainly.

13 Q. Now, I notice from the position
14 statements in the reconciliation, staff and the
15 company are less than \$30,000 apart on salary. Is
16 that still correct?

17 A. Yes. I believe that the total difference
18 is 29-and-some dollars.

19 Q. And some change, yeah. And I know that
20 you rely on these studies and Timber Creek relies on
21 some different studies. I know you may have some
22 disagreements maybe with the methodology or whatever
23 of some of those studies, but are those otherwise
24 valid studies from valid companies or valid surveyors?

25 A. Timber Creek's studies or my -- our

1 studies?

2 Q. Timber Creek's.

3 A. They seem to be valid studies, yes.

4 Q. All right. would you agree that given
5 that there's only 29,000 change difference for
6 purposes of us deciding the case, would anywhere in
7 the range between your numbers and their numbers be a
8 reasonable salary structure?

9 A. No. I believe Staff's recommended levels
10 are --

11 Q. So if we go \$10 over Staff's, then that's
12 not reasonable?

13 A. I don't -- I don't agree with that, no.
14 I believe that Staff's are -- excuse me. I do agree
15 with that. \$10 over is unreasonable. Staff's
16 proposed levels are what we feel are the proposed
17 levels.

18 Q. That's the top dollar. Anything above
19 that's unreasonable?

20 A. For all the positions that we've
21 included, including a few that are on the upper end
22 already of a pay scale, I believe that we have
23 recommended just and reasonable rates, yes.

24 Q. Okay. Now, were you here during the
25 opening arguments?

1 A. Yes, I was.

2 Q. And you recall -- I believe I had a
3 little question back and forth with Ms. Baker on the
4 overtime issue?

5 A. Correct.

6 Q. Can -- do you know -- do employees of
7 Timber Creek ever work over 40 hours a week?

8 A. It was assumed that they did. It was
9 more of a salary. Initially it was -- they were
10 salaried employees so it was kind of similar to
11 certain staff members here at the Commission, you put
12 in the time as needed. If it was over, it was over.
13 It was assumed that they would sometimes work over 40
14 hours a week, yes.

15 Q. So you assume, but do you have any
16 personal knowledge that they did or didn't?

17 A. We have certain schedules and data
18 requests that we've asked that support that they've
19 had events where they've been required to work
20 overtime, yes.

21 Q. Okay.

22 COMMISSIONER JARRETT: I don't think I
23 have any more questions right now. Thank you,
24 Mr. Prenger.

25 JUDGE STEARLEY: Commissioner Gunn,

1 Commissioner Kenney?

2 QUESTIONS BY COMMISSIONER GUNN: Yeah, I just have a
3 couple. And I apologize if these have already been
4 asked --

5 A. No problem.

6 Q. -- and we weren't here. But I want to
7 talk about the contingency fund right now. One of
8 the -- in your -- I guess I was looking at
9 Mr. Busch's, so you're not here -- you're not here to
10 talk about it?

11 A. I'm not Mr. Busch.

12 Q. I was looking at the wrong one. All
13 right. So let me go back to the pay scale. So one of
14 the -- the water systems that Timber is relying on is
15 the Johnson County?

16 A. Correct.

17 Q. Correct. Now, can you describe in terms
18 of scale and scope, are there -- are there major
19 differences between that water system and Timber
20 Creek? Is it an apples-to-apples comparison in your
21 opinion?

22 A. In my opinion, no, it's not. It's a
23 significantly larger system of customers and
24 employee-wise. There's 133,000 customers in Johnson
25 County, 1,500 at Timber Creek. There's 219 employees

1 at Johnson County, there's 4 at Timber Creek.

2 Q. Does the -- when you upscale, when you --
3 do you -- have more customers, does that inherently
4 mean that water and sewer systems become more complex
5 or -- or can you -- can you make -- like I said, an
6 apples-to-apples comparison saying just because you
7 have a lot more customers doesn't necessarily mean
8 that systems are more complex?

9 A. I'm not an engineer by any means, but I
10 would assume as customer levels and employee levels
11 went up, you would have more complaints, larger
12 systems, more lift stations, more -- everything that
13 goes with the operations of a water and sewer utility.

14 Q. How significant is the pay differential
15 between the Kansas City metro area and say the Lake of
16 the Ozarks for the types of systems we're talking
17 about? There may be significant differences in
18 nonrelated industries, whether you're a lawyer or a
19 doctor or -- I don't -- there may not be. I don't
20 know.

21 But -- but do you see -- did you take
22 that into account when you were making your
23 recommendations that cost of living might be
24 different, transportation costs, things like that
25 might be lower?

1 A. It was taken into consideration. If you
2 would apply a cost of living increase to salaries that
3 were, say, at Lake Region, for instance, at the Lake
4 of the Ozarks -- and I don't know what a standard cost
5 of living increase would be for something -- a move of
6 that magnitude, but a 10 percent increase would put
7 these salaries more on scale and they would be
8 accurate comparisons as far as salary levels on
9 different job duties.

10 Q. And so you took that into account in your
11 recommendation of the -- the salary level, you took
12 into account the higher cost of living in the Kansas
13 City metro area?

14 A. Correct.

15 Q. So you would -- if you -- if you took
16 exactly what the Timber Creek people were doing and
17 put them in the Lake of the Ozarks, you would see
18 somewhat of a reduction in your recommendation for
19 those salaries?

20 A. That would be a fair statement. They
21 would be slightly on the high end of salary wages.

22 COMMISSIONER GUNN: Okay. I don't think
23 I have any further questions, at least not prepared.
24 So thank you.

25 JUDGE STEARLEY: Commissioner Kenney, any

1 questions for this witness?

2 QUESTIONS BY COMMISSIONER KENNEY:

3 Q. I have a couple questions. And I was up
4 at agenda so if this was covered in your testimony, I
5 apologize. I want to ask really quickly about the
6 issue of overtime and time sheets. Is it your
7 understanding that Timber Creek's argument is that if
8 they start using time sheets, they will be required to
9 start paying overtime?

10 A. I believe that's -- that is what he was
11 stating.

12 COMMISSIONER KENNEY: Okay. And, Judge,
13 will we have an opportunity to have Mr. Sherry come up
14 here?

15 JUDGE STEARLEY: Yes. Yes, he will.

16 BY COMMISSIONER KENNEY:

17 Q. And my second question is with respect to
18 both alternative energy and gas well cost recovery.
19 10,849 is it your understanding that they're
20 requesting that amount for future exploration of
21 alternative energies or as reimbursement for the money
22 already expended on the failed well?

23 A. I'm actually not the witness to address
24 that. That's going to be Mr. Martin Hummel.

25 Q. Okay. Okay. well, thank you for your

1 time.

2 COMMISSIONER KENNEY: I'm finished.

3 QUESTIONS BY JUDGE STEARLEY:

4 Q. Mr. Prenger, I have one quick question
5 for you. You were the sponsor of Staff's accounting
6 schedules. Correct?

7 A. Correct.

8 Q. And I had asked it to begin with this
9 hearing did everyone agree to the capital structure in
10 that accounting schedule. And I realize parties have
11 stated they're all in agreement with those numbers.
12 But given this was a small company rate increase case
13 as it initiated, there's a little lesser amount of
14 testimony on some of these values. And I was just
15 wondering if you could briefly tell the Commission how
16 the embedded cost of capital numbers were determined?

17 A. That would have been a computation by
18 Staff member Shana Atkinson actually. I received the
19 data to put into the case from them and I don't -- I
20 don't have any idea how that would have been
21 calculated.

22 JUDGE STEARLEY: Ms. Ott, do you think
23 you can file an affidavit from Ms. Atkinson just
24 offering the Commission a brief explanation of her
25 calculations?

1 MS. OTT: Judge, are you asking for an
2 affidavit with an explanation or just the affidavit to
3 support --

4 JUDGE STEARLEY: With a short explanation
5 of how she derived those.

6 MS. OTT: Okay. I do believe she has a
7 memo in the unanimous partial disposition agreement
8 that would have had a signed affidavit along with it,
9 but I will do that as well.

10 JUDGE STEARLEY: Okay. If you can just
11 file that as a late-filed exhibit. Thank you. I
12 appreciate that.

13 Any recross based on questions from the
14 Bench?

15 MS. BAKER: I do.

16 RE-CROSS-EXAMINATION BY MS. BAKER:

17 Q. I just have one question. Whenever you
18 reviewed the books of Timber Creek, did they book any
19 paid overtime during the test year?

20 A. There was not any booked overtime, no.

21 MS. BAKER: Thank you. That's all I
22 have.

23 JUDGE STEARLEY: All right. Recross,
24 Timber Creek?

25 MR. FINNEGAN: Just a few questions.

1 RECROSS-EXAMINATION BY MR. FINNEGAN:

2 Q. Commissioner Jarrett asked you about
3 utilities needing quality employees; is that correct?

4 And you --

5 A. Yes, that is correct.

6 Q. And you agreed that they do?

7 A. Certainly.

8 Q. With your experience with Timber Creek
9 employees, do you find them to be quality employees?

10 A. Yes, I do.

11 Q. And that Timber Creek is a pretty
12 exceptionally run sewer company?

13 A. They are ran very well, yes.

14 Q. In fact, the Staff works with them and
15 uses them to teach other people?

16 A. In the small water and sewer industry, I
17 believe they are used quite often as examples, yes.

18 MR. FINNEGAN: That's all the questions I
19 had.

20 JUDGE STEARLEY: And, Ms. Ott, before you
21 begin your redirect, do you have a large amount of
22 redirect? We're running on two hours and I wanted to
23 give my court reporter and everyone a break.

24 MS. OTT: I have some. I don't know how
25 much, but we can take a break.

1 JUDGE STEARLEY: Okay. Why don't we take
2 about a ten-minute break. And when we resume, we'll
3 have you do your redirect with Mr. Prenger.

4 (A recess was taken.)

5 JUDGE STEARLEY: All right. We're back
6 on the record. Mr. Prenger is on the stand for
7 redirect from Staff. Mr. Prenger, I remind you that
8 you're still under oath.

9 THE WITNESS: Thank you.

10 REDIRECT EXAMINATION BY MS. OTT:

11 Q. Mr. Prenger, Ms. Baker earlier was
12 discussing with you whether or not Staff had a number
13 in mind when it began making its salary determination.
14 Can you explain how you -- what the process you used
15 in making sure that the salaries were just and
16 reasonable?

17 A. Yes. Again, it started with initially
18 viewing the prior cases' salaries and then requesting
19 the current pay levels for Timber Creek employees and
20 then comparing those levels to different databases and
21 surveys, other utilities and internal discussions with
22 other Staff members as to what our position would be
23 regarding salaries for this case.

24 Q. So you didn't take what -- Timber Creek's
25 word what they're paying their salary and then decide

1 whether or not you thought that was reasonable?

2 A. No. We did our -- found those -- found
3 those salaries and then did research upon those
4 salaries to determine what levels we thought were
5 accurate to be paid.

6 Q. And a little afterwards she was
7 discussing with your surrebuttal, page 12, line 8,
8 when you were discussing the qualifications of
9 Mr. Sherry and whether or not you took his word for
10 it. Do you know if the direct testimony that you
11 pulled the information for was attested to?

12 A. Yes. That was sworn testimony by
13 Mr. Sherry.

14 Q. Okay. Mr. Finnegan from Timber Creek was
15 having a conversation with you about whether or not
16 when staff makes its salary determination, whether or
17 not that -- that's a subjective determination. Did
18 you agree that it was a subjective determination?

19 A. No. I don't think it's subjective.
20 Again, you do the research based on their current
21 salaries and then you justify those salaries based on
22 the databases and surveys again and the other
23 utilities and databases that the staff has within
24 their -- their work force. So it's -- it's not a
25 subjective process. You do find numbers and answers

1 to everything.

2 Q. And then shortly afterwards, Mr. Finnegan
3 was kind of going through those personnel percentages
4 to operating -- operating expenses. What was Staff's
5 basis for using the Johnson County, Platte County and
6 Wyandotte County's annual reports?

7 A. Staff was trying to depict by using those
8 specific utilities the impact per customer that the
9 certain salaries would have. In that instance we were
10 using strictly the general manager's salary and
11 dividing that by the customers of each of those
12 entities to get a dollar level per customer.

13 Q. And then Mr. Finnegan was also discussing
14 the structure of Lake Region Water and Sewer and
15 whether or not that all of the water customers are the
16 same as the sewer customers. Can you explain the Lake
17 Region Water and Sewer system?

18 A. Yes. I meant to say that part of that
19 system is Ozark Shores, which is strictly water, and
20 there's a Horseshoe Bend system which is strictly
21 sewer. So they're not one in the same. There are
22 specific sewer and water customers, but there are a
23 few customers that could potentially be on --
24 receiving water and sewer service.

25 Q. Okay. And then -- okay. And then

1 Commissioner Gunn was kind of discussing the pay scale
2 difference between Kansas City and the Lake Ozark
3 region. Can you explain the difference between how
4 staff would determine a cost of living adjustment
5 between the two?

6 A. You just have to look at the cities, the
7 magnitude of where you're living. The Kansas City
8 regional metropolitan region is a larger, more
9 expensive city probably than the lake region. And
10 that's what I was trying to get as was taking those,
11 you would probably have to factor in some sort of
12 adjustment for the living zones, but I don't know,
13 without doing an analysis or research, what particular
14 amount of money or percentage of monies would be
15 acceptable for that sort of adjustment.

16 Q. So if Timber Creek was at the lake, would
17 their salary be higher or lower than what it currently
18 is?

19 A. I would assume it would be a lower salary
20 as it would cost more to live in the metropolitan
21 Kansas City area than it would the Lake Region area --
22 or the Lake Ozarks area, sorry.

23 MS. OTT: I don't have any further
24 questions. Thank you.

25 JUDGE STEARLEY: All right. Mr. Prenger,

1 thank you for your testimony.

2 THE WITNESS: Thank you.

3 JUDGE STEARLEY: At this time I'm going
4 to recall Mr. Sherry to the stand for questions from
5 the Bench.

6 MS. OTT: Judge, before we continue, can
7 Mr. Prenger be excused from the room, not from the
8 hearing, as there is testimony due today in another
9 case in which he's a witness on?

10 JUDGE STEARLEY: Certainly.

11 MS. OTT: And if we need him, I can go
12 grab him and bring him back up. Thank you.

13 JUDGE STEARLEY: would you be seated.
14 And, Mr. Sherry, I do want to remind you that you're
15 still under oath. Commissioner Jarrett?

16 COMMISSIONER JARRETT: Yes, thank you,
17 Judge.

18 DEREK SHERRY, having been previously sworn, testified
19 as follows:

20 QUESTIONS BY COMMISSIONER JARRETT:

21 Q. Good morning, Mr. Sherry. How are you
22 this morning? Sorry we had to step out during your
23 testimony --

24 A. I understand.

25 Q. -- and attend to other business, but I'll

1 try not to -- hopefully won't recover testimony
2 that -- or areas that you explored with the attorneys.
3 I apologize if I do so, but I want to make sure I
4 understand.

5 How long have you worked for Timber
6 Creek?

7 A. I was the vice president since 1995, then
8 as an unpaid board member, then became full-time
9 president, general manager in February of 2008.

10 Q. Are you familiar with about how many
11 hours per week each employee of Timber Creek works --

12 A. Yes.

13 Q. -- just on average?

14 A. Yes.

15 Q. And you are the general manager?

16 A. Correct.

17 Q. Okay. About how many hours a week do you
18 work?

19 A. For me obviously it varies, but on the
20 average, you know, about 45 to 50 hours a week is a
21 pretty common workweek I'd say when you average
22 everything out.

23 Q. Right. Now do you ever have to go out
24 like on weekends or the middle of night if there's a
25 problem?

1 A. I was out Sunday afternoon on a pump
2 station failure in the evening. I was up at 2:30 last
3 night reviewing the telemetry logs to make sure the
4 pump station is working. So to answer your question,
5 yes, I'm pretty much 24/7.

6 Q. All right. And what about the office
7 manager?

8 A. The office manager's primary
9 responsibilities are from really 8:30 to 4:30. That's
10 when the office is open. Her first and foremost is to
11 make sure we are open for business, customers' calls,
12 permits, all that is handled. She's the frontline of
13 communication.

14 She then has additional duties that
15 require her to work overtime or outside those hours,
16 which are in customer notifications when -- late
17 payments, collection-type issues, whether it's door
18 hangers that go out to customers or if they haven't
19 applied for service, she then drives to those sites to
20 actually physically place those on there.

21 She's also responsible for collecting all
22 the inventory and supplies for the office as well as
23 any other materials that the operations may use. So
24 she usually goes to Costco or Sam's on the weekend to
25 pick those items up to make sure that we have the

1 supplies we need.

2 Q. So if you were to go to a time sheet
3 system that staff is recommending, would she be an
4 exempt employee and just be paid a straight salary or
5 would she be subject to overtime?

6 A. Right now -- as I've discussed with
7 staff, looking through the Fair Labor Standards law
8 and consulting with an attorney, there is a question
9 as to whether it would be exempt or non-exempt.

10 Q. Right. Now, you would be exempt, I
11 assume?

12 A. Correct. Myself and the operations
13 manager, no question, we are exempt. The office
14 manager is -- at this point under the advice of, you
15 know, looking at our counsel's idea, you're better off
16 to go ahead and pay the little bit of overtime rather
17 than to have to defend a claim.

18 Q. Right. Then the operations manager, how
19 many hours per week would you say the office manager
20 works?

21 A. The office --

22 Q. Not the office manager, operations
23 manager.

24 A. Oh, operation manager, he'll be similar
25 to my work schedule. Maybe a little more depending on

1 outages and issues. He had the shift from -- up
2 through 9:00 p.m. last night and then he picked it up
3 at 4:30 this morning on the pump station. So I had it
4 from 11:00 and 2:30 and then he started back up at
5 4:30. So that was just an example. So we have to
6 work whatever hours we have to work.

7 Q. Right. So you said yourself 45 to 50.

8 A. Yeah. He'll be in the same range.

9 Q. Same for him?

10 A. Yeah.

11 Q. And then the system operator?

12 A. Yeah. That position again is a
13 operations-type person. So he is filling in for the
14 operations manager or when the duties are assigned.
15 On average, he'll work between 42 to 45 hours a week
16 is what we've determined.

17 Q. All right. And then under the -- under a
18 time sheet scheme --

19 A. Uh-huh.

20 Q. -- since both you and the Staff are
21 looking at overtime, is the determination is that that
22 would be a non-exempt employee and you'd have to pay
23 him --

24 A. Yeah.

25 Q. -- him or her time and a half?

1 A. That is clearly a nonexempt and an
2 overtime eligible position.

3 Q. Right. Okay. Now, are you familiar with
4 other water and sewer companies that are similarly
5 situated to yourself?

6 A. Yes.

7 Q. Just based on your personal knowledge,
8 how do you think your salary structure falls in with
9 those?

10 A. Right now I think the Staff, as they said
11 in their initial report, is accurate that it's
12 conservatively priced. As we've -- as I've said in my
13 testimony, I think the operations manager is in the
14 upper range of that as a salary. The other three
15 positions are under market.

16 Q. Okay. And I'll ask you the same question
17 I asked Mr. Prenger. I think you were in the audience
18 when -- when I was talking with him. The difference
19 between you and Staff on total salary is less than
20 \$30,000?

21 A. Correct.

22 Q. You have studies, they have studies. We
23 can talk about individual, which study is better,
24 which study is not. Do you think that anything within
25 the range between your salary structure and Staff's

1 proposal would you think it would be reasonable for us
2 based on the studies to find somewhere in between?

3 A. Certainly. You bet. I'm a reasonable
4 businessman.

5 Q. And I believe Mr. Prenger testified that
6 all the employees of Timber Creek are -- he would
7 consider to be excellent --

8 A. Yes.

9 Q. -- right? And do you think that normally
10 employees who perform above average should be paid
11 accordingly?

12 A. Correct.

13 Q. And you also understand that you're a
14 regulated entity so we have to balance that with the
15 ratepayers. We want to make sure that ratepayers get
16 good value for their rates.

17 A. Absolutely. In a -- just as you guys are
18 accountable to ratepayers, so are we. I mean, we
19 live, work in that community and have to answer to
20 them. So it's -- I understand why, you know, it's got
21 to make sense. Right? And it's got to be defensible
22 and it has to -- you know, as I would say, it's got to
23 pass the sort of red-face test.

24 Q. Right. Now, when we were talking a
25 little bit earlier, you know, about the average hours

1 per week or the -- that the various employees worked,
2 would your answers be about the same if we're just
3 talking about the test year in this case?

4 A. Yes.

5 Q. All right.

6 COMMISSIONER JARRETT: I don't have any
7 further questions. Thank you, Mr. Sherry. Appreciate
8 it.

9 THE WITNESS: You bet. Thanks.

10 JUDGE STEARLEY: Commissioner Gunn?

11 QUESTIONS BY COMMISSIONER GUNN:

12 Q. Thank you. Appreciate the -- coming
13 back.

14 A. No problem.

15 Q. And we hope it will be fairly painless.
16 I'm -- in all of the questions that I have, I may ask
17 you some questions that potentially would involve
18 settlement discussions.

19 A. Okay.

20 Q. And I don't want you to go into
21 necessarily the substance of what was discussed, but I
22 may just want you to answer whether or not there were
23 discussions and that's really all I need to know
24 because I don't want to get involved -- I don't think
25 we can get involved in some of the other stuff.

1 So I think basically all my questions
2 have been answered on the salary -- on the salary
3 stuff except that the reason why the office manager
4 won't be getting a raise -- or the operations manager
5 wouldn't be getting a raise under this was because --
6 under your proposal is because you think they're
7 already at the top of the pay scale. Correct?

8 A. Yeah. I believe, you know, if you think
9 of a traditional pay system, you have -- you know, as
10 much as I can see in MERIC, but you have a range, you
11 have an entry, a mid-point and then a maximum.

12 I believe the operation manager's right
13 now salary from my own studies is in the mid-point to
14 maximum side of the area. So as I was responding
15 earlier that, you know, in the red-face test, he
16 probably needs to stay where he's at, let cost of
17 living catch up in a year or two and then put him back
18 onto a -- kind of a raise. And I've had that
19 discussion with the employee.

20 Q. Now, I want to move to the rate case
21 expense issue and this is one of those areas. Were
22 you with Timber Creek during the last rate case?

23 A. I was at -- in 2007 I was actually an
24 employee of Sprint on leave of absence during that
25 rate case.

1 Q. Okay. were you involved at all in the
2 discussions -- in the settlement discussions in that
3 case?

4 A. Yes.

5 Q. And were you involved in the discussion
6 over the Stipulation and Agreement that was eventually
7 filed in the case?

8 A. Yes.

9 Q. All right. So you're familiar with it.
10 And would you say your part was active?

11 A. Yes.

12 Q. Okay. That's all I want to know. I'm
13 not going to ask you to get into anything. So now I
14 want to go to this gas well issue. Can you tell me --
15 can you walk me through the process of once you
16 determined that you were going to look for an -- an
17 alternative energy, can you take me through the
18 process that you went in identifying the area that --
19 area to dig, what caused you to dig there, why you
20 thought there was gas on the property? Could you just
21 walk me through that? It doesn't have to be long,
22 just really quickly.

23 A. Certainly. Obviously it's the increasing
24 electrical costs that drove us to look at different
25 sources. So as I've said in my testimony, we looked

1 at the three what we believe are the most available
2 power type sources; would be natural gas, solar and
3 wind.

4 In looking at the financials, when you
5 look at the investment that it would take and then how
6 much return you would get, so those scenarios, natural
7 gas was the lowest cost type pursuit, but, you know,
8 I'll admit probably the highest risk as well. The
9 reason we looked at -- so we said, well, okay, let's
10 do some research before we decide to actually spend
11 any money.

12 So at that point spent numerous hours
13 talking to the Department of Natural Resources,
14 specifically the folks in Rolla, the USGS, talking
15 about, you know, what to look for, how to look for it,
16 all the materials that existed. And there's
17 tremendous amount of research and materials out there
18 where it talks about gas.

19 And particularly in the northwest
20 Missouri, southeast Iowa, in that area there's what's
21 called The Forest City Basin that stretches all the
22 way down actually to Harrisonville, Missouri and so
23 on. So there's Plattsburg, Harrisonville and then the
24 areas of Tiffany Springs all had active gas wells or
25 wells that had known productions. And again, I've

1 given that to the Staff to show that.

2 So at that point I said what's
3 specifically within our region? well, the oldest well
4 logs you could find -- so the research is, is who else
5 has done it.

6 Q. Right.

7 A. Right. That's what I was looking for.
8 So looked at old well logs in -- from the 1920's
9 through the 1940's was really the last active in --
10 I'd say within a five-mile radius that anyone had done
11 any drilling in that area.

12 The reason you have to look in the area
13 is that according to the USGS and the DNR, it has been
14 to be on your site and it has to be within -- if I
15 remember right, 150 feet inside your property boundary
16 borders. That's the only place you can legally try to
17 drill a gas well for safety reasons and other things.
18 So it had to be on a site that we owned.

19 So looking for a five-mile radius, looked
20 at the research. And at the time from the 20's to
21 40's, it was mostly oil exploration at that time. So
22 didn't really see it, but you'd see mentions of -- the
23 records were sketchy, but you'd see mention of natural
24 gas found or that, but no production.

25 The real telling thing was in Tiffany

1 Springs, which is about seven miles directly to the
2 east. So we're on the west side of KCI, Tiffany
3 Springs is on the east side of KCI. And there was
4 three gas wells there that had significant volumes of
5 natural gas production. Now, they're not currently
6 using it, but that was there and documented.

7 So at that point it looked encouraging
8 because those volumes of natural gas would actually
9 did -- met with generator companies on natural gas and
10 they said, yeah, you could power a -- you know,
11 100-kilowatt generator -- it's actually 120 -- off of
12 those types of production.

13 So at that point, met with lots of
14 drillers and everybody else. And what it came down
15 to, you know, you can spend a lot of money doing
16 sonar, you can spend a lot of money doing all these
17 other types of techniques. They said, to be blunt,
18 the simplest cheapest is to try what's called a pilot
19 well. And the pilot well is just that. It's like
20 you're drilling a water well and you're going to go
21 down and see what you -- see what you --

22 Q. And hope you find gas?

23 A. And hope you find gas.

24 Q. Was the site that was selected to drill
25 based on some sort of likelihood that you would find

1 gas or was it based on some of the other parameters
2 that were given you by DNR?

3 A. It was a combination of all of those. So
4 one was we had to meet the legal requirements of being
5 150 feet on the site. So that limited it to there.
6 And then it also had to be in The Forest City Basin
7 area. And then from the geological logs, there was
8 two different zones of shale that had gas. And you
9 had to look to see if any of those other zones existed
10 within those other well logs.

11 Q. when you spoke with drillers and the
12 other people that were giving you the recommendation
13 about where you should drill, did they give you a
14 percentage? Did they say, Look, this is a 50/50
15 proposition, we think that there's probably 75 percent
16 chance there's gas here or we think, Look, it's a shot
17 in the dark, we can't tell you that it's a percentage
18 at all?

19 A. Yeah. I mean to cover their own sort of
20 thing, they're going to say, It's your gamble, right.
21 So knowing that going in, 50/50 shot. You know, so I
22 showed them all the research I'd done, what it was,
23 showed them the payoff, you know. They're like, At
24 this point, you know, probably worth giving it a shot.

25 Q. Let me ask you, when you were drilling,

1 what was your perspective? what did you think the
2 chances were of finding gas?

3 A. I thought it was actually, you know,
4 50/50 or better with the idea that the zones were
5 there, we were able to determine that the two natural
6 gas production shale zones were in the area. We
7 actually hit them so we know they exist. They just
8 didn't have enough release of natural gas from that.

9 Q. Other than the drilling, did you -- did
10 you spend any money on generators or anything in
11 anticipation of finding the gas?

12 A. No. No. We waited. It was pilot well
13 first only.

14 Q. All right. Now I want to move on. And I
15 appreciate that. I want to move onto the contingency
16 fee stuff. Because this is -- this is one of those
17 things that seems a little bit -- we'll just call it
18 creative. And obviously what Staff's major concern,
19 other than some of the legal potential issues --

20 A. Right.

21 Q. -- was the lack of oversight and lack of
22 conditions. And this is another one is that -- did --
23 would you or are you willing to accept conditions on
24 any contingency fund that is set up?

25 A. Absolutely. I mean the -- you know, when

1 we've had discussions on the working case at very high
2 level, haven't gotten down into the details, but I
3 absolutely believe that it's a contingency reserve
4 fund available for these repairs. So I think the --
5 you know, oversight and reviews and even approvals,
6 you know, a separate account, all those kinds of
7 concepts we're completely in agreement with.

8 Q. Now, you set the cap in your testimony of
9 100,000 and change?

10 A. Yeah. 177,000.

11 Q. 177-something thousand?

12 A. Yeah.

13 Q. How did you arrive at that figure?

14 A. I used a model that the EPA is doing as
15 part of an assessment management education awareness
16 and getting utilities to be more proactive about
17 managing aging infrastructure.

18 so in that is the ability to go through
19 and look through at your critical components of your
20 infrastructure and do an assessment of what -- how --
21 what is the criteria as far as the condition of the
22 asset, what's the probability that it will fail,
23 what's the criticality of it within that system in
24 processing utilities. And then you set that up and
25 then you come up with basically an equation that says

1 what's the probability failure, how many do you have
2 and determine that.

3 So I used that same model to determine
4 that. So ran those calculations. When I -- in some
5 cases I had very real data about how much repairs have
6 cost. Others, called up some of the vendors and said,
7 Hey, if this happened, what generally should I expect.
8 Developed that model, came up with that number. So
9 there it was.

10 Then I turned around and looked at what
11 are other utilities in the public sector doing when it
12 comes to this area. Made some calls and they said, to
13 be blunt, they keep three months of cash reserves in a
14 fund for that specific reason. They're going to this
15 asset model. They said three funds is typically what
16 is required by their bond companies. So did the quick
17 math and guess what? The 170,000 is about three
18 months' worth of expenses that we have.

19 Q. So you -- you did do -- did you do a
20 comparison of actual repair and failure rates with the
21 model?

22 A. Yes. On -- on those where we had actual
23 repairs and costs, I could highlight which items those
24 are and what -- how much the repairs have been and how
25 frequently they've occurred.

1 Q. So I want to mention something that
2 Mr. Finnegan mentioned in arguments is that you had a
3 control panel -- the Sunday incident was a control
4 panel failure.

5 A. Correct.

6 Q. which caused a pump to fail?

7 A. Correct.

8 Q. And he said something about how it had --
9 it had failed three years ago?

10 A. Yeah. we hit -- had a lightning strike
11 in late 2006, replaced the panel -- had to replace the
12 panel in 2007. And that cost was 9,900 and some
13 change.

14 Q. So are control panels supposed to last
15 three years or are they supposed to last a lot longer
16 than that?

17 A. They're supposed to last a lot longer.

18 Q. So did you -- when you were looking at
19 some of these repair things, did you take that into
20 account as a potential repair item that --

21 A. Yes.

22 Q. -- would not have to be in there
23 hopefully anymore?

24 A. Right. Right.

25 Q. Okay. Did Staff ever propose any

1 conditions?

2 A. No.

3 COMMISSIONER GUNN: Okay. All right. I
4 do not think I have anything else. Thank you very
5 much. I appreciate it.

6 JUDGE STEARLEY: Commissioner Kenney?

7 QUESTIONS BY COMMISSIONER KENNEY:

8 Q. Mr. Sherry, thanks for sticking around --

9 A. Yeah.

10 Q. -- and indulging us.

11 A. My pleasure.

12 Q. I just have a few questions about -- and
13 we're plowing the same ground again, so bear with me.
14 I want to talk again about the question of these
15 exempt employees versus non-exempt employees. And
16 just so I'm clear, are there two employees that you
17 have received a legal opinion that would be considered
18 nonexempt or one?

19 A. Definitely one. The other is
20 questionable. It has to do with if you look through
21 the Fair Labor Standards criteria, it has to do
22 with -- the issue is discretionary judgment. So --

23 Q. whether that employee has discretionary
24 judgment?

25 A. Correct. At what level -- it's at what

1 level of discretionary judgment.

2 Q. which two employees are we talking about?

3 A. It's the plant and collection system
4 operator.

5 Q. Okay.

6 A. And the office manager.

7 Q. And is there a document that's attached
8 to your testimony where that opinion is offered?

9 A. Yes.

10 Q. which one is that?

11 A. That would be in my direct testimony.

12 And there's --

13 Q. The DS-4?

14 A. Yes.

15 Q. And that's the letter from the law firm?

16 A. Yeah.

17 Q. And that's the basis -- because their --
18 I want -- do you have it in front of you?

19 A. Yes.

20 Q. It says that they -- in the first
21 paragraph it says they have not been retained to
22 determine whether any employee is exempt or non-exempt
23 and no opinion is made as to that question.

24 A. Correct.

25 Q. So is there something else in there I'm

1 missing where they offer an opinion about who or would
2 not be?

3 A. No. It was in discussions with Jason
4 Davey as to when I was walking him through what the
5 positions of the Fair Standards Labor law. And so it
6 was really the oral conversations with him. He
7 said -- and so obviously what he's going to write, he
8 says, we're not making any determination, but
9 here's -- here's the issue.

10 Q. But these employees are treated currently
11 as exempt employees?

12 A. Yeah. We just pay them a base salary.

13 Q. And you intend to continue treating them
14 that way?

15 A. I intend to start paying them a --
16 overtime if I have the time sheets in front of them.

17 Q. And why are you going to do that? I mean
18 are you -- are you under the impression that merely by
19 virtue of keeping track of their time, that you have
20 to start treating them as nonexempt employees?

21 A. No. But I've given them evidence to
22 possibly make a claim that I've required them to
23 actually start doing time sheets and have, in essence,
24 said, There's your overtime and --

25 Q. So you're anticipating a claim that they

1 could make?

2 A. Yes.

3 Q. And the cost that it would cost you to
4 defend that claim?

5 A. Correct.

6 Q. Irrespective of whether they actually are
7 or are not?

8 A. That's correct.

9 Q. Okay. So if -- so your practice is
10 going -- have you already started paying overtime or
11 intend to start paying them overtime?

12 A. No. I intend to start paying them
13 overtime.

14 Q. All right. Let me ask another question
15 about the natural gas well that you have drilled. Do
16 you intend to keep exploring alternative energy
17 options in the future?

18 A. Yes.

19 Q. Have you?

20 A. We've stopped.

21 Q. Okay.

22 A. But we want to go back and look at the
23 solar to see if -- you know, for more tax incentives.
24 Because right now that infrastructure is very
25 expensive. So we want to look to see -- at those tax

1 incentives and run an analysis on sunny versus cloudy
2 days and how much real production you could get and
3 try to get more detail around that.

4 Same way with the wind as a -- again,
5 where we're located, where it's at, how much
6 production could we really expect to have to go
7 through that analysis.

8 And then also into biogas. So actually
9 changing our treatment process from aerobic to
10 anaerobic on sludge digestion and actually --

11 Q. So you can capture that?

12 A. Capture that methane and actually try to
13 use that as maybe an alternative source.

14 Q. Do you intend to do that irrespective of
15 our determination in this case --

16 A. No.

17 Q. -- to explore those other options?

18 A. I do not.

19 Q. So if we don't allow you to cover that
20 10,000, you are not exploring any of those other
21 alternative energy options?

22 A. Yeah. At this point to take the analysis
23 any further, I'm going to need expert help. So that's
24 an expense that at this point -- you know, talking to
25 the shareholders, they're like, Look, if the public

1 Service Commission is interested in us doing this,
2 we'd be happy to try to pursue that. If they say not,
3 then I guess we'll just pay the electric bill.

4 Q. Well, we may very well be interested in
5 you doing it. So I don't know that a determination
6 with respect to that issue would be an opinion about
7 whether we're interested in you exploring those other
8 alternative energy options.

9 But let me ask this question then: You
10 said the reason you explored the gas option was
11 because it was the least cost and -- but admittedly
12 the highest risk.

13 A. Correct.

14 Q. And so the 10,849 was the least cost
15 option in pursuing some alternative energy option?

16 A. That's correct.

17 Q. So solar and wind options are going to
18 cost you more than the 10,849?

19 A. Yes. We got -- it was pretty easy. Once
20 you establish 100 kilowatt, you can go to, you know,
21 enough vendors and they'll give you a broad budget for
22 what that would run.

23 Q. Right.

24 A. So, you know, give them a call and start
25 making some phone calls and say, well, if you're going

1 to plan 100 kilowatts, here's roughly about what you
2 have to budget for.

3 Q. All right. I don't have any other
4 questions for you. Thanks for your time.

5 A. Yeah.

6 JUDGE STEARLEY: Any other questions from
7 the Bench?

8 Seeing none, recross based on questions
9 from the Bench beginning with Staff?

10 RECROSS-EXAMINATION BY MS. OTT:

11 Q. Mr. Sherry, when -- I believe it was
12 Commissioner Gunn was discussing the model that you
13 used to determine a level of contingency reserve fund.
14 Do you remember that discussion?

15 A. Yes. Yes.

16 Q. Now, that model that you have and that is
17 attached as one of your schedules, it includes all
18 expenses, not just plant expenses. Correct?

19 A. Yes.

20 Q. Okay.

21 A. Well, I guess -- can you say more about
22 what you mean by plant expenses versus all expenses,
23 make sure I understand?

24 Q. Plant like the physical plant, not
25 operating expenses.

1 A. Right. Yeah. The estimate's there as to
2 prepare the item. So, you know, whether it's a vendor
3 and materials to take care of that item. So it's an
4 estimation to make the repair on that.

5 Q. So the schedule attached to -- I think
6 it's your direct testimony that I had discussed with
7 you earlier, is that the model that you were using
8 when you were discussing with Commissioner Gunn?

9 A. DS-7. Schedule DS-7?

10 Q. Yes.

11 A. Yes.

12 Q. So how is a personnel departure a plant
13 expense?

14 A. It is not.

15 Q. Okay. That's what I was getting at.

16 A. Okay.

17 Q. The model does include operating expenses
18 and not just plant expenses.

19 A. Right. It's -- again, the model is for
20 unplanned emergencies or contingencies that you're
21 trying to plan for. So personnel departures would be
22 one of those.

23 Q. Now --

24 A. And by the way, I never thought of that
25 until I reviewed other people's models and they had

1 those in there. So this wasn't a -- I was actually
2 kind of like you, kind of interested to see that that
3 was in there. And when I read more about it, it was
4 key personnel. So it's those kind of critical failure
5 points.

6 Q. But you agree personnel is not plant?

7 A. I agree.

8 JUDGE STEARLEY: Excuse me, Ms. Ott.

9 Could you make sure your microphone is on?

10 MS. OTT: Sorry.

11 JUDGE STEARLEY: Thank you.

12 BY MS. OTT:

13 Q. And then Commissioner Kenney was just
14 discussing whether or not if you pay overtime, it's
15 going to be based on time sheets. So are you -- the
16 only way you're going to pay overtime to those two
17 employees is if the Commission mandates that you keep
18 track of time?

19 A. No. I'm afraid due to the contested case
20 and all that, that as soon as I come out of this case
21 and get a ruling, that we'll start implementing time
22 sheets and overtime.

23 Q. So you're going to implement overtime and
24 time sheets regardless of the outcome of this case?

25 A. I think I have to.

1 MS. OTT: I have nothing further. Thank
2 you.

3 JUDGE STEARLEY: Public Counsel?

4 RE-CROSS-EXAMINATION BY MS. BAKER:

5 Q. Whenever you were talking with
6 Commissioner Jarrett about the number of hours that
7 the employees work per week, does the company allow
8 employees who have worked a long day to take comp time
9 or to come in late?

10 A. Sure. If it so merits.

11 Q. Okay. All right. And also talking about
12 the model for the emergency repairs, you said that
13 this is an EPA model; is that correct?

14 A. It's based off EPA management reporting,
15 as well as I talked to some of my colleagues in the
16 industry that are doing far bigger asset management
17 systems and asked them how this was being done. And
18 they shared with me some of their concepts and what
19 they were doing.

20 Q. Isn't it true that this model includes
21 non-regulated utilities as well as a regulated
22 utility, which Timber Creek is?

23 A. Oh, correct. Yes.

24 Q. All right.

25 A. As far as the examples where I pulled

1 from, yes.

2 Q. And also looking at your listing of your
3 estimations, I see one of the things that you've
4 listed in here for customers to pay for with this
5 emergency fund is environmental impacts, clean-up,
6 restoration and DNR fines?

7 A. Correct.

8 Q. How is DNR fines an emergency situation
9 that customers need to pay ahead of for?

10 A. If there is a significant event that
11 happens, so if the company's going to be faced with
12 paying for all the costs of that event. So in the
13 case of a -- let's take a pump station example on
14 Sunday. So if for some reason that the DNR felt like
15 that was a complete error on the company's part or
16 whatever -- I'm not sure how they determine that, but
17 they have been known to issue fines for just
18 unscheduled discharges to the waters in the state.

19 Q. Okay. So the company -- it's the
20 company's position that it's just and reasonable that
21 customers pay ahead to protect the company against
22 something that was the company's fault?

23 A. No.

24 Q. And whenever you were talking with
25 Commissioner Gunn about the gas well, you made

1 statements about the odds of whether gas would be
2 found, 50/50 odds about finding gas. Do you remember
3 that?

4 A. Yes.

5 Q. All right. So basically since what
6 you're asking the Commission to do is to have the
7 customers fund future research, you believe that it is
8 just and reasonable to gamble with the ratepayers'
9 money on the odds that you find natural gas?

10 A. I wouldn't have done it if I didn't think
11 it was -- there was a real opportunity for us to have
12 the benefit of having natural gas and offsetting our
13 electrical costs. So yeah, I thought it was a
14 worthwhile opportunity to try to take the risk, as you
15 said, to see if we could not reduce our electrical
16 cost, which had been a significant expense item.

17 Q. But didn't you also say that you won't
18 continue to do it if the ratepayers don't pay for it
19 first?

20 A. Correct. At this point we're looking for
21 Commission direction as to does this make sense.

22 MS. BAKER: No further questions. Thank
23 you.

24 JUDGE STEARLEY: Redirect Timber Creek?

25 REDIRECT EXAMINATION BY MR. FINNEGAN:

1 Q. Mr. Sherry, I guess we're doing redirect
2 on -- and both what the Commissioners asked. Starting
3 with the salary increases, there were no salary
4 increases during the test year; is that correct?

5 A. That's correct.

6 Q. why was -- why did you not do that then?

7 A. Because the company has been losing
8 money. So the last three years, as I said in my
9 testimony, the net loss has been \$42,000. So it's
10 hard to justify giving merit or salary increases to
11 the -- when the bottom line is negative.

12 Q. You were waiting until a rate case to be
13 able to do that?

14 A. Correct. Yeah. I'd like to be able to
15 get back to a more reasonable rate structure and cost
16 of service in order to be able to give those salary
17 increases.

18 Q. Now, with respect to overtime, are we
19 talking -- are you talking about paying time and a
20 half?

21 A. Yes.

22 Q. Is that the normal payment for overtime?

23 A. Correct.

24 Q. And you're doing this based on the -- on
25 the legal opinion from your labor law attorney?

1 A. Yeah. The attorney very specifically
2 said not going to make a ruling on the
3 exempt/nonexempt, but you're certainly -- for those
4 positions that there is evidence that they've been
5 nonexempt in other places, that you have now required
6 them to fill out time sheets, which is exactly the
7 evidence that they will use to file a claim.

8 Q. And whether or not they win --

9 A. Doesn't matter.

10 Q. -- it's still going to cost you some
11 money?

12 A. Correct.

13 Q. Any estimate on what it might cost?

14 A. I think his estimation was \$30,000 to
15 defend a claim.

16 Q. Even if they -- even if you win?

17 A. Correct.

18 Q. I believe you kind of answered this. You
19 know that the employees are currently working
20 overtime?

21 A. Yes.

22 Q. I think you indicated the office manager
23 does it regularly, each week?

24 A. Right. I -- actually in a data request I
25 provided -- the Staff had asked me to provide evidence

1 of overtime. So I provided evidence of door hangers,
2 mileage logs that show when those door hangers were
3 delivered. I produced evidence of work orders that
4 showed when work orders were completed for customer
5 call-outs on those time frames in which that was done.

6 Also provided evidence on the telemetry
7 logs in which the systems made phone calls after hours
8 to the operators in order to take care of issues. So
9 all that evidence was produced and given to the
10 staff --

11 Q. Okay.

12 A. -- for 2009. And that's what was used to
13 determine the overtime calculation.

14 Q. So the same -- so the plant -- plant and
15 collection system operator has worked overtime too?

16 A. Yes.

17 Q. Based on -- and you can prove some of it
18 based on that?

19 A. Correct. So I'm sure, you know, through
20 that evidence, you know, that the -- that I based the
21 calculations off of, quite frankly, as we point out
22 here, don't have time sheets so I'm sure I've missed a
23 number of items but that's what I had the evidence
24 for.

25 Q. And plant collection system operator

1 worked overtime this last weekend or since Sunday?

2 A. Yes, he has. He's got one of the shifts
3 on -- on the weekend.

4 Q. He's got the clean-up job?

5 A. He got to do the clean-up too.

6 Q. And this occurred where? In a park?

7 A. Yes.

8 Q. In a walking park?

9 A. So Sunday it was in Prairie Creek
10 walkway, it's a streamway park which is a very
11 visible -- it's a streamway park where there are
12 bridges, it's a large asphalt walking and biking trail
13 area. We cooperate with the parks and rec department
14 as far as the easements and how we access that.

15 So literally people are walking by the
16 pump station, which is where the failure were. And
17 then as they make the first turn across the bridge,
18 that's where the manhole was that actually surcharged,
19 lifted the cone off and the sewage was spilling out in
20 the gap between the cone and the barrel at a fairly
21 significant rate. And so we were contacted by --
22 actually it was the public calling in.

23 Q. So somebody taking a walk?

24 A. Yes.

25 Q. The cone you're talking about, could you

1 describe this and what it weighs?

2 A. It's several hundred pounds. It takes a
3 machine to actually lift and put it into place. So
4 it's a -- it's a fairly -- it's not something you're
5 going to move by hand. It takes a machine to actually
6 lift and move it.

7 Q. Is that under control now?

8 A. Yes. Once we were contacted Sunday, you
9 know, we immediately respond. Actually, the
10 operations manager was there within minutes because he
11 takes this stuff very seriously. Was there and
12 meeting the sheriff's office there, along with the
13 public, along with the parks and rec department.

14 And so at that point took immediate
15 corrective steps to get the pumps bypassed, get it
16 running, all that so that way the surcharge situation
17 and the -- wasn't continuing. And then once we had
18 that in place, once we had that, there was also a
19 immediate call-out to specialists to figure out what
20 was going wrong at the electrical panel.

21 Q. Are you going to have to replace that
22 panel, or do you know yet?

23 A. We don't know yet. That's why we're
24 baby-sitting it.

25 Q. Okay. With respect to the last rate

1 case, you were not an employee of the company at the
2 time?

3 A. Correct.

4 Q. You said you worked for --

5 A. I was an employee of Sprint, yes.

6 Q. But you were a vice president of the
7 company and you had been involved in the company's
8 operations for years; is that correct?

9 A. Yeah. I was as a officer and a board
10 member and paid from 1995 to the -- 2008.

11 Q. So you learned sewer experience then?

12 A. No. I -- I mean my career started -- got
13 an engineering degree from Rolla and then worked as an
14 engineer for Johnson County wastewater from 1986 to
15 1991. At that time I was promoted through Johnson
16 County and ended up in director of positions for
17 Johnson County clear up until 1998. At that time I
18 went to Sprint in 1998 as a -- as executive and a
19 director for Sprint and worked there -- or excuse me,
20 in -- yeah, 1998 clear up through 2008 I was an
21 executive at Sprint.

22 Q. Then when did you -- you started with
23 Timber Creek as an employee?

24 A. I started with Timber Creek full-time as
25 their president and general manager in February of

1 2008.

2 Q. With respect to the -- Timber Creek's
3 general manager position, what's been the history of
4 salaries for that position?

5 A. From the inception of the company, from
6 1995 through -- really up through the rate case of
7 2007, the company has grown obviously through number
8 of customers. The general manager position really did
9 not exist in its early days. It was really just a
10 pure operations. And then as more things came on, we
11 had to bring in administrative clerical work.

12 My father actually was then stepping in
13 more and more from 2000 on to take care of the
14 day-to-day operations of the company. He was unpaid
15 for all those years of service clear up and through
16 2007.

17 So at that point through the rate case,
18 we had grown to the size that we needed full-time
19 professional staff. And that was part of the
20 stipulation we were talking about in 2007 to bring
21 that on as a maturing of the company to actually bring
22 on professional staff. So at that point we decided it
23 was a good chance to get that in place, got it done.
24 And I think it's proven over the last three years to
25 be a very -- value added to the company and to what

1 we've been able to accomplish.

2 Q. And how has it added value to the
3 company?

4 A. We've added in a number of ways in that
5 best practices have been put into place for the
6 company and how we operate, manage, maintain. Our
7 public relations has dramatically improved as
8 evidenced by the public hearing that we held here
9 recently, by the number of customer complaints that we
10 have.

11 So not only see it in customer service
12 and public relations, you know, that have improved by
13 having professional staff there, but we've also seen
14 that operation and maintenance is far more predictive
15 as to what we're doing, how we're doing it and we have
16 asset management systems in place. We've put in --
17 we're doing automated permitting systems, we've
18 improved just a number of, you know, operational
19 areas.

20 Q. So in the last rate case, you were acting
21 as a consultant for the company?

22 A. Correct.

23 Q. And were you paid for that?

24 A. I was not.

25 Q. You requested \$18,750?

1 A. Yes. The -- what I did was I kept a time
2 sheet and tracked the log of activity and had
3 submitted that and Staff have that as well. It is
4 a -- the -- the thought is -- or the way we approached
5 it is in 2007 when the rate case was going on, we used
6 2004 rate case expenses as a surrogate to determine
7 rate case expenses.

8 For this rate case, most likely 2007
9 could have used it as surrogate. And that's kind of
10 the approach we were taking going forward. But then
11 as the case became contested, that is -- no longer
12 seems to be relevant, I guess.

13 Q. Okay.

14 A. But I'm confused as to when do you use
15 surrogates from previous years and when is it that you
16 don't? I guess it's when you go to a contested case
17 so I'm -- I'm having trouble with the inconsistencies.

18 Q. By -- okay. The last case was not
19 contested so they used a surrogate. Is that what
20 you're saying?

21 A. Correct.

22 Q. And this case is now contested so we're
23 talking about going to actual costs in this case?

24 A. That's where we stand at this point.

25 Q. The reason that the Staff gave for

1 disallowing the \$18,000 figure was because you were an
2 employee of the company?

3 A. That's what it stated in the testimony.

4 Q. But you were not an employee of the
5 company when you did the work?

6 A. Correct.

7 Q. With respect to the exploring more
8 alternative energy sources, you stated -- cited that
9 your electric bills have been increasing dramatically?

10 A. Right. It's been 49 percent over the
11 last roughly three years as an increase. So -- and
12 then we've had increase in usage of 5 percent over
13 that same time span.

14 Q. So basically it's just electric bill?

15 A. Electric bill has gone way up.

16 Q. And with respect to the -- the explor--
17 or the fund for gas exploration or for exploration for
18 alternative energy sources, you're not seeking to
19 recover the -- for the plant that you -- well, for the
20 gas well that you dug?

21 A. Right. It's no -- that doesn't -- it's
22 not in use.

23 Q. Okay. But you're using that as a basis
24 of an amount that you think might be reasonable
25 over -- over a three-year period?

1 A. Right. As I've stated earlier in the
2 testimony that we're talking before, is that I've
3 talked to a number of experts or consults, if you
4 will, about these other types of sources of energy and
5 said, what would it take to get us some more detailed
6 information on these various sources of energy and so
7 that we could make a better informed decision as to
8 should we really invest.

9 Because these are significant
10 investments, whether it be a wind generator, solar
11 panels or even changing to a biogas. So before we do
12 that, we need to have folks that -- we need case
13 examples, we need to see what the production is. So
14 we need some experts to come in and take a look at our
15 situation and develop a report that we can sit down
16 and really evaluate.

17 Q. And this would take out-of-pocket dollars
18 to pay for this?

19 A. Correct.

20 Q. With respect to the contingency emergency
21 repair fund, you -- or staff indicated initially it
22 was not opposed to it?

23 A. I think conceptually they're in agreement
24 with, you know, doing something like that as a
25 contingency repair fund. So that's not been strong

1 opposition, I would say. I think they're conceptually
2 in agreement with it.

3 Q. They were concerned that there be
4 consumer safeguards?

5 A. Correct.

6 Q. And are you willing to work with the
7 staff and Public Counsel and come up with the
8 necessary consumer safeguards --

9 A. Absolutely.

10 Q. -- if they would state them?

11 A. Yeah. Absolutely.

12 Q. In their testimony has anybody stated
13 what they think --

14 A. No. It's -- apparently I've thrown out
15 all the ideas and thoughts and all I seem to get is,
16 we won't accept that.

17 Q. Is this something that's also being
18 handled in the working case?

19 A. Yeah. In the working case that was
20 started in 2009, we had a meeting in November of 2009
21 which identified three issues that was plaguing the
22 small companies, which was the PSC assessment, the
23 contingency fund or repair fund -- emergency repair
24 fund and the rate case education.

25 Those three topics -- the PSC assessment

1 was the highest priority. So from November 2009 we
2 finally had got that issue -- we had found out we all
3 disagreed on it in probably summer of 2010. And it
4 took clear up till November 2010 to get that in front
5 of the Commission for a direction. The contingency
6 reserve fund was a second topic. We've had one
7 exploratory meeting on that and that's been it.

8 So my certain is, is that while that's
9 probably a good forum to have the discussion, it's
10 taken us over a year to get one issue some direction
11 on. And at this pace, the contingency reserve fund
12 and these other items, it's going to be at least
13 probably another year or longer before we get any sort
14 of direction.

15 Q. And you're looking for immediate relief
16 at this time?

17 A. I have -- yeah, I have financial issues I
18 need to deal with.

19 Q. With respect to the disparity between the
20 general manager's salary and the plant operator's
21 salary, can you explain how that occurred?

22 A. Yeah. The operations manager's job was
23 the original operator for the company. So that was --
24 been in place since 2001, I believe. So that has been
25 there since -- well, almost a decade now.

1 The general manager came on in 2008 as --
2 really 2007 as part of the last rate case that the
3 company did. But since it was new and through
4 negotiations, we basically settled on a starting
5 salary of \$70,000. That being the case, at least it
6 was a step in the right direction, but obviously even
7 at that time it was un-- paid less than the operations
8 manager.

9 JUDGE STEARLEY: Mr. Finnegan, could you
10 be sure your microphone is on for us, please.

11 MR. FINNEGAN: It's on. Let me get it in
12 front of me -- try to get it in front of me.

13 JUDGE STEARLEY: Thank you.

14 MR. FINNEGAN: That might help.

15 MR. FINNEGAN: I got to get over here so
16 I can see everybody. Is that better?

17 JUDGE STEARLEY: That's much better.

18 BY MR. FINNEGAN:

19 Q. Okay. And it's your goal in this case to
20 get that disparity changed?

21 A. Yeah. At this point, I mean, realize
22 that the company's gone through a fairly fast
23 evolution when it comes to kind of utilities, where
24 we've been and kind of where we are today and I hope
25 where we're going.

1 But as part of the maturing process, it's
2 time to really sit back and take a hard look at what
3 is the market conditions for those salaries and -- and
4 look at your competitors, look at the other -- when I
5 say "competitors," it's really for the same employee
6 base, what are the skill-sets.

7 And that was information I provided in my
8 testimony to say here is what is being paid in these
9 other companies that have -- you know, some of our
10 pike positions that aren't shared or aren't these
11 quasi, you know, contracted or whatever. These are
12 full-time, you know, operators or full-time managers
13 that do in this case wastewater work.

14 Q. And under your direction, the company has
15 expanded its service area?

16 A. Yes.

17 Q. First into Platte -- into Clay County?

18 A. Well, Clay County was in existence before
19 I got there. There was two small subdivisions that we
20 did there. The most recent case was we expanded
21 roughly 2,900 to 3,000 acres here earlier in 2010 as
22 part of a certificated case there which, in essence,
23 doubled the size of our certificated area.

24 Q. And you've also been working with the
25 City of Platte City to handle some of their waste?

1 A. Yeah. We work within the south side of
2 Platte City where they've had the most growth. We
3 provide wholesale services to them. And so they
4 had -- continue to grow there and we continue to
5 support them both from a transport and treatment of
6 those areas as well as we consult with them quite
7 frequently on just helping them run their system.

8 Q. So dealing with the outside world, you
9 are the face of Timber Creek?

10 A. Yes. When I say consult with Platte
11 City, it's more they call up, Hey, we got this
12 problem, what do you guys do? How do you do it? So
13 give them advice, tips, you know, being good, you
14 know, professional associates.

15 Q. But you have a contract with them also?

16 A. Yeah. The contract we have with them,
17 and it's, you know, in our annual report, but it's a
18 treatment charge, you know, so many dollars per
19 thousand.

20 Q. And you helped negotiate that?

21 A. Yes.

22 Q. Would you agree that it's a subjective
23 determination to determine what to pay people?

24 A. It's -- there's a range.

25 Q. There's a range?

1 A. I mean I think, you know, everybody can
2 have an opinion about what they should pay. So the
3 reality of it is, is much like any of us that have
4 gone to employment, you're going to sit down and
5 negotiate that with your employer at those times,
6 but -- on any given basis.

7 But generally you're going to take a look
8 at what is the ranges in the market that you're in and
9 are you being competitive with those markets. So
10 that's what I attempted to do when I looked at what is
11 our salaries. But ultimately it is a subjective call
12 within that range.

13 Q. And you noted Public Counsel's testimony
14 in this case is to reduce the salaries of all the
15 employees?

16 A. Yeah. I found that fascinating since
17 Public Counsel was involved in the 2007 case and
18 didn't object to the current salaries at that time.

19 MS. BAKER: I'm going to object because
20 that was a settled case. And so I'm going to say that
21 any comments about what Public Counsel agreed to or
22 did not agree to in the previous case is confidential
23 settlement agreement talk.

24 JUDGE STEARLEY: Mr. Finnegan?

25 MR. FINNEGAN: I think we can just leave

1 it as talked about current case, if that's all right.

2 JUDGE STEARLEY: I'm going to sustain the
3 objection and the remarks will be stricken.

4 MS. BAKER: Thank you.

5 MS. OTT: I'm also going to object to the
6 line of questioning. I don't believe this is based on
7 questions asked from the Bench or from counsel here.
8 I believe this is information that should have been in
9 direct testimony and he's just now adding direct
10 rebuttal and surrebuttal and these are not --

11 MS. BAKER: And I would second that.

12 MS. OTT: -- direct questions.

13 MS. BAKER: We've been very patient with
14 the questions that have come across and the
15 long-winded answers that have come across.

16 JUDGE STEARLEY: Mr. Finnegan?

17 MR. FINNEGAN: All I can say is that
18 according to my notes, these were questions that were
19 raised by some -- by opposing counsel also --

20 JUDGE STEARLEY: I believe the questions
21 you asked were in relation to prior questions and I'm
22 going to overrule the objection.

23 BY MR. FINNEGAN:

24 Q. With respect to the -- Commissioner Gunn
25 asked something about the gas well and you indicated

1 there was a -- you talked about the generator, that
2 you didn't go -- go forward with the generator. Did
3 you go as far as getting an idea of a cost of
4 generator?

5 A. Yes, I did. We actually estimated and
6 actually had vendors come and give us estimations
7 for -- it was 130 kilowatt because that was the right
8 size that they had for a natural gas generator. And I
9 believe those -- if -- I'm trying to remember, but I
10 believe the generator was \$30,000, you had to have two
11 of them so \$60,000. But with the switching gear and
12 all the other pertinences that you had to have, it was
13 roughly a \$120,000 investment.

14 Q. And that would have done what to your
15 electric bill?

16 A. We estimated with the production -- if it
17 had the production that, you know, we were hoping to
18 see obviously, but it would have taken the Prairie
19 creek plant and the office basically off the grid from
20 paying electrical costs, which right now that's, you
21 know, I would estimate right around 30-, 32,000
22 dollars a year.

23 Q. So something that would be paid for in,
24 what, four --

25 A. Just a little over four years.

1 MR. FINNEGAN: Just a second. I think
2 that's -- look at my notes.

3 BY MR. FINNEGAN:

4 Q. Oh, there was some discussion from
5 Ms. Baker about you not being a regional sewer
6 district. You kind of indicated equivocally that
7 you're just like one. Is that what you're saying?

8 A. Yeah. When it comes to operation,
9 maintenance, the -- and how we're constructed, how
10 people view us, we're a regional sewer district. What
11 Ms. Baker was I think trying to make the point is that
12 we're not a public entity or a quasi-public entity.
13 So I would agree with that. We are regulated by the
14 Public Service Commission and not a non-profitable or
15 a city or municipality.

16 Q. Do you usually find that public entities
17 pay less than private sector?

18 A. No. I think as Mr. Prenger -- and I
19 would agree with the statement that it's -- the job is
20 the job regardless of whether it's private or public.

21 MR. FINNEGAN: I believe that's all the
22 questions.

23 JUDGE STEARLEY: All right. Thank you,
24 Mr. Finnegan.

25 Mr. Sherry, I thank you for your

1 testimony. You may step down.

2 Commissioners, is it all right to finally
3 excuse this witness?

4 COMMISSIONER GUNN: I'm finished. Thank
5 you very much.

6 JUDGE STEARLEY: And you are finally
7 excused, Mr. Sherry.

8 THE WITNESS: Thank you.

9 MR. FINNEGAN: He'll be here the rest of
10 today and part of tomorrow, if we're still here
11 tomorrow.

12 JUDGE STEARLEY: All right. At this time
13 we're about 20 till 12:00. Do the parties want to
14 break for lunch? Do they want to proceed with the
15 next witness?

16 MS. OTT: I think we could do one more
17 witness. I don't know -- I think it's only on the
18 issue of time sheets.

19 JUDGE STEARLEY: Ms. Ott, go ahead and
20 please call your next witness.

21 MS. OTT: I'd like to call Nila
22 Hagemeyer. I'd like to have marked Nila's --
23 Ms. Hagemeyer's direct testimony as Exhibit 11 and her
24 rebuttal as Exhibit 12.

25 (Exhibit Nos. 11 and 12 were marked for

1 identification.)

2 (Witness sworn.)

3 JUDGE STEARLEY: Thank you. You may be
4 seated.

5 Ms. Ott, you may proceed.

6 NILA HAGEMeyer, having been duly sworn, testified as
7 follows:

8 DIRECT EXAMINATION BY MS. OTT:

9 Q. Good morning. Could you please state
10 your name for the record.

11 A. Nila Hagemeyer.

12 Q. Whom are you employed, in what capacity?

13 A. I am employed by the Missouri Public
14 Service Commission as a utility management analyst
15 three.

16 Q. And are you the same Nila Hagemeyer who
17 has previously caused to be filed prepared direct and
18 rebuttal testimony which has been marked as Exhibit 11
19 and 12?

20 A. Yes, I am.

21 Q. And with respect to your direct and
22 rebuttal testimony, was that prepared by you or under
23 your direct supervision?

24 A. Yes, it was.

25 Q. Do you have any corrections to make at

1 this time?

2 A. No, I don't.

3 Q. So if I were to ask you the same or
4 similar questions that are contained in this direct
5 and rebuttal, would the answers that you give today be
6 substantially the same?

7 A. Yes, it would.

8 Q. And would they be true and accurate to
9 the best of your belief, information and knowledge?

10 A. Yes, they would.

11 MS. OTT: With that, I'd like to offer
12 Exhibit 11 and 12 into the record.

13 JUDGE STEARLEY: Any objections to the
14 offering of Exhibits 11 and 12?

15 MR. FINNEGAN: No objections.

16 MS. BAKER: No objections.

17 JUDGE STEARLEY: They shall be received
18 and admitted into the record.

19 (Exhibit Nos. 11 and 12 were received
20 into evidence.)

21 MS. OTT: I now tender her for
22 cross-examination.

23 JUDGE STEARLEY: Cross-examination,
24 Public Counsel?

25 CROSS-EXAMINATION BY MS. BAKER:

1 Q. Good morning, Ms. Hagemeyer. I just have
2 one question. In your experience, do other public
3 utilities face Fair Labor Standards issues?

4 A. It's my understanding from the limited
5 research that I have done is that companies that are
6 in excess of \$500,000 a year do face Fair Labor
7 Standards.

8 Q. And have you found that they have time
9 accounting systems?

10 A. We have not been to all of them, but now
11 as we're going to each one of these, we're making sure
12 that they have time sheets, we're recommending that.

13 Q. But you have come across some in your
14 review that have successfully implemented time sheets;
15 is that correct?

16 A. Yes. Yes.

17 MS. BAKER: No further questions. Thank
18 you.

19 JUDGE STEARLEY: Timber Creek?

20 MR. FINNEGAN: Just a question or two.

21 CROSS-EXAMINATION BY MR. FINNEGAN:

22 Q. Ms. Hagemeyer, you've been -- have you
23 had experience with Timber Creek Sewer Company over
24 the years?

25 A. Yes, I have.

1 Q. How long has that been, do you know?

2 A. The first time I went to Timber Creek was
3 in 2003. Went back again for another rate case in
4 2007 and then again in 2010. So three times.

5 Q. So you're familiar -- kind of familiar
6 with their operations?

7 A. I'd say so.

8 Q. Would you say that they operate a good
9 sewer system?

10 A. As far as I can tell, they do. I've
11 spent most of my time with the office manager and she
12 does a good job.

13 Q. In fact, you've kind of referred people
14 to the office manager to -- if they have some
15 questions on some procedures?

16 A. I believe I have called her on one or two
17 occasions and needed a copy of something and she
18 provided that for me.

19 MR. FINNEGAN: Okay. That's all the
20 questions I have.

21 JUDGE STEARLEY: Any questions from the
22 Bench?

23 COMMISSIONER JARRETT: I don't have any
24 questions. Thank you for your testimony,
25 Ms. Hagemeyer.

1 JUDGE STEARLEY: Commissioner Gunn?

2 QUESTIONS BY COMMISSIONER GUNN:

3 Q. I just have one. I will warn you that as
4 lawyer in private practice, I used to hate filling out
5 my billing sheets. I had to do it in six-minute
6 increments, which will drive you crazy if you indeed
7 do it accurately, which I very rarely did.

8 A. They served a purpose though, didn't
9 they?

10 Q. They did. Showed me how much time I was
11 wasting during the day. But let me ask you a quick
12 question. The concept of kind of a known loss versus
13 an unknown loss is one of the things that I'm
14 concerned about. So if you have salaried employees --

15 A. Uh-huh.

16 Q. -- from a revenue perspective, you know
17 what you're paying out on a monthly basis?

18 A. That's right.

19 Q. And the -- and so your monthly outlay of
20 cash is a little smoother, next to if you have
21 significant overtime events that -- that this -- the
22 time sheet may or may not kick in the requirement to
23 do that, those cash outlays on a monthly basis can
24 spike up or down. And you could have significant cash
25 outlays one month when you have an incident like a

1 control panel failure or something like that that
2 causes around the clock monitoring or something like
3 that.

4 Did you take that into account when you
5 were making your general statements about the
6 efficiency of time -- time sheets; and if so, how did
7 that balance out with the -- with other kind of
8 savings that you may have found?

9 A. Well, I believe Mr. Prenger would have
10 been the one that would have actually done the
11 calculations on that if -- you know, if those were
12 done. I'm not asking for anything great here. Just
13 something simple. And whether a person is exempt or
14 not exempt, that really doesn't make any difference as
15 far as keeping the time sheets. Because, for
16 instance, I'm an exempt employee, but I have to keep
17 time sheets.

18 Q. And that's for assessment purposes?

19 A. That would be -- here that would be.
20 I've never had a job where I didn't keep a time sheet.

21 Q. All right. Okay. I don't think I have
22 anything else. Thank you very much. I appreciate it.

23 COMMISSIONER KENNEY: Thanks for your
24 time. No questions. Thank you.

25 JUDGE STEARLEY: All right. Recross

1 based on questions from the Bench, Public Counsel?

2 MS. BAKER: No, thank you.

3 JUDGE STEARLEY: Timber Creek?

4 MR. FINNEGAN: Did you say no?

5 MS. OTT: We were waiting on you.

6 MS. BAKER: Your turn.

7 MR. FINNEGAN: Oh, it's your witness.

8 You're right. I'm sorry. No questions.

9 JUDGE STEARLEY: Redirect?

10 REDIRECT EXAMINATION BY MS. OTT:

11 Q. I just have one thing related to
12 Commissioner Gunn's question regarding the concept of
13 known or unknown losses.

14 A. Uh-huh.

15 Q. Can time sheets then track what the
16 overtime might be or projected overtime going forward
17 would be?

18 A. Yes. They definitely can.

19 MS. OTT: I don't have any other
20 questions. Thanks.

21 JUDGE STEARLEY: All right. Very well.
22 Thank you Ms. Hagemeyer for your testimony. You may
23 step down.

24 At this point shall we break for lunch?

25 MS. OTT: This probably is a more

1 appropriate time. Thank you.

2 JUDGE STEARLEY: why don't we go back on
3 the record about 1:15.

4 (A recess was taken.)

5 JUDGE STEARLEY: All right. We are back
6 on the record. And Staff, it looks like you're
7 prepared to go with your next witness already here.

8 MS. OTT: Yes. Staff would like to call
9 v. William Harris. And I'd like to mark his direct
10 testimony as Exhibit 13, his rebuttal as Exhibit 14
11 and his surrebuttal as Exhibit 15.

12 (Exhibit Nos. 13, 14 and 15 were marked
13 for identification.)

14 JUDGE STEARLEY: And Mr. Harris, if you'd
15 please raise your right hand.

16 (Witness sworn.)

17 JUDGE STEARLEY: You may proceed.

18 v. WILLIAM HARRIS, having been sworn, testified as
19 follows:

20 DIRECT EXAMINATION BY MS. OTT:

21 Q. Can you please state your name for the
22 record.

23 A. v. William Harris.

24 Q. And whom are you employed, in what
25 capacity?

1 A. I'm employed as Staff auditor for the
2 Missouri Public Service Commission.

3 Q. And are you the same V. William Harris
4 that has previously caused to be filed prepared
5 direct, rebuttal and surrebuttal testimony which has
6 been previously marked as for identification as
7 Exhibits 13, 14 and 15?

8 A. Yes, I am.

9 Q. And with respect to your prepared direct,
10 rebuttal and surrebuttal, was that prepared by you or
11 under your direct supervision?

12 A. Yes, it was.

13 Q. Do you have any corrections to make to
14 your direct, rebuttal or surrebuttal at this time?

15 A. No.

16 Q. And if I were to ask you the same or
17 similar questions as contained within that testimony,
18 would your answers today be the same?

19 A. They would.

20 Q. would they be true, accurate to your best
21 knowledge, belief?

22 A. Yes, to the best of my knowledge.

23 MS. OTT: with that, I'd like to offer
24 Exhibit 13, 14 and 15 into the record.

25 JUDGE STEARLEY: Any objections to the

1 offering of Exhibits 13 through 15?

2 MR. FINNEGAN: No objection.

3 JUDGE STEARLEY: Hearing none, they shall
4 be admitted and received into the record.

5 (Exhibit Nos. 13, 14 and 15 were received
6 into evidence.)

7 MS. OTT: With that, I will tender
8 Mr. Harris for cross-examination.

9 JUDGE STEARLEY: And we'll begin
10 cross-examination with Office the Public Counsel.

11 MS. BAKER: Thank you.

12 CROSS-EXAMINATION BY MS. BAKER:

13 Q. Good afternoon, Mr. Harris.

14 A. Good afternoon, Ms. Baker.

15 Q. Is your rate case expense proposal based
16 on actual cost to process the actual rate case?

17 A. It's based on normalized cost of --
18 normalized historical cost of the most recent rate
19 case.

20 Q. So --

21 A. To be updated through the -- the
22 period -- settlement period by the current actual
23 experiences as they become known.

24 Q. So your answer is no, it is not based on
25 the actual current costs --

1 A. Yes, that's correct.

2 Q. -- for the current rate case?

3 A. It's not based on the current cost.

4 Q. Thank you. Is Public Counsel's rate case
5 expense proposal based on the actual costs to process
6 the current rate case excluding the recommended
7 disallowances known so far?

8 A. To the best of my knowledge, yes.

9 MS. BAKER: No further questions. Thank
10 you.

11 JUDGE STEARLEY: Cross-examination,
12 Timber Creek?

13 CROSS-EXAMINATION BY MR. FINNEGAN:

14 Q. Mr. Harris, let's see. Would you look at
15 your rebuttal testimony? I've got just a couple
16 questions. I think it's -- yeah, page 6. Do you have
17 the schedule at the top of the page here?

18 A. Yes, I do.

19 Q. And you're showing revenues which my
20 understanding are starting with the 12/31/07, these
21 are from the annual report of Timber Creek?

22 A. Some of them are from the annual report,
23 some of them are from the last rate case, some of them
24 are from this rate case.

25 Q. I'm sorry. Starting with 12/31/07.

1 A. Starting actually with 12/31/06, yes,
2 that would be the test year in the last rate case.

3 Q. And then what is the figure for 9/30/07?

4 A. That was the known and measurable update
5 period in the last rate case.

6 Q. Okay. Now, so the -- for 12/31/07, the
7 figure 511,287 that was the -- from the annual report?

8 A. Yes.

9 Q. And the same is true for the 662,693 for
10 the next column and the 669,736 in the following
11 column?

12 A. Correct.

13 Q. Now, with respect to expenses starting in
14 2007, you have \$433,900 in the expense column,
15 12/31/07?

16 A. Oh, okay. Yes.

17 Q. Did that come from the annual report
18 also?

19 A. Yes, it did.

20 Q. Okay.

21 MR. FINNEGAN: May I approach, please?

22 JUDGE STEARLEY: You may.

23 MR. FINNEGAN: I'm not sure if I need to
24 mark this or not. Okay. I don't.

25 BY MR. FINNEGAN:

1 Q. As attached to the surrebuttal testimony
2 of Derek Sherry, Exhibit No. 6, it shows the sewer
3 operating revenues and expenses and statistics. Have
4 you got a copy of that?

5 A. I do. I don't -- well, yes, actually I
6 do. Let me see. Did you say rebuttal?

7 Q. Exhibit 6, surrebuttal.

8 A. Surrebuttal.

9 Q. Yeah, the last -- last three pages.

10 A. Okay.

11 Q. Okay. You'll notice the first page, S-1
12 is -- well, they're all the same. Page -- schedule
13 DS-11, one of three, it shows a total operating --
14 shows the total operating revenues of 511,286.59,
15 which is basically rounding off of the figure you
16 utilized?

17 A. Yes.

18 Q. Now, if I look at the total operating
19 expenses and it's \$537,691.40. Now, that is quite a
20 bit higher than the one that you utilized?

21 A. Yes. The annual report is in a different
22 format than the rate case -- the way the rate cases
23 are -- and EMS run, that the rates are based on is
24 developed. S-1 here in annual report includes certain
25 expenses that aren't on the income statement in the

1 EMS run of -- in the rate case.

2 There are three items actually -- well,
3 actually there are two items and then there's a third
4 item that's not reflected in my table. The two items
5 would be interest expense, and basically that's
6 because interest expense is a -- associated with
7 balance sheet accounts as opposed to income statement
8 accounts. It's recorded below the line. And so it
9 doesn't -- it's not a -- an expense that's netted
10 against revenues in income statement.

11 If it makes it easier to explain, I
12 can -- I can refer back to the EMS run in this case or
13 the last case, but basically as I say it, it's -- it's
14 related to an asset and becomes more of a balance
15 sheet associated account as opposed to an income
16 statement account.

17 And then also income taxes, which I don't
18 know this particular year. The schedule doesn't
19 include S-3. There are under line item 19, tax
20 expenses. It would not include -- my table would not
21 include any income taxes because that's also
22 calculated in after net operating and we have a line
23 item called net operating income before taxes.

24 And then the third item, this -- this
25 table I developed that you're referring to on page 6

1 is -- I was looking at cash inflows and outflows, the
2 inflow of revenue, the outflow of expense. So what's
3 included on that -- in the annual report and not
4 included on the table is depreciation expense, because
5 depreciation expense is not an out-of-pocket expense,
6 it's not something that the company writes a check for
7 and -- to the depreciation store, if you will. So
8 there's no cash outflow involved.

9 So what the table involves is -- is the
10 net, if you will, of expenses that are netted against
11 the -- the revenues. And that would not include the
12 interest expense because in the -- in the rate-making
13 process, the interest goes into a different
14 calculation for rate -- there's a rate of return
15 that's calculated on the rate-base which is based on
16 interest expense and then, like I say, the taxes are
17 an add-on.

18 It might be easier to explain if -- if
19 you go to the EMS run. I think -- was that identified
20 as account -- I didn't get all the exhibits written
21 down this morning, but it would be staff accounting
22 schedule -- I'm not sure if that was -- that would
23 have been 1, 2 or 3, I think.

24 Q. I think it's 7.

25 A. But on --

1 MS. OTT: Staff accounting schedule --

2 BY MR. FINNEGAN:

3 Q. I believe it's 7.

4 A. Which one is it? Oh, it's 7. Okay. On
5 accounting schedule 1 there are three items -- or
6 there are basically three pieces, if you will, of
7 going to the gross revenue requirement. And one is --
8 the top one is the rate of return, which is calculated
9 on financial information including the interest
10 expense. That's -- that's taken by the rate-base to
11 come up with a net operating income requirement.

12 Then there's the middle piece, the net
13 income available, which is what I'm looking at and I
14 think Mr. Sherry is referring to in his testimony
15 where he states income minus expense. That's the net
16 income and that's the piece that involves all the
17 income and expense items except for interest expense
18 and income tax.

19 And then the third piece is the income
20 tax requirement.

21 So this table is -- initially in -- in
22 schedule 6 doesn't have the interest expense because
23 that's in the -- in the income -- or in the revenue
24 requirement calculation for rate of return and it
25 doesn't have the income tax expense. Those are the

1 differences.

2 If you take -- it if you go back to
3 schedule -- or DS -- let's see, Mr. Sherry's schedule.

4 Q. DS-11?

5 A. Yes. Okay. If you -- the particular --
6 the first year for instance here, 2007, if you look at
7 S-1, it shows the 537,691 total operating expense.

8 That --

9 Q. Also shows a net loss of \$26,400 for --
10 \$26,404 too.

11 A. Right. Again, because we're comparing
12 two different things. But the 53-- what my 4-- 400 --
13 let me see. 2007, the 500 and -- I guess the question
14 was so long ago I lost -- I've forgotten what it was.

15 Q. well, I was looking at -- and maybe this
16 will clarify it. The operating expenses shown on the
17 annual report to the Commission was \$537,691.40.

18 A. Right.

19 Q. which produced a net loss of \$26,000.

20 A. Okay. I --

21 Q. My --

22 A. My schedule didn't address losses, so
23 I'm -- but if you go to -- my schedule is the 537,691,
24 the 2007 annual report here is showing revenues --
25 actual revenues of \$448,044. Okay? That's the

1 537,691 that is shown in the S-- the income
2 statement -- or the -- the sewer operating revenues,
3 expenses and statistics page S-1 in the annual report,
4 minus the line 20, which is the interest expense of
5 89,647.19, minus lines 16 and 17 which is depreciation
6 expense, add contra account in the form of
7 amortizations and contributions in aid of construction
8 and the 537,000 net the interest expense and the
9 depreciation amortization expense brings you to the
10 448,044. And so that's -- if you're trying to tie the
11 two together, that's how those are tied.

12 Q. But --

13 A. I realize when I read Mr. Sherry's
14 testimony, it was a little confusing on my table so I
15 changed some of the headings and reworded them so it
16 would make more sense and I reran the calculations
17 using different headings and I addressed some of his
18 concerns ultimately too and expanded upon it.

19 Q. Okay. And just to follow up on this, on
20 schedule DS-11 page 2 of 3 is for the year 2008. The
21 revenue figure 662,693 is the same as the figure you
22 used for 2008. The total operating expenses shown on
23 the annual report are 646,659.71 as opposed to your
24 547,133; is that correct?

25 A. Let me flip back to mine. I'm still

1 looking at his. Okay. I think what I'll do -- there.

2 Okay. Would you ask that question again, please?

3 Q. Okay. The -- on Schedule DS-11, page 2
4 of 3, it shows the operating revenues as the same as
5 you show, 662,693, but when it -- total operating
6 expenses on the annual report are 64-- \$646,659.71
7 where you have 547,133 --

8 A. Right.

9 Q. -- is that correct?

10 A. The -- the 646,000, yes, minus the
11 interest expense on line 20 and then depreciation
12 expense brings you to the 547,133 which -- or ties to
13 the 547,133 in my table.

14 Q. And the same would be true for schedule
15 DS-11, page 3 of 3, where it shows operating revenues
16 of 669,940 where -- really off on that one. You're
17 669,736 and for expenses you have 634,350 and
18 according to the annual report, total operating
19 expenses were \$702,000.64; is that correct?

20 A. I'm sorry. I didn't realize you'd asked
21 the question.

22 Q. Yeah. I mean, is this true?

23 A. The -- the 702,000 that's on S-1 ties to
24 the 547 with the subtraction of the interest expense
25 on line 20 and the depreciation and amortization

1 expenses on 16 and 17.

2 Q. I'm sorry. This is for 2009. It would
3 be 634--

4 A. Or 634,350, yes.

5 Q. Okay.

6 A. Minus -- the 702 minus the 53,285, 532
7 minus the 128,187 plus the 116,068 ties to the
8 634,350.

9 Q. But in the real world, the company lost
10 \$26,000 in 2007, made 16,000 in 2008, but lost 32,060
11 in 2009 based on their annual report; is that correct?

12 A. My table on page 6 is a -- shows the
13 rate-making world.

14 Q. That's --

15 A. I wasn't addressing the real world in
16 that table.

17 Q. Okay. Unfortunately, Timber Creek lives
18 in the real world and didn't make any money in those
19 years, actually lost money over those two -- those
20 three years.

21 A. If you look at expenses and -- that are
22 associated with balance sheet accounts and assets and
23 subtract them from revenues that are flowing in, then
24 it would appear to be a loss, yes.

25 MS. BAKER: Your Honor, I want to point

1 out that counsel is making statements and making
2 opinions about the testimony rather than just asking
3 questions.

4 MR. FINNEGAN: I'm on cross-examination.
5 I can ask leading questions.

6 MS. BAKER: No, but he's making
7 statements about -- about what these tables mean to
8 him and I just want to point that out.

9 JUDGE STEARLEY: I understand, counsel.
10 And the Commission recognizes that Mr. Finnegan is not
11 offering testimony today.

12 BY MR. FINNEGAN:

13 Q. Just one further follow up on this. My
14 understanding is this table is related to the
15 surrogate 200-- or rate case expense based on 2007,
16 but it probably won't even be applicable if we go to
17 the current rate case expense; is that correct?

18 A. would you ask that again?

19 Q. Okay. This -- this table relates to the
20 reasonableness of including anything in the 2007
21 surrogate rate case expense?

22 A. what this table was designed to reflect
23 is what the rates -- the level of revenues and the
24 level of expenses that the current existing rates
25 were -- were based on and those levels were \$457,131

1 worth of revenue, \$518,541 of -- of expense. And
2 that's what the -- the rates were established using.

3 Then the table shows subsequent events
4 since then, actual revenues and actual income
5 statement expenses to determine how much revenues were
6 collected above the amount of the level of revenues
7 that the rates were based on and how much expense was
8 incurred above the level of expense that the -- the
9 rates were based on.

10 After -- after reading Mr. Sherry's
11 testimony, I addressed the possible concerns that
12 you're expressing now. I included, like I say -- like
13 I started to say earlier, I made maybe perhaps more
14 easily understandable headings such as Revenue Dollars
15 to read Revenue Dollars in Rates and Expense Dollars
16 in Rates and re -- and ran some new figures using the
17 expense -- the interest expense, line 20, in -- on --
18 in the annual report and also using the -- the
19 interest expense and the -- the depreciation expense
20 and amortization expense and I even recalculated in
21 some instances using income taxes.

22 And with all of those things combined
23 includ-- which would run it up to the 646,000 at the
24 bottom of 2-3 that you're talking about, 2 of 3, it
25 clearly indicates that there still were excess

1 revenues collected over expenses incurred. And it's
2 largely responsible for the number of customers over
3 here on the third column because the -- the company
4 has grown so much over the last years -- last few
5 years from 1,100-and-some customers to over 1,500, the
6 revenues have -- have -- have escalated faster than
7 the expenses.

8 And -- and so that is why the -- there's
9 that much of a net difference after you account for
10 all the expenses. There was -- there was still excess
11 revenues collected because of the -- the increase in
12 customers. Where customers are increased and you
13 get -- you get dollar for dollar increase in revenues,
14 that's not always true with expense. There's only --
15 only certain expenses that increase and there are
16 certain fixed costs that don't increase.

17 So you can increase revenues a lot
18 quicker through customer growth than what your
19 expenses would normally increase. And that's why
20 there's a difference reflected between the revenues
21 that have been collected since the last rate case
22 based on what the rates were set on as opposed to the
23 expenses that have been incurred since the last rate
24 case based on what those expenses were -- those rates
25 were set on.

1 Q. But let me say, if I understand from your
2 surrebuttal testimony, Exhibit 15, you've kind of
3 moved on from looking at past expenses and instead are
4 looking at the actual rate case expenses incurred in
5 this case as we are incurring them now. Is that not
6 correct? That would be normalized over a period?

7 A. I don't know that I -- I'm following your
8 question.

9 Q. Okay. On page 2 of your surrebuttal
10 testimony, the last line -- or second -- on line 17
11 you say, Staff will work with Timber Creek and Public
12 Counsel to establish an ongoing normalized level of
13 rate case expense based on the actual cost the company
14 incurs in this case.

15 A. Okay. would you -- would you go back to
16 the beginning there?

17 Q. Okay.

18 A. It was rebuttal testimony you're
19 referring to?

20 Q. Surrebuttal testimony.

21 A. Surrebuttal.

22 Q. Page 2. And it seems to me that you
23 are --

24 A. Okay.

25 Q. -- making a course change and you're

1 saying now that we're going to determine the rate case
2 expense based on the actual cost in this case and not
3 go back and look at the past expenses?

4 A. No. That -- the -- the Staff's policy
5 has not changed at all, not since the direct case. As
6 I've stated throughout my testimony, Staff has
7 normalized rate case expense -- or normalized rate
8 case expense in its direct filing because the company
9 said they had no rate case expense currently.

10 Q. At the time. But --

11 A. In my direct filing I indicated at that
12 time that there would be -- it was expected with
13 the -- going to hearing -- in fact, it might be easier
14 for me just to read it. The Staff's position in
15 the -- in my direct after the normalization, of
16 course, was that the company's expected to incur
17 additional legal expenses due to the rate case
18 proceeding, evidentiary hearings and so on.
19 Additional costs that are reasonably incurred will be
20 considered for inclusion later in the case.

21 so it's always been Staff's intent, as
22 rate case expense became known, to incur that that was
23 prudent and reasonable. It's just we have to know
24 what it is before we can start to incur it.

25 Q. All right. And then in your rebuttal

1 testimony, you again state that, that Staff will work
2 with Timber Creek and Public Counsel --

3 A. Yes.

4 Q. -- to establish an ongoing normalized
5 level of rate case expense based on the actual cost
6 the company incurs in this case?

7 A. Yes.

8 Q. And that's what we're looking forward to,
9 right, in this case?

10 A. Yes.

11 Q. Okay.

12 MR. FINNEGAN: That's all the questions I
13 have.

14 JUDGE STEARLEY: All right. Questions
15 from the Bench? Commissioner Jarrett?

16 QUESTIONS BY COMMISSIONER JARRETT:

17 Q. Good afternoon.

18 A. Good afternoon, Commissioner.

19 Q. I just -- I guess I just have a couple
20 questions. Have you been -- you've been involved in
21 several of these small water company cases. Correct?

22 A. Yes, Commissioner. Including the last
23 few with Timber Creek.

24 Q. Okay. And now Timber Creek's last rate
25 case was settled; is that correct?

1 A. Yes, it was.

2 Q. It was a total settlement?

3 A. Yes.

4 Q. Are you normally -- do you normally have
5 some involvement in rate case settlement discussions?

6 A. Yes.

7 Q. All right. Have you ever seen in a
8 settlement where the rate case expense from the
9 settled case -- there's a clause in there, something
10 to the effect that rate case expenses will either --
11 like you say, be normalized over the next three-year
12 period or will be addressed in the next rate case? Is
13 that something you've ever seen before in a
14 settlement?

15 A. I don't recall specifically seeing in the
16 settlement because -- I may have -- may have
17 prematurely answered your question. In the -- in this
18 last case I was involved in the settlement, I don't
19 know that -- that -- and normally on this -- on a
20 small water and sewer company, I am involved in the
21 settlement.

22 It -- I don't recall seeing anything
23 though as far as organized language stating rate case
24 expense specifically. I wouldn't be surprised to see
25 something like that as -- as one of the ingredients or

1 one of the stipulations in the settlement. I don't
2 recall specifically seeing one.

3 Q. In this case? I mean in the last rate
4 case?

5 A. In the last rate case it was not
6 addressed.

7 Q. Right. But in any settlement, any case
8 that you've been involved in settlement negotiations,
9 have you seen those types of clauses?

10 A. I would not be surprised to see one. I
11 don't specifically -- I don't remember one
12 specifically.

13 COMMISSIONER JARRETT: Okay. I have no
14 further questions. Thanks.

15 JUDGE STEARLEY: Commissioner Gunn?

16 COMMISSIONER GUNN: I don't think I have
17 any questions. Thank you.

18 JUDGE STEARLEY: Recross based on
19 questions from the Bench, Public Counsel?

20 MS. BAKER: No, thank you.

21 JUDGE STEARLEY: Timber Creek?

22 MR. FINNEGAN: No, thank you.

23 JUDGE STEARLEY: Any redirect?

24 MS. OTT: Yes. I would like to have
25 marked as Exhibit --

1 JUDGE STEARLEY: 16.

2 MS. OTT: -- 16 the chart in which
3 Mr. Harris was referring to several times during his
4 direct.

5 (Exhibit No. 16 was marked for
6 identification.)

7 JUDGE STEARLEY: Is this the separate one
8 that --

9 MS. OTT: This would be his updated chart
10 Yes. This is an update.

11 THE WITNESS: Am I allowed to clarify
12 what it is?

13 REDIRECT EXAMINATION BY MS. OTT:

14 Q. well, Mr. Harris --

15 A. I had mentioned after reading --

16 Q. Mr. Harris, can I ask you a question
17 first?

18 JUDGE STEARLEY: Yes. Wait until counsel
19 directs you here.

20 MR. FINNEGAN: Is this 16?

21 MS. OTT: 17

22 MS. BAKER: 16.

23 BY MS. OTT:

24 Q. Mr. Harris, can you please explain what
25 you're looking at?

1 A. Okay. After -- after reading
2 Mr. Sherry's rebuttal -- or surrebuttal, I realized
3 that some of the headings on this table in my
4 testimony were probably not very clear. I knew what
5 it was -- what each column was representing, but it
6 probably wasn't very clear to the reader.

7 So I, in an attempt to make it clearer --
8 and let me -- let me just get back here to his
9 testimony. For instance, this is one of the things
10 that -- that made me realize I needed to do something
11 to make it more easily explained was in -- on page 5
12 of Mr. Sherry's surrebuttal, he indicates, utilizes
13 rate dollars as a constant for revenue and expenses,
14 and goes on to explain that Timber Creek's accountant
15 and Staff are unaware of this accounting practice and
16 that -- its standard is revenue minuses expenses. And
17 I thought -- I didn't make it very clear as to what --
18 what these rate dollars, if you will, are.

19 Q. When you're talking about rate dollars,
20 what -- can you explain that?

21 A. Okay. What I -- what I meant in -- let
22 me flip back over to my original table and so I can
23 compare the two. What I mean by rate dollars is the
24 revenue dollars that rates were set on -- or the rates
25 that were in the case and rates were, therefore,

1 established on those rates --

2 Q. When you say "in the case" --

3 A. -- or those revenues.

4 Q. -- are you referring to this case or the
5 prior rate case?

6 A. No. I'm referring to the prior rate
7 case. To go back to my rebuttal testimony, just so
8 you can compare the two and understand what it is I'm
9 trying to clarify, on page 6 of my rebuttal testimony,
10 the headings, 12-Month Ended changed to Date Period,
11 the Description is -- basically has not changed except
12 I wanted to address different scenarios so the -- you
13 know, there would be a lot of food for thought here.

14 so to that original table the first --
15 the first table at the top includes the depreciation
16 expense, because although it's not a cash outflow, it
17 is expense that could be netted against revenue. The
18 second table includes the depreciation and the
19 interest expense and the income taxes as well. Then
20 the third table just includes interest expense and the
21 income taxes.

22 Q. And you're reading from column B?

23 A. Right. Column B. So I've used three
24 different scenarios here and they all ultimately come
25 up with the same result, just slightly different

1 amounts of it.

2 But column D -- well, column C, first of
3 all, Number of Customers, stays the same. Column D,
4 Revenue Dollars I've made it -- hopefully made it a
5 little clearer, talking about the actual operating
6 revenues either established in the case -- in the case
7 of the known and measurable update, 9/30/2007 or in
8 the an-- 2007 annual report, 2008 annual report and
9 2009 annual report.

10 Then the next column, column E, the
11 table, it says Rate Dollars. And that would -- and I
12 changed that in column E to reflect Revenue Dollars in
13 Rates. So D is the actual operating revenues, E is
14 the revenue dollars that were in rates.

15 And as you notice, that stays constant
16 and it will stay constant until there's more --
17 there's new rates set, until there's revenue dollars
18 in -- in this case and the new rates are established
19 based on those revenue dollars.

20 Q. Okay. Now, column F?

21 A. And column F is simply the actual
22 operating revenues that have been collected, netted
23 against the revenues that the rates are based on.

24 Q. So is that when you took D -- the column
25 D and minused the column E to get column F?

1 A. Yes. And then the 714 below that is the
2 cumulative amount since the last rate case.

3 Q. And that number has not changed --

4 A. No.

5 Q. -- for your three scenarios?

6 A. True. Because I didn't -- none of the
7 scenarios changed. Expense, revenues have been
8 constant. It's only what expenses are included or not
9 included. And like I say, I -- the one in the middle
10 includes them all so there's no question.

11 Q. Now --

12 A. Continuing on over into column G, it's
13 basically -- on the right-hand side is basically the
14 left-hand side repeated only it's expenses instead of
15 revenues. So on my table where it says Expense
16 Dollars, that's now reflected in column G as Actual
17 Operating Expenses. H, the table says Rate Dollars.
18 It now reflects -- column H is Expense Dollars in
19 Rates.

20 Q. And when you say "in rates," that's their
21 rates established?

22 A. That the rates were based -- that the
23 rates were established on in the last rate case. That
24 was the level of expenses in the last rate case that
25 the rates were established using. And, again, that's

1 remained the same and will remain constant until this
2 case establishes a new expense level that these new
3 rates will be based on.

4 Q. Now, looking at your chart in column H,
5 the number changes per your scenario. Can you explain
6 that?

7 A. Could you repeat that again a little
8 slower? Column H --

9 Q. So it appears you have three scenarios
10 here.

11 A. Yes.

12 Q. That number is the same in scenario one
13 for all the years, but then it changes for scenario
14 two and then scenario three. Can you explain that?

15 A. And which number are you referring to?
16 The 555?

17 Q. In column H, the --

18 A. Column H. Okay.

19 Q. So if you --

20 A. That is because -- those expense -- and
21 the first table, that includes the expense dollars
22 that were in rates for depreciation expense. It
23 changes in the second table because the second table
24 includes expense dollars included in rates for all the
25 expenses to include depreciation expense, interest

1 expense and income taxes.

2 Then the third table it changes to
3 expense dollar in rates that column H changes because
4 that table reflects the -- all the expenses in rates
5 for all taxes -- I mean all expense including interest
6 expense and income tax but not depreciation expense.

7 Q. So what is the result of these three
8 scenarios?

9 A. Okay. In each of the scenarios if you
10 take the cumulative expense and the revenues and net
11 cumulative expenses against them, there is an excess
12 of cumulative revenues over cumulative expenses. In
13 other words, there's been more dollars above that
14 amount set in rates for revenues collected then there
15 has been dollars above expenses set -- established in
16 rates that have been incurred under each scenario.

17 It's just a case of which scenario you
18 look at, what level it is. But even in the lowest
19 level, the one at the bottom, there's still the
20 cumulative revenues less the cumulative expenses as --
21 from the actual results that have -- that the company
22 has experienced since the last rate case. So 243,000
23 more in revenue collected than expense incurred.

24 Q. Thank you, Mr. Harris.

25 MS. OTT: I don't have anything else.

1 JUDGE STEARLEY: Mr. Harris, thank you
2 for your testimony. You may step down.

3 And Staff may call its next witness.

4 MS. OTT: Judge, may I admit that into
5 the record as Exhibit 16?

6 JUDGE STEARLEY: Yes, you may offer it at
7 this time. I've got an offering of Exhibit 16. Is
8 there any objections to that offering?

9 MR. FINNEGAN: Yes, your Honor. I'll
10 object to it. It's the first time we've seen it, we
11 haven't had a chance to really figure out the
12 repercussions of it.

13 MS. BAKER: Public Counsel has no
14 objection.

15 JUDGE STEARLEY: Well, Mr. Finnegan, I
16 don't know that that's a valid legal objection for
17 that particular piece of evidence. The Commission's
18 willing to give you time though if you wish to --
19 since it wasn't -- didn't come in as pre-filed
20 testimony, if you want some additional time to perhaps
21 file some response to that.

22 MR. FINNEGAN: I don't think so, your
23 Honor. I'll just withdraw my objection.

24 JUDGE STEARLEY: All right. Very well.
25 Exhibit 16 will be admitted and received into

1 evidence.

2 (Exhibit No. 16 was received into
3 evidence.)

4 MS. OTT: Staff would like to call Martin
5 Hummel. I'd like to mark as Exhibit 17 Martin
6 Hummel's direct testimony and as Exhibit 18, Martin
7 Hummel's rebuttal testimony.

8 (Exhibit Nos. 17 and 18 were marked for
9 identification.)

10 JUDGE STEARLEY: Mr. Hummel, if you'd
11 please raise your right hand.

12 (Witness sworn.)

13 MARTIN HUMMEL, being first duly sworn, testified as
14 follows:

15 DIRECT EXAMINATION BY MS. OTT:

16 Q. Please state your name for the record.

17 A. My name's Martin Hummel.

18 Q. And whom are you employed, in what
19 capacity?

20 A. I'm employed by the Missouri Public
21 Service Commission as an engineering -- or regulatory
22 engineering specialist.

23 Q. And are you the same Martin Hummel that
24 has previously caused to be filed prepared direct and
25 rebuttal testimony which have been previously

1 identified as Exhibits 17 and 18?

2 A. Yes.

3 Q. And with respect to your direct and
4 rebuttal, was that prepared by you or under your
5 direct supervision?

6 A. Yes.

7 Q. Do you have any corrections to make to
8 your direct or rebuttal at this time?

9 A. No.

10 Q. And if I were to ask you the same or
11 similar questions as contained within that testimony,
12 would your answers that you would give today be the
13 same or substantially similar?

14 A. Yes.

15 Q. would they be true and accurate to the
16 best of your information, knowledge and belief?

17 A. Yes.

18 MS. OTT: with that, I would like to
19 offer Exhibits Exhibit 17 and 18 into the record.

20 JUDGE STEARLEY: Any objections to the
21 offering of Exhibits 17 and 18?

22 MR. FINNEGAN: No objection.

23 JUDGE STEARLEY: They shall be received
24 and admitted into the record.

25 (Exhibit No. 17 and 18 were received into

1 evidence.)

2 MS. OTT: I will tender Mr. Hummel for
3 cross-examination.

4 JUDGE STEARLEY: Public Counsel?

5 MS. BAKER: No questions. Thank you.

6 JUDGE STEARLEY: Timber Creek?

7 MR. FINNEGAN: No questions.

8 JUDGE STEARLEY: Any questions from the
9 Bench for Mr. Hummel?

10 QUESTIONS BY COMMISSIONER JARRETT:

11 Q. Good afternoon, Mr. Hummel.

12 A. Good afternoon.

13 Q. I think I have just one question.

14 Does -- does staff normally encourage companies like
15 Timber Creek to look for alternative forms of energy
16 when they can save money on fuel costs?

17 A. We would be -- we would encourage that
18 whatever we could in terms of any -- not just
19 alternative energies, but any methods to reduce the
20 cost with -- that could be conservation as well as
21 alternative energy production.

22 Q. Right. And I understand from your
23 testimony that you just feel that this -- in this
24 instance this was too speculative to --

25 A. Yes, it was. It was a speculative

1 venture, I do believe.

2 COMMISSIONER JARRETT: Okay. That's all
3 I had. Thank you.

4 JUDGE STEARLEY: Commissioner Gunn?

5 QUESTIONS BY COMMISSIONER GUNN:

6 Q. Yeah, I just have a quick question. On
7 your rebuttal testimony you say -- you say that the
8 comparison between wind, solar and natural gas is not
9 valid because you don't -- you didn't take into
10 account the possibility that natural gas will be
11 there.

12 A. Correct.

13 Q. But if you assume that natural gas is
14 going to be there --

15 A. I wouldn't -- no, I would not assume
16 that.

17 Q. I'm asking you to. So --

18 A. Okay.

19 Q. So what I'm asking you to do is if you
20 assume -- because the wind doesn't always blow and the
21 sun doesn't always shine as well. Right?

22 A. Correct.

23 Q. But if you assume that there is solar
24 power -- if one were to assume that solar power is
25 available and one were to assume wind power was

1 available, however variable that might be, and you
2 assume natural gas is available because you wouldn't
3 put a generation facility in if there weren't -- if
4 there wasn't a natural gas facility, then -- so if you
5 make those assumptions, is the -- are the pay-back
6 comparisons legitimate or --

7 A. Yeah. I see what you're saying. Yes, if
8 you can assume that there is natural gas available,
9 then these comparisons that Mr. Sherry used in his
10 testimony would be valid.

11 Q. Okay. All right. That's -- that's the
12 only question I had. Thank you.

13 JUDGE STEARLEY: Any recross based on
14 questions from the Bench, Public Counsel?

15 MS. BAKER: No questions.

16 JUDGE STEARLEY: Timber Creek?

17 MR. FINNEGAN: No questions.

18 MS. OTT: Staff has no redirect.

19 JUDGE STEARLEY: Okay. Very well. That
20 was very quick for you Mr. Hummel. You may step down.

21 THE WITNESS: Thank you.

22 JUDGE STEARLEY: I believe it's
23 Mr. Busch's turn.

24 MS. OTT: Staff would like to call James
25 Busch. Staff would like to have marked as Exhibit 19

1 the direct testimony of James Busch, as Exhibit 20
2 the rebuttal testimony of James Busch, and as 21 the
3 surrebuttal testimony of James Busch.

4 (Exhibit Nos. 19, 20 and 21 were marked
5 for identification.)

6 JUDGE STEARLEY: Mr. Busch, if you'd
7 raise your right hand, please.

8 (Witness sworn.)

9 JUDGE STEARLEY: Thank you. Please be
10 seated. And you may proceed.

11 JAMES BUSCH, having been sworn, testified as follows:

12 DIRECT EXAMINATION BY MS. OTT:

13 Q. Can you please state your name for the
14 record.

15 A. James A. Busch, B-u-s-c-h,

16 Q. Whom are you employed, in what capacity?

17 A. I'm employed by the Missouri Public
18 Service Commission as a -- as the manager of the water
19 and Sewer Department.

20 Q. And are you the same James Busch that has
21 previously caused to file prepared direct, rebuttal
22 and surrebuttal testimony which has just been marked
23 for identification as Exhibit 19, 20 and 21?

24 A. I am.

25 Q. And with respect to your direct, rebuttal

1 and surrebuttal, was that prepared by you or under
2 your direct supervision?

3 A. Yes.

4 Q. Do you have any corrections to make to
5 that testimony at this time?

6 A. Not at this time.

7 Q. And if I were to ask you the same or
8 similar questions as contained within your direct,
9 rebuttal and surrebuttal, would the answers given
10 today be substantially the same?

11 A. They would.

12 Q. And would they be true and accurate to
13 your best knowledge, belief and information?

14 A. Yes.

15 MS. OTT: With that, I'd like to offer
16 Exhibit 19, 20 and 21 into the record.

17 JUDGE STEARLEY: Any objections to the
18 offering of Exhibits 19, 20 and 21?

19 MR. FINNEGAN: No objection.

20 JUDGE STEARLEY: Hearing none, they'll be
21 admitted and received into the record

22 (Exhibit Nos. 19, 20 and 21 were received
23 into evidence.)

24 MS. OTT: Staff would like to tender
25 Mr. Busch for cross-examination.

1 JUDGE STEARLEY: Cross-examination
2 starting with Public Counsel?

3 MS. BAKER: No questions, thank you.

4 JUDGE STEARLEY: Timber Creek?

5 CROSS-EXAMINATION BY MR. FINNEGAN:

6 Q. Mr. Busch, regarding the PSC assessment
7 issue in this case, which -- involving the
8 pass-through proposal of Timber Creek, you're saying
9 that would be single-issue rate-making?

10 A. I believe so, yes.

11 Q. What about pass-through of gross receipts
12 tax and franchise fees? Is that single-issue
13 rate-making?

14 MS. OTT: I'm going to object to this.
15 It calls for a legal conclusion.

16 MR. FINNEGAN: He just gave a legal
17 conclusion.

18 JUDGE STEARLEY: It will be overruled.

19 THE WITNESS: I'm -- what I'm familiar
20 with on gross receipts tax is that when the -- when a
21 company -- they are taken out of the company's cost of
22 service. They are not included in the company's cost
23 of service.

24 So like, for instance, when a company
25 comes in for a rate increase, first -- one of the

1 first things the auditors do is they pull out those
2 revenues so they're not involved in that cost of
3 service; whereas, the PSC assessment is a part of
4 the -- of the company's cost of service. So I don't
5 necessarily look at that as the same.

6 Q. And why isn't the -- the franchise fee
7 considered a cost of service? They got to pay it.

8 A. I don't know.

9 Q. Are you aware that Timber Creek is
10 proposing we take it out of the company's cost of
11 service and pass through directly in this case?

12 A. I am familiar that they want -- one of
13 the -- one of their proposals is to pull the PSC
14 assessment out and do a straight pass-through.

15 Q. And identifying same on the bill as a PSC
16 assessment?

17 A. That is correct.

18 Q. And the gross receipts tax is an
19 assessment on the utility's gross receipts, isn't it?
20 It's a tax on the utility's gross receipts?

21 A. I'm assuming that. I'm not here to
22 discuss gross receipts tax.

23 Q. well, there is a similarity though, isn't
24 there?

25 A. I'm not familiar that all gross receipts

1 taxes is passed on to the customer's bill separately.

2 Q. Aren't you aware that a lot of utilities
3 pass on gross receipts taxes separately?

4 A. Not -- not as a specific line item on
5 their bill, no, I'm not.

6 Q. Have you ever seen a Kansas City Power &
7 Light bill?

8 A. No, I have not.

9 MS. BAKER: I'm going to object to the
10 relevance of the testimony as far as the use and the
11 background of gross tax receipts in this case. This
12 is beyond the issues for the case. I understand how
13 it connects as far as -- as making the point why one
14 is and one isn't passed through, but I think we've
15 gone beyond that particular issue.

16 JUDGE STEARLEY: Mr. Finnegan?

17 MR. FINNEGAN: It's in our testimony and
18 Mr. Sherry's surrebuttal comparing this -- this PSC
19 assessment to gross receipt taxes. It's -- basically
20 it's the same thing. This is a tax on the utility
21 under a different name, but it's a state agency that's
22 enforcing an assessment, which is the same as taxes.
23 And I can't see any difference.

24 JUDGE STEARLEY: The objection will be
25 overruled. I'll allow the testimony.

1 BY MR. FINNEGAN:

2 Q. With respect to the contingency fund, I
3 understand your objection to this -- well, you're --
4 you're not objecting to it.

5 A. I am -- Staff is not recommending that a
6 contingency fund for Timber Creek be established at
7 this time.

8 Q. Because there's no safeguards at this
9 point?

10 A. As I think was mentioned earlier today,
11 this would be a creative way to address one of the
12 issues that's impacting the small water and sewer
13 companies. There are a lot of issues that need to be
14 ironed out to ensure that it is set up properly so
15 that once it's established, it will be established in
16 a way that can be utilized for more than just Timber
17 Creek.

18 So at this time with some of the
19 information that we've seen through the testimony of
20 Timber Creek, we're not prepared to say that it can be
21 established at this -- at this time.

22 Q. You're not interested even in exploratory
23 or experimental treatment in this case to see how
24 things work?

25 A. I am not. Because the fear is if you set

1 something up haphazardly, quickly just to try to
2 satisfy one particular party and it backfires
3 tremendously, we may never have an opportunity to do
4 one again because the -- because of the unintended
5 consequences that -- that occur that we didn't think
6 about completely destroy the ability to do it for any
7 other company.

8 when I think about this issue -- and I've
9 been thinking about it for a while, I want to make
10 sure that we get it set up properly for all the
11 companies that have the ability to utilize it. And to
12 take a chance on doing it really wrong the first time
13 and never being able to bring it up again or having a
14 lot of doubts about that is just something that I
15 don't think is a prudent thing to do right now.

16 Q. If the Commission were to order you to do
17 this in this case and to come up with safeguards that
18 you think are -- are reasonable for consumers and the
19 whole methodology over -- and, you know, maybe over
20 the next three months you work -- we work on this
21 together to get it --

22 A. If the Commission orders Staff to do it,
23 Staff will work very hard to get that accomplished by
24 the time -- by the deadline they set.

25 MR. FINNEGAN: Okay. That's all the

1 questions.

2 JUDGE STEARLEY: Questions from the
3 Bench, Commissioner Jarrett?

4 QUESTIONS BY COMMISSIONER JARRETT:

5 Q. Good afternoon, Mr. Busch.

6 A. Good afternoon, Commissioner.

7 Q. How are the PSC assessments normally
8 handled in a rate case?

9 A. The PSC assessments in a rate case are --
10 I'm assuming are normally handled -- the amount that
11 the assessment is is what's built into the rates as a
12 part of the cost of service and then passed along to
13 the consumers in that manner.

14 Q. And do you know in this case was that
15 part of the -- I guess it wasn't part of the
16 settlement agreement, but is Staff recommending enough
17 to cover assessments in the -- in the company's
18 rate-base?

19 A. It's my information that whatever the
20 amount of the assessment was that came up last July is
21 the amount that's built into rates for this case.

22 Q. Okay. Now, you're the director of the
23 water division. Correct?

24 A. The manager, yes.

25 Q. The manager.

1 A. I don't know which is a better term,
2 so --

3 Q. I don't know. I may have just given you
4 a promotion. Are you involved in settlement
5 negotiations routinely in these -- in these types of
6 small water rate cases?

7 A. I don't get involved necessarily that I'm
8 there talking to all the parties, but I do get updates
9 from the -- my staff and I talk to the auditors and
10 EMSD folks. So I'm aware of what's going on, but I'm
11 not necessarily in the room every single time we have
12 settlement negotiations.

13 Q. Well, I'll ask you this question. You
14 may not know the answer, but I want to ask it. Is
15 it -- is it considered a matter of routine settlement
16 agreements before the Commission that they include a
17 provision providing for rate case expenses to be
18 handled in a future case?

19 A. That I'm -- I'm not aware of. I believe
20 that our auditors try to look at the fact that there
21 is some rate case expense normally. And a lot of the
22 small cases are done within, you know, the 150-day
23 window so there's -- there's not a lot of outside
24 consulting or attorney's fees or stuff like that.

25 But I assume that there might be a little

1 bit of rate case expense that is built into the cost
2 of service, but there's not -- I don't think it is
3 specifically spelled out in any sort of the
4 agreements.

5 Q. I guess what I'm trying to understand
6 is -- I mean rate case is a normal expense that is
7 recovered in rates. And in this case it wasn't. This
8 was a settlement agreement and apparently they weren't
9 recovered and so the company's now coming forward and
10 asking for the rate case expense from the last rate
11 case.

12 So I'm wondering what happened with that
13 case that doesn't happen with any other rate case that
14 comes before us? I mean normally companies don't come
15 before us in a rate case and say, we want recovery for
16 rate case expenses in the last rate case. Did
17 something fall through the cracks in the agreement?

18 A. Referring to that last case, I wasn't --
19 I wasn't on the water sewer staff at that time so I
20 haven't really gone back and looked at the issue of
21 what happened in that case that put us at where we are
22 today.

23 Q. Okay.

24 A. I just don't know.

25 COMMISSIONER JARRETT: All right.

1 Thanks. No further questions.

2 JUDGE STEARLEY: Commissioner Gunn?

3 QUESTIONS BY COMMISSIONER GUNN:

4 Q. When you do a stipulation and agreement,
5 do you typically believe that all issues in that case
6 are resolved through -- if it's a global stipulation
7 and agreement rather than partial, that all issues are
8 resolved in that case based on the stipulation and
9 agreement?

10 A. If we have a disposition agreement that
11 is signed by all three parties or signed by the
12 company and Staff and not opposed to by the Office of
13 Public Counsel, it is my understanding that everybody
14 is signing off that it's a -- it's a done deal.

15 Q. And there are no outstanding issues --

16 A. There are no outstanding issues.

17 Q. -- in that particular rate case as a
18 general manner?

19 A. Just generally. They may go away not
20 necessarily happy with it, but the -- there's no more
21 issues to be resolved at that time.

22 Q. Okay. Let me -- I want to move onto the
23 contingency fees. So part of your testimony seemed to
24 indicate that part of the issue was -- it was a time
25 issue, that at the point at which this was getting to

1 close to the hearing, that there just simply wasn't
2 enough time to design a safeguard system that would
3 get you comfortable with -- with a contingency
4 arrangement; is that correct?

5 A. That is one aspect of it, yes.

6 Q. So let me -- let me ask you to flesh that
7 out a little bit. What are the issues in -- let's put
8 aside any legal bars for this. Let's assume that the
9 statute gives us authority in order to do it.

10 what are some of the issues that concern
11 you? And forget about the implementation aspect of it
12 too because, you know, one of the good -- great things
13 about PSC cases is that they have absolutely no
14 precedential value. So if we screw something up, we
15 can always come back and fix it in the next rate case,
16 which helps me sleep a lot better at night.

17 But -- so but tell me in terms of -- so
18 not things that affect other cases, but in this
19 particular case what are -- what are the issues that
20 concern you about having kind of this contingency fee?

21 A. And this would not be an exclusive list.

22 Q. Sure. Absolutely.

23 A. I don't know that I've come up with
24 everything, but some of the things that strike me
25 would be -- and some of the ones I do -- I will admit

1 that Mr. Sherry has kind of addressed some of those.
2 what type of account would be set up, how would the --
3 what level of expense, what types of expenses would be
4 included, what types of expenses or capital
5 improvements would not be included, what the reporting
6 requirements would be, how often would they have to
7 let staff and Public Counsel know what's going on,
8 what would the cap be, how high would it go.

9 At some point in time, you know, assuming
10 that you build in a certain amount to be collected on
11 a monthly basis per customer, if you reach that cap,
12 what would trigger -- how would those no longer be
13 collected? Since it's built into, you know, maybe the
14 cost of service, all of a sudden now you have to have
15 another case come in to pull that out? You know, is
16 there a secondary tariff that's in the background that
17 says date certain or when the fund reaches a certain
18 level, it automatically -- the monthly -- or the
19 consumer rate falls?

20 who would -- who had -- the company, you
21 know, when -- when would they have access to the
22 funds? If an emergency would happen that, you know,
23 something we had already agreed to or is the type of
24 situation where they could get to the funds, would the
25 company first be allowed to expend the funds and then

1 be allowed to come in and say, Oh, by the way, we just
2 expended \$20,000? or do they have to come into Staff
3 and/or Public Counsel? Do they have to come to the
4 Commission? who's the one that signs off on that? Is
5 it something that the company itself has sole
6 discretion on getting the funds? what happens when
7 the company gets sold?

8 As of right now, if it's a transfer of
9 assets, they have to come in before the Commission to
10 get permission, but if it's just a 100 percent sale of
11 stock, we may never know about it until six months
12 after the fact when we go out to do an inspection.
13 what would happen to those dollars?

14 You know, whereas, you know, we may not
15 have an issue with Mr. Sherry, he may sell to
16 somebody, not know about it and that person goes, I
17 got \$100,000 sitting around here, I can do whatever I
18 want with it.

19 So those are the types of issues that,
20 you know, make me want to pause before I go ahead and
21 say, I'm comfortable going through that right now
22 in -- in the time frame that we have. we have got the
23 WW case. I agree with Mr. Sherry that we focused on
24 the assessment first. This was the second -- kind of
25 the second issue.

1 we haven't been able to get a lot of work
2 done on it, but we're changing the way -- potentially
3 changing the way that has worked for decades. Let's
4 make sure that we do it properly and vet out all those
5 issues.

6 Q. So I'm not going to ask you to sign off
7 on a proposal obviously, but I'm going to ask you if
8 we -- give you a hypothetical and see if you are more
9 comfortable with it than you would be comfortable. So
10 if we said, Okay, they've asked for 170,000 in
11 contingency.

12 We say, you know what? This a pilot
13 program so we're going to give you 75, we're going to
14 give you less than half of that, we're going to pull
15 out -- and I think to Ms. Baker's point she made
16 earlier, we're going to pull out anything that may be
17 paying for violations of state law or regulations or
18 federal law or regulations.

19 We're going to say, You can't use it for
20 departing employees. We're going to say, You may use
21 it for pipes in the ground basically. And before you
22 use it for pipes in the ground, before you can spend a
23 dollar of that, you have to come back and get approval
24 from the PSC and maybe you can say unless Staff and
25 Public Counsel don't object. If they -- in their

1 review they say that they believe it's prudent, they
2 don't object, then they can go ahead and do it.

3 would controls like that make you feel
4 more comfortable with an arrangement?

5 A. It's definitely those types of controls
6 are things we would want to have on. So you're
7 getting more comfortable, but there's still issues
8 that could be out there that we're not.

9 Q. Let me ask you this question: If you had
10 more time -- if we said, Look, we're going to put you
11 in a room and we want you to -- because -- and if we
12 called it a pilot program -- because you're right, we
13 are -- this hasn't really been done before and there
14 are all sor-- there are implications to other people.
15 I mean do we want -- do we want Missouri American
16 coming in saying, We want a contingency fee and we
17 want it to be \$100 million? So those may not be
18 things that we want to have or they may be things we
19 want to have.

20 But if we say, okay, we've got -- do
21 you -- we've got a small -- fairly small water company
22 here, water and sewer, they've requested this, is
23 there a pilot program that we could set up. Do you
24 think given more time -- and by more time I'm not
25 talking about like a year to do a rate-making, but I'm

1 saying if we put everybody in a room and said, Look,
2 after the evidentiary hearing closes, is there any way
3 you guys could get together and come up with
4 conditions that you think could be agreed to by
5 everybody that would make a pilot program make sense?

6 I don't -- if -- if you're saying that,
7 you know, there -- there is opposition to it and more
8 time really isn't going to get you there because it's
9 a much longer process than we have in this case, then
10 we're just going to have to decide how we -- how we
11 feel about it. We're just going to have to decide up
12 or down and if we put conditions on it, we'd have to
13 do it ourself.

14 But do you think given the time frame of
15 this case, do you believe that it would be possible in
16 the time frame of this case to come up with a pilot
17 program that would be acceptable to all the parties?
18 I know I'm putting you on the spot, I'm not going to
19 hold you to your answer. And obviously you're not the
20 company and you're not the Office of Public Counsel.

21 JUDGE STEARLEY: And before you answer
22 that, The operation of law date in this case is
23 April 10th.

24 MS. BAKER: Thank you, Judge.

25 THE WITNESS: Is it possible? Many

1 things are possible. Is it probable?

2 BY COMMISSIONER GUNN:

3 Q. I'm looking for whether it's worth us
4 doing. Because if not, then we just are going to have
5 to decide. We're going to take this evidentiary
6 hearing as it stands and we're going to have to come
7 in and decide whether there are things that the
8 Commissioners are comfortable with in order -- that
9 says, you know, both on the legal side about whether
10 the statute authorizes it, we'll have to cross that
11 threshold issue and then we'll have to decide and
12 craft -- craft something that -- if we want to do it,
13 we craft ourselves.

14 So -- so that's -- I'm not -- I'm not
15 looking for, you know -- it was technically possible
16 for me to win the Mega Millions yesterday. Not likely
17 to happen and I certainly wouldn't make a bet on it.
18 But I'm looking for is it -- you know, is it worth us
19 saying, Hey, in a briefing schedule let's -- let's
20 take one more shot at this and see if we can figure
21 this out to resolve one of -- I mean actually I want
22 to compliment -- I think you've done a pretty good job
23 of narrowing the issues. We have five issues here,
24 all of them with pretty -- I mean the answers are
25 there somewhere.

1 And I'm giving -- I'm giving you a shot
2 to say yes or no, but either -- I want you to be
3 honest with me. If you don't think that it's possible
4 to happen and if you don't think that it's likely to,
5 you know, I want to know that too.

6 A. With the operation of law date where it
7 is and knowing what has to be done with the rate case,
8 you know, with having to build it into the rates and
9 everything else, it really limits even more the time.

10 At the -- I just -- I don't see the extra
11 30 days that we would have, 45 days to get the
12 appropriate staff involved and the company and the OPC
13 involved, I just don't see -- I don't see that
14 happening.

15 Q. That is a fair answer and I appreciate
16 it.

17 COMMISSIONER GUNN: I don't have anything
18 else.

19 JUDGE STEARLEY: I don't believe there's
20 any other questions from the Bench. Any recross,
21 Public Counsel?

22 MS. BAKER: No, thank you.

23 JUDGE STEARLEY: Timber Creek?

24 MR. FINNEGAN: Yes. Just a couple
25 questions.

1 RECROSS-EXAMINATION BY MR. FINNEGAN:

2 Q. In response to Commissioner Gunn with
3 respect to -- you just said you'd have to build it
4 into rates. Could it not be a surcharge of 50 cents
5 like we're proposing, 50 cent surcharge which does not
6 have to go in the rates?

7 A. That would be one possibility. I don't
8 know that Staff would be in favor of something like
9 that.

10 Q. And in response to one of the first
11 questions from Commissioner Gunn, you gave a litany of
12 conditions that you were considering. Seems like
13 we're almost there. I don't know how many more -- I'd
14 have to read the transcript to see what all he said,
15 but apparently you had a lot of good questions. And
16 we're talking about a pilot program. And Timber Creek
17 is certainly amenable to it.

18 A. I'm not -- I don't foresee -- look at
19 this necessarily as just -- I'm looking at this more
20 when we build this, this is going to be -- it's going
21 to be a blueprint for many other ones to follow.

22 So even though I think we have
23 established that there are, you know, some of the
24 things that we are concerned about to come into
25 complete agreement on those, I think it's going to be

1 difficult with all the parties. And I think there
2 might -- there are other issues that are out there
3 that, you know, once we get people -- we really get
4 down to it, we're going to find out, so --

5 Q. But this is Timber Creek's rate case
6 right now. This is --

7 A. I understand.

8 Q. This is its chance to get it or it won't
9 be back for another three years probably.

10 A. That's -- that's the decision that Timber
11 Creek makes.

12 Q. I mean Timber Creek's made a decision.
13 Right? They're asking for this at this time.

14 A. They're asking for it. From what they've
15 asked for at this time, we're not prepared to agree to
16 one at this time.

17 MR. FINNEGAN: That's all the questions.

18 JUDGE STEARLEY: Redirect?

19 REDIRECT EXAMINATION BY MS. OTT:

20 Q. Mr. Busch, earlier Mr. Finnegan was
21 discussing -- I think right after the gross receipt
22 and franchise tax discussion about the pass-through.
23 How would the PSC assessment pass-through -- how would
24 that work if it was created?

25 A. I don't know how it would work. All I

1 could do is guess how it would work based on some
2 other pass-throughs I'm familiar with, something like
3 a fuel adjustment clause, which is a pass-through or
4 purchased gas adjustment.

5 You know, some of the things I would
6 notice or would think would have to be done is you'd
7 have to re -- you know, everybody -- all the companies
8 already have an amount of assessment built into their
9 rates so pull that out, those are extra dollars that
10 are in every company's rates that would have to be
11 pulled out because the customers would already be
12 paying that in rates. And then to pull that out to do
13 another surcharge, you know, they'd be double
14 collecting so you'd have to pull that out.

15 So I think you'd have to have, you know,
16 at least 80 companies coming in for a rate case to try
17 to ensure that you had the right amount of assessment
18 collected. Because if you're going to pull it out, I
19 think that's what you'd want to do. You'd have to
20 have a true-up at the end of the year to verify that
21 the amounts that were collected were the amounts that
22 were actually due to the Commission. And then when
23 you do that, you have to have a true-up audit. They
24 take time. You have to have reporting requirements
25 for these smaller utilities to have to -- to do.

1 And one of the things I've learned over
2 the last few years as the manager is, you know, some
3 of our small systems with -- they don't have
4 computers, they have a hard time meeting their annual
5 reports, doing that every year. So if you add another
6 level of complexity I think would make it even more
7 challenging, would give more time for staff to have to
8 look at this, which would even -- which push it up
9 even more so we'd have to have more time.

10 So, you know, maybe there's another way
11 to do it, but that's just -- that's how I was
12 foreseeing it and that's -- doesn't seem appealing to
13 me.

14 Q. Okay. Now, when you were discussing the
15 contingency reserve fund, I know you gave Commissioner
16 Gunn a list of issues or potential issues. I guess I
17 just -- my question would be -- maybe you already
18 answered it -- to explain it a little bit further and
19 how it could affect the other utilities in the
20 industry.

21 A. Other utilities in all industries or --

22 Q. Or -- in the sewer and/or all.

23 A. I mean every -- I think if you approve it
24 at a -- you'd have the Missouri American's, AmerenUES
25 would come in wanting to have contingency funds.

1 You'd have -- all the smaller systems would have --
2 you know, would want --

3 MR. FINNEGAN: I'm going to object to
4 this. This is not responsive and it's pure
5 speculation as to what other utilities are going to
6 do. This is for this company for this rate case.

7 MS. OTT: This is a question based on
8 concerns from a question from Commissioner Gunn.

9 JUDGE STEARLEY: I believe Commissioner
10 Gunn opened the door on this questioning and I'll
11 overrule the objection.

12 COMMISSIONER GUNN: I did do that.

13 THE WITNESS: I think the main thing
14 would be the concern that a lot of the other
15 utilities, especially large utilities, would want to
16 start having contingency funds as well. And that's
17 something that I don't think -- you know, when we
18 think about this, we think about the small utilities.

19 BY MS. OTT:

20 Q. I think when you were discussing the
21 collection of the contingency fund, what type of
22 account would this have to be in?

23 A. That's one thing I think I'd have to get
24 with our auditors about to determine what kind of
25 account it would be put in.

1 Q. would it be managed by the Staff, the
2 Commission, the company?

3 A. I think that was one of the questions I
4 had, who would have control over those dollars. I
5 don't know.

6 Q. Further, in regards to the contingency
7 reserve fund, how are the funds collected that are
8 then invested into the company be treated? would they
9 be CIAC or would they be capitalized rate-base?

10 A. I think one thing that -- and I know I
11 didn't mention it, probably should have -- is that
12 these dollars would not be dollars that would be built
13 into the company's rate-base. They would be outside
14 of rates. I don't know if they'd be CIAC or, you
15 know, what the appropriate term would be, but it
16 definitely wouldn't be dollars that would build
17 rate-base for the company, and ultimately would not be
18 beneficial to the company's long-term health if they
19 didn't do their own investment

20 MS. OTT: I don't have any further
21 redirect. Thank you.

22 JUDGE STEARLEY: All right. Thank you
23 very much for your testimony, Mr. Busch.

24 we're on auto pilot here. I don't have
25 to tell anybody. The witness is right there.

1 THE WITNESS: I'm the last one.

2 MS. BAKER: He's the last one.

3 COMMISSIONER JARRETT: Last, but not
4 least.

5 THE WITNESS: I don't know about that,
6 but still last.

7 JUDGE STEARLEY: Let's start with Exhibit
8 22.

9 MS. BAKER: 22 would be direct testimony
10 of Ted Robertson, 23 rebuttal and 24 surrebuttal.

11 (Exhibit Nos. 22, 23 and 24 were marked
12 for identification.)

13 JUDGE STEARLEY: Mr. Robertson, if you'd
14 please raise your right hand.

15 (Witness sworn.)

16 JUDGE STEARLEY: Thank you. You may
17 proceed, Ms. Baker.

18 MS. BAKER: Thank you.

19 TED ROBERTSON, having been sworn, testified as
20 follows:

21 DIRECT EXAMINATION BY MS. BAKER:

22 Q. would you please state your name for the
23 record and spell it, please.

24 A. Ted Robertson, T-e-d R-o-b-e-r-t-s-o-n.

25 Q. Could you state who you are employed by

1 and in what capacity?

2 A. I'm employed by the Missouri Office of
3 the Public Counsel as chief public utility accountant.

4 Q. And are you the same Ted Robertson who
5 prepared and filed direct testimony, rebuttal
6 testimony and surrebuttal testimony in this case?

7 A. Yes, I am.

8 Q. And this testimony was prepared by you?

9 A. It was.

10 Q. And is this testimony correct and true as
11 far as you know or do you have corrections to it
12 today?

13 A. I have no corrections.

14 Q. Okay. And if you were asked the same
15 questions, would you have substantially the same
16 answers today?

17 A. Yes, I would.

18 Q. And are these answers true and accurate
19 to the best of your belief?

20 A. Yes, they are.

21 MS. BAKER: I will offer Exhibits 22, 23
22 and 24 and tender the witness.

23 JUDGE STEARLEY: Are there any objections
24 to the offering of Exhibits 22, 23 and 24?

25 MR. FINNEGAN: No objection.

1 JUDGE STEARLEY: Hearing none, they will
2 be admitted and received into the record.

3 (Exhibit Nos. 22, 23 and 24 were received
4 into evidence.)

5 JUDGE STEARLEY: And cross-examination,
6 we'll begin with Staff.

7 CROSS-EXAMINATION BY MS. OTT:

8 Q. Good afternoon, Mr. Robertson.

9 A. Good afternoon.

10 Q. Can you please tell me how you deemed
11 Mr. Sherry to be an entry level general manager?

12 A. By the fact that he has been employed
13 with the utility for approximately three years.

14 Q. So did you base it on any of his prior
15 work experience?

16 A. There was discussion that he was an
17 engineer and executive director for the Johnson
18 wastewater -- Johnson County wastewater, but that was
19 the extent. There was no detail in what those
20 positions entailed.

21 Q. Now, can I have you turn to page 6 of
22 your rebuttal testimony?

23 A. Say again.

24 Q. Page 6.

25 A. Rebuttal?

1 Q. Yes.

2 A. Okay.

3 Q. And then in lines 12 through 15 you are
4 comparing unionized job activities to nonunionized
5 jobs. So is it your opinion that union members should
6 be paid -- or compensated more than nonunion members?

7 A. It's my experience that unionized jobs,
8 particularly in metropolitan areas, the wages or
9 salaries you can -- actually wages are usually higher,
10 yes.

11 Q. Do you believe that to be fair? I mean
12 should -- just because you join a union, should you
13 not be compensated at a higher level because you
14 didn't have a collective bargaining agreement to
15 establish your salary?

16 A. I'm not sure I understand the question.

17 Q. So do you think that's fair, because
18 you're a nonunion member that you should be -- you
19 shouldn't be compensated the same as a union member
20 because you don't have a collective bargaining
21 agreement to protect your wages?

22 A. I don't have an answer to that. I don't
23 know whether it's fair or not.

24 Q. In your opinion, do you think somebody
25 who's not a member of a union should automatically be

1 paid less than a member of a union?

2 A. Do I think they should automatically be
3 paid less?

4 Q. Yes.

5 A. In my opinion, no.

6 MS. OTT: I don't have any other
7 questions.

8 JUDGE STEARLEY: Cross-examination,
9 Timber Creek?

10 CROSS-EXAMINATION BY MR. FINNEGAN:

11 Q. All right. Following up on that question
12 there, on page 6 of your rebuttal testimony, just that
13 same thing I think you were asked about. In fact --
14 you say, In fact, some of the -- line 12, page 6, some
15 of the MERIC payroll information likely includes
16 unionized jobs and activities, which I believe usually
17 includes pay raises that exceed similar nonunionized
18 job and activity pay raise.

19 That's pretty much speculation, isn't it?

20 A. I consider it my opinion based on my
21 knowledge of looking at union pay rates versus
22 nonunionized pay rates in the 20 years that I've
23 worked in this industry.

24 Q. But you're saying the MERIC payroll
25 information likely includes unionized jobs. How sure

1 is -- how likely is that?

2 A. I believe that's fairly likely. The
3 Department of Economic Development the MERIC survey
4 looks at all size companies, union and nonunion --
5 nonunion so it likely includes unionized jobs.

6 Q. But you don't know how many unionized
7 jobs are considered in each of these categories?

8 A. We looked at the aggregated data of the
9 survey, not the individual items.

10 Q. Now, let's so you looked at the MERIC --

11 JUDGE STEARLEY: Excuse me,

12 Mr. Finnegan --

13 MR. FINNEGAN: Yes.

14 JUDGE STEARLEY: -- could I get you --
15 you're reading my mind now.

16 MR. FINNEGAN: I'm sorry.

17 BY MR. FINNEGAN:

18 Q. You looked at the MERIC statistics,
19 whatever we call these. And I assume that there's
20 quite a substantial number of positions that are
21 covered under this?

22 A. There is.

23 Q. And you picked out four positions that
24 you thought were close to what these positions would
25 be?

1 A. Actually, I initially started with
2 Mr. Sherry's representation of what he -- the company
3 was requesting and looked in the categories that he
4 was basing his salaries on. And since his data was
5 from the 2007 MERIC, I looked at the 2009, which was
6 more current.

7 Q. Okay.

8 A. And you provided work papers, did you
9 not, to show that -- what you looked at?

10 A. I -- it's discussed in my testimony.

11 MR. FINNEGAN: Can I get some exhibits?

12 JUDGE STEARLEY: This will be marked as
13 Exhibit 25 and 26.

14 (Exhibit Nos. 25 and 26 were marked for
15 identification.)

16 BY MR. FINNEGAN:

17 Q. I hand you what's been marked as
18 Exhibit 25, Mr. Robertson. And is that some of the
19 work papers that you provided for four positions?

20 A. Yes, it is.

21 Q. And let me hand you what's been marked as
22 Exhibit 26. Can you identify that?

23 A. This is the first time I've seen this.

24 Q. It's from your work papers.

25 A. Okay.

1 Q. It appears to be a summary of --

2 A. Yeah. Just give me a second here. Yes,
3 I think that's what it is. It is a summary of this
4 data, these MERIC, M-E-R-I-C, amounts and then the
5 amounts that we recommend.

6 Q. Now, looking at Exhibit 25, on the first
7 page you got the general and operations manager.

8 A. Okay.

9 Q. Then my understanding is from this you
10 looked at the mean -- the Kansas City, the mean, the
11 entry, the experienced and the median incomes. And
12 you determined the entry level was the most proper one
13 for Mr. Sherry?

14 A. I did.

15 Q. Have you heard -- you heard Mr. Sherry
16 testify, did you not, about his experiences?

17 A. I did.

18 Q. And you still say he's inexperienced?

19 A. As -- as the executive officer of the
20 utility company, yes. Particularly this utility
21 company.

22 Q. Three years is not enough to get
23 experience?

24 A. I think it is. And I gave -- I took the
25 entry level and I adjusted that for wage increases

1 over that three-year period, yes.

2 Q. And the fact that he's been an officer of
3 this company since 1995 and been involved in the -- on
4 the board of directors with it is --

5 A. That's correct. And you also have to --
6 other factors play into that, the size of the company.
7 You're looking at a 1,500-customer company with four
8 employees, counting Mr. Sherry. It's not exactly a
9 large entity.

10 Q. But this entity has to provide the same
11 sewer service that a large service, does it -- does it
12 not?

13 A. That's the basic premise.

14 Q. And it has to provide it as economically
15 and efficiently as it can?

16 A. That's the basic premise also.

17 Q. A lot of that falls on the operation
18 manager?

19 A. I'm sorry?

20 Q. A lot of that falls on a general manager,
21 does it not?

22 A. It does.

23 Q. So if you were to say, well, he was
24 experienced, then it's \$121,389 to start with. Right?

25 A. First off, you have to look at what

1 those -- those dollars represent. As I said in my
2 testimony, there are various sized companies, some
3 large, some small, some unionized, some not. Those
4 dollars are maybe starting points to look at trying to
5 find a market rate for the position, but the -- just
6 by picking out and saying the experienced amount is
7 the amount you should put in for this small utility I
8 don't believe is valid.

9 Q. And this is -- that's in your opinion?

10 A. That's my professional opinion, yes.

11 Q. Okay. On the second page of Exhibit 25,
12 you have office and administrative support
13 occupations. And this is what you use for the office
14 manager?

15 A. It is.

16 Q. You're familiar with what the office
17 manager's duties are?

18 A. I read the information that was provided
19 by Mr. Sherry. I believe it's also attached to
20 Mr. Prenger's testimony. The reason I used this
21 position is because the information that Mr. Sherry
22 relied on was for a secretary and not for an office
23 administrator. So I was trying to find a more -- a
24 position that was more representative of what the
25 employee held.

1 Q. Did you see the -- Mr. Sherry's office
2 manager proposed salary in his testimony?

3 A. Okay. Now we're talking about the office
4 manager versus -- okay. Go ahead. Say it again.

5 Q. There's only one.

6 A. Right. You're right. I misunderstood
7 what you were saying.

8 Q. There's only one person. The office
9 manager --

10 A. I was thinking operations --

11 Q. -- or office clerk.

12 A. -- the operational manager. Go ahead
13 with your question.

14 Q. I'm talking about the officer manager.

15 A. Okay.

16 Q. Wouldn't there be one of these
17 occupational employment statistics for office
18 managers?

19 A. Actually, if you look through -- now,
20 this -- what you provided here and what I provided
21 work papers is just a summary -- just a title for that
22 position. But in the category of office help, there's
23 a whole listing of different types of positions. And
24 there's a great number of them for different types of
25 office positions. And there was not a position

1 that -- specifically named as that category.

2 Q. You said you looked at Mr. Prenger's
3 listing of what the office manager's duties were?

4 A. Yes.

5 Q. And I think that's contained on page 11
6 of -- of Exhibit 8, his direct testimony. And it
7 tells what the office manager's duties are -- job
8 duties are?

9 A. Okay.

10 Q. Office and administrative support could
11 be just a clerk, couldn't it be?

12 A. I don't think so. Not -- not -- not at
13 the range of salary that it's at. If it is, it could
14 be a possibility of a clerk on the low end or it could
15 be the administrative secretary as -- as described by
16 the job position in Mr. Prenger's testimony. This --
17 I would admit that this is not probably the best
18 position, but out of the data that we were able to
19 find, this was probably the best position we could
20 find.

21 Q. Well, it has no description of what an
22 office and administrative support occupation is,
23 does -- is there?

24 A. No, it does not.

25 Q. Whereas, the other four that you utilized

1 do have some kind of description of what these people
2 might be doing. And if you could -- is that correct?

3 A. Just one second, please. That -- that is
4 correct.

5 Q. Okay. Looking at the fourth page, the
6 wastewater and liquid wastewater treatment and system
7 operator, I'm assuming you're comparing this to the
8 position of -- yeah, plant and system collection --
9 the collection system operator?

10 A. The assistant system operator, yes.

11 Q. And have you looked at the duties of the
12 plant and collection system operator as set forth in
13 Mr. Prenger's testimony?

14 A. As I said, I have read all those for all
15 the positions.

16 Q. And it seems like there's a lot more
17 duties involved than just sitting there and looking at
18 a control board?

19 A. Well, that -- and this description says
20 control boards, but it also says to operate, control
21 the entire process or system of machines.

22 Q. A system of machines?

23 A. Yeah. Well, pumps are machines.

24 Q. Pumps --

25 A. Wastewater treatment facilities are

1 machines. It's machinery.

2 Q. There's quite a few machines -- pumps on
3 the system, aren't there?

4 A. There are usually a number, yes, but it
5 is machinery, yes.

6 Q. And there's some wastewater treatment
7 facilities that are also involved in this?

8 A. It is a mechanized process, there's no
9 doubt. Biological also.

10 Q. On page 10 of Mr. Prenger's testimony it
11 says, The system operator's job description -- there's
12 a whole list of things he does starting on -- at
13 line 9 at page 10 carrying over to line 3 of page 11;
14 is that correct?

15 A. Do you want me to go there?

16 Q. I just want you to look at it, yeah.

17 A. Okay. Which is this? His rebuttal
18 again?

19 Q. No, it's in his direct.

20 A. Okay. Just one second. And the page
21 number?

22 Q. Page 10 and 11.

23 A. Okay.

24 Q. Seems like there's a lot more duties here
25 than operator control of the system and machines, but

1 this is the one that you chose. Correct?

2 A. I did choose this. In addition to this,
3 I also went out and looked for other substantiating
4 evidence in which case I found a job offer -- job
5 advertisement from the City of Kansas City for a -- a
6 similar position and approximately the same wage rate
7 and salary wage, so yes.

8 Q. Do you know if that job was taken?

9 A. At the time I put it in testimony, it was
10 currently open.

11 Q. Now, if you would turn to page 12 for the
12 position of general manager.

13 A. Are we still on Prenger's testimony?

14 Q. On Prenger's testimony. And starting on
15 line 5, going through line 14 on page 14 is a list of
16 the general manager's duties for this company?

17 A. I'm sorry. Where are we at now?

18 Q. Page 12 -- starting on page 12, general
19 manager.

20 A. All right.

21 Q. There's quite a list of items that the
22 general manager does for this company; is that
23 correct?

24 A. According to the information Mr. Sherry
25 provided, yes.

1 Q. And wouldn't it be take an experienced
2 person to do this kind of work?

3 A. I -- he does have experience.

4 Q. He does, doesn't he?

5 A. Three years' worth.

6 Q. With this company?

7 A. Yes.

8 Q. Before that, he was a consultant for the
9 company. Before that, he was with the Johnson County
10 wastewater group 15 years -- a number of years. When
11 is it enough experience for you to be satisfied?

12 A. I am satisfied. That's the reason I put
13 in the rate of -- for him of approximately \$53,000 a
14 year to run a company of 1,500 customers --

15 Q. Based on an entry level --

16 A. -- and 3 additional employees.

17 Q. Based on an entry level position you
18 adjusted --

19 A. No, no. Started entry level, increased
20 for cost of living for the three years he's been
21 there, yes. I think that \$53,000 a year is fairly
22 sufficient for a company of this size. And I provided
23 sufficient information from MERIC and actually job
24 offerings in the City of Kansas City that substantiate
25 it.

1 Q. Did you provide a job offering for the
2 general manager in Kansas City?

3 A. I believe so.

4 Q. General manager --

5 A. For the -- no, not for general manager.

6 Q. -- job?

7 A. No, you're correct. Not for the general
8 manager.

9 Q. And if you look at pages 14 and 15 of
10 Mr. Prenger's direct testimony where it lists the job
11 duties of the plant manager. And you've determined
12 that the plant manager is a first-line supervisor or
13 the manager of production and whatever else is based
14 on page 3 of your schedule of Exhibit 25?

15 A. Yes.

16 Q. There was no position of plant manager
17 that was in this thing that you could have referred
18 to?

19 A. I would have to go through and look
20 again. I don't recall seeing a plant manager that fit
21 the category as well as what the employee of the
22 company is.

23 Q. So you selected these four out of a list
24 of how many?

25 A. Oh, I -- there's a bunch for the

1 individual --

2 Q. Hundreds?

3 A. Well, without -- there's probably -- in
4 that category, probably close to a hundred different
5 job classifications, yes.

6 Q. And you -- there's some that may also --
7 you could have selected instead of the ones you did?

8 A. That's a possibility. But I'd say this
9 was the best fit from the job -- job categories that
10 were listed in the -- in the study.

11 Q. With respect to Exhibit 26, basically
12 this is just your breakdown from Exhibit 25. Am I
13 correct?

14 A. That's -- that's true. What it is -- and
15 what threw me when you first showed it to me, I'm used
16 to seeing it in an Excel file. All it is is just --
17 shows the -- the Exhibit 25 data and I put it in an
18 Excel file to show what the different amounts were and
19 then what Public Counsel recommended.

20 Q. Now, you work for the Office of Public
21 Counsel. Right?

22 A. That's correct.

23 Q. And you're not in a -- working for a
24 utility or anything like that at this point?

25 A. I think that would be a conflict of

1 interest.

2 Q. Do you think perhaps that if the
3 Commission were to reduce the salaries of these
4 employees as you propose, that there might not be
5 these employees here anymore, or at least some of them
6 may go elsewhere to greener pastures?

7 A. well, Mr. Sherry has threatened that a
8 time or two. The other employees, I don't know. But
9 my position is and my job is to go out and see what
10 the market rates for these type of positions would be.

11 After doing that, I make recommendations
12 to the Commission. what happens after that, whether
13 the Commission accepts that amount -- those amounts or
14 salaries or not, that -- that becomes what the company
15 has to deal with. But right now I think the company
16 is paying excessive rates to their employees.

17 Q. Based on your opinion?

18 A. well, apparently Staff agrees at least
19 with me on the operations manager, that he's at the
20 very high end of what they believe the rate should be
21 too.

22 Q. He is, but they still recommended a
23 3 percent increase for his salary, didn't they?

24 A. well, what Staff did is they took the
25 company's current payroll, which I believe is

1 inflated, and for him they bumped him up by 3 percent,
2 which they also did for the -- I believe for the --
3 the office manager. Mr. Sherry they bumped it up
4 6 percent. And then, of course, they did with the
5 assistant operator they worked around him, included
6 some overtime for him. So that's how they developed
7 their calculation of what they believed the annualized
8 salary should be.

9 Q. And you don't agree with the Staff?

10 A. I don't. I think -- I think the basis
11 base -- their basic premise of starting with the
12 current salaries and then adjusting upward was --
13 should not have been done, because I think the basic
14 salaries -- the current salaries are inflated.

15 Q. And do you know the reputation of this
16 company as far as being an excellent sewer company?

17 A. Having met Mr. Sherry and talked with him
18 the last couple years, I -- and also his father and
19 his brother, I believe they try to do a very good job.
20 But that still -- still has nothing to do with the
21 fact what the market rate for the salary should be.

22 Q. And if these people were to leave there
23 and someone else came in, you may not know what you're
24 going to have, would you?

25 A. well, that happens everywhere. I presume

1 somewhere down the line I'll be gone and somebody else
2 will take my place. Maybe they'll be better.

3 MR. FINNEGAN: I think that's all the
4 questions I have. I would like to offer Exhibit 25
5 and 26.

6 JUDGE STEARLEY: Any objections to the
7 offering of Exhibits 25 and 26?

8 MS. BAKER: No.

9 JUDGE STEARLEY: Hearing none, they shall
10 be received and admitted into the record.

11 (Exhibit No. 25 and 26 were received into
12 evidence.)

13 JUDGE STEARLEY: Questions from the Bench
14 for Mr. Robertson. Commissioner Jarrett?

15 QUESTIONS BY COMMISSIONER JARRETT:

16 Q. Good morning -- or afternoon,
17 Mr. Robertson.

18 A. Afternoon to you.

19 Q. I just had one question. Did you take a
20 position -- did you take a position on the time -- the
21 time sheet issue?

22 A. I did. Yes, I did.

23 Q. And do you -- what is that?

24 A. My position is that the company should be
25 doing time sheets. I think that the -- the Commission

1 approved Uniform System of Accounts requires them to.
2 In addition not only to requiring them to, I just
3 think it's good business practice. Most companies of
4 any size with any number of employees, and
5 particularly the way this company is growing, needs to
6 have as many management controls as they possibly can
7 to help them manage that growth and see what they're
8 actually doing.

9 And without the controls, the recording
10 of the information management's going to have a real
11 hard time knowing what really went on in the company.
12 I mean, they're going to sit there and say, well,
13 there's only four of us, we can track it.

14 But my memory is only as good as probably
15 the last month if that much. So what happens six
16 months down the road or a year and a half down the
17 road, without documentation -- the more documentation,
18 the better.

19 As -- and I'm not talking about
20 burdensome documentation. Time sheet -- we all fill
21 out time sheets in our office and I think Staff does
22 too. It's a matter of a few minutes a day, a week,
23 whatever. So --

24 Q. All right. That's the only question I
25 had. Thanks, Mr. Robertson.

1 JUDGE STEARLEY: Commissioner Gunn?

2 QUESTIONS BY COMMISSIONER GUNN:

3 Q. Yeah. I just have a couple. Just to be
4 clear, so you're actually recommending a reduction in
5 some of the salaries from where they were set
6 previously?

7 A. Yes.

8 Q. And those were set in the last rate case?

9 A. Per stipulation and agreement. There was
10 a stipulation and agreement in the last agreement.

11 Q. Right. And was OPC's a signator to that
12 stipulation and agreement?

13 A. Honestly, I don't remember. I think we
14 did sign off.

15 MS. BAKER: I believe so.

16 THE WITNESS: But I'm not sure.

17 BY COMMISSIONER GUNN:

18 Q. I can check that. I just -- I didn't
19 know.

20 A. I was involved in it, but I just don't
21 remember specifically.

22 Q. I can look that up. That's not a
23 problem.

24 I'm not going to -- not going to ask you
25 to list the conditions -- any conditions. Let me put

1 it this way. Are there any circumstances under which
2 you would be comfortable with -- and we'll put aside
3 legal -- legal authority and we'll put aside how it
4 relates to other -- other utilities.

5 But in this particular case are there any
6 conditions under which you would be comfortable with a
7 contingency fee or contingency fund being set up? You
8 don't have to list what those conditions are. I'm
9 just asking are there -- are you potentially
10 comfortable with it or are there -- under no
11 circumstances do you believe it would be appropriate?

12 A. I can answer that fairly quickly.

13 Q. I'm guessing you could.

14 A. I won't have to beat around the bush. No
15 pun intended. No. There's no way it's going to
16 happen that we could become comfortable in this case
17 doing that.

18 And let me tell you one of the major
19 reasons. It has not been proven that this company
20 even needs a contingency fund. I mean, there are
21 probably smaller utilities out there that don't have
22 the financial wherewithal to come up with repair
23 monies to make a repair on a pump failure or something
24 like that. For this company, that's not been proven.
25 I mean, that would be the starting point and we

1 haven't even crossed that threshold yet.

2 Q. All right. Fair point. I appreciate it.

3 COMMISSIONER GUNN: I don't have anything
4 further.

5 JUDGE STEARLEY: Recross after questions
6 from the Bench starting with Staff?

7 MS. OTT: I don't have any. Thank you.

8 JUDGE STEARLEY: Timber Creek?

9 MR. FINNEGAN: Am I up?

10 RECROSS-EXAMINATION BY MR. FINNEGAN:

11 Q. Just one question. You just indicated
12 you didn't think this company's proven a contingency
13 fund was needed. Did you prepare any testimony on
14 that or did you ask any data requests of the company
15 or anything else on that question?

16 A. Did I ask a data request of whether the
17 company needs the money?

18 Q. Yeah.

19 A. Not specifically a data request, no. I
20 looked at the company's financials. And O&M expense
21 has been annualized in the case, the company didn't
22 challenge it. So apparently the company also
23 believes, it became part of the stipulation, that the
24 O&M expense as determined by the parties is okay with
25 the company.

1 The purpose of the contingency fund, as I
2 understand it, was to provide the company with a
3 source of funds in the event some operation went --
4 failed quickly and they -- so they could take the
5 money and repair it. That's what an annualized O&M
6 expense does so --

7 Q. This is for extraordinary and emergency.

8 A. That's what I just said.

9 Q. Yeah. Oh, it is?

10 A. well, I thought that's what I just said.

11 Q. well, you said there's a level for -- for
12 repairs --

13 A. Uh-huh.

14 Q. -- in the cost of service.

15 A. Okay.

16 Q. But that doesn't necessarily include
17 anything emergency-wise.

18 A. Doesn't exclude it either.

19 Q. Doesn't necessarily include it either,
20 does it? So we don't know what was in that particular
21 year.

22 A. If you put a level of annualized O&M
23 expense in and the parties agree to it and this
24 Commission authorizes it, that is the appropriate
25 amount.

1 Q. Are you familiar with Section 393.270.5?

2 A. You may have to read that to me. I don't
3 have it memorized.

4 Q. Well, you had it in your testimony, but I
5 think you called it .4.

6 A. Perhaps you can point to me in my
7 testimony and I'll look.

8 Q. Well, that's harder than finding it right
9 here, but I'll look for it.

10 A. So I can look at what the content it was
11 used in.

12 Q. Yeah. I think it's -- yeah, I found it.
13 Page 31 of your Exhibit 23, your rebuttal testimony.

14 A. Page again?

15 Q. Thirty-one.

16 A. Thirty-one?

17 Q. Starting on line A -- 11, A's the answer.

18 A. Perhaps I need to change that to .5, huh?

19 Q. You do at this point. But it is the same
20 language. And your -- I think you had this issue --
21 or this in here because of single-issue rate-making.
22 But the next issue that you go onto is contingency
23 emergency repair fund. And this statute appears to
24 say that the Commission is setting rates in addition
25 to considering all relevant facts and a average return

1 upon the value of the property actually used in public
2 service and to the necessity of making reservations
3 out of income for surplus and contingencies.

4 And this appears to say the Commission
5 has authority to make -- or should make reservations
6 out of income for surplus and contingencies. Do you
7 agree with that?

8 A. What are you asking me?

9 Q. I'm asking if you agree with that.

10 A. Agree with what? With what the language
11 says?

12 Q. That this language says that the
13 Commission should -- in the rate case should consider
14 the necessity of making reservations out of income for
15 surplus and contingencies.

16 A. And -- the language says what it says.

17 Q. Okay.

18 A. My belief at what it means may be
19 different from what you think it means.

20 Q. Okay. And you're not a lawyer, so --

21 A. There you go. I was going to state that,
22 but --

23 Q. And you're probably happy you're not one.

24 A. I don't know. Sometimes I wish I was.

25 Q. Sometimes you wish you were over here

1 asking the questions.

2 A. I was going to qualify that I'm not an
3 attorney. It's just my opinion.

4 MR. FINNEGAN: That's all the questions I
5 have.

6 JUDGE STEARLEY: Redirect, Ms. Baker?

7 REDIRECT EXAMINATION BY MS. BAKER:

8 Q. Could you explain what the MERIC data is
9 and where it comes from?

10 A. It's my understanding the Department of
11 Economic Development goes out and does a survey at
12 least annually, perhaps even more, and does a salary
13 wage type survey in different geographical regions of
14 the state. They have it separated into many
15 geographic regions.

16 And the reason for that is because there
17 are salary or wage rate differences between the
18 different regions, rural versus metropolitan and
19 whatever. They send out questionnaires -- as I
20 understand, they send out questionnaires, ask the
21 companies to respond to them, what wage rates are for
22 different positions within the companies.

23 They take the information and aggregate
24 it according to -- according to what those described
25 positions are or however the positions are defined.

1 Q. Okay. Did you explain a little bit about
2 your delineation about union versus nonunion in your
3 testimony?

4 A. The point I was making there was that
5 when you look at the headings of the summary data for
6 an individual position, you had the -- where it says
7 the mean, the median, the entry level, the experienced
8 level, that's an amalgamation of all the positions
9 that were responded to in the survey.

10 And within those positions are many
11 different sized companies that respond to it. And
12 those many different sized companies of that, some of
13 them are probably unionized versus nonunionized. And
14 it's been my experienced that the unionized companies
15 usually have higher wage rates.

16 And even -- you get the larger companies,
17 even the larger companies, their executives usually
18 have higher salaries for a larger company. For
19 example, if you were to look at Ameren or something
20 like that or even KCPL, certainly the salaries for
21 their executives are far higher than they would be for
22 a utility with 1,500 customers, a small company, very
23 small company.

24 Q. And can you explain the steps that you
25 took in evaluating the different job descriptions and

1 how you came up with your position?

2 A. well, unlike Staff and the company, which
3 had dollar amounts and then tried to find the
4 information to support it --

5 MS. OTT: I'm going to ob-- I'm sorry.
6 Never mind.

7 MR. FINNEGAN: I'll join.

8 MS. OTT: Sorry. I apologize.

9 THE WITNESS: What I tried to do was go
10 out in my analysis to find information -- supporting
11 information in the market for what the wage and salary
12 rates would be for the positions at the utility.
13 The -- we use the MERIC database a lot simply because
14 we've found it to be fairly reliable and often very
15 close in what the rates are being by -- for the
16 individuals in the different geographic areas.

17 From that, I was able to identify four
18 positions which I thought, based on the information
19 that was available, was fairly close to the type of
20 positions that -- by -- that are held by the people at
21 the utility -- by the employees there.

22 I then went looking for additional
23 information to support that and I was able to find
24 some information for the plant manager, the position
25 by the job advertisement with the City of Kansas City,

1 the -- the wage that was proposed for an employee that
2 held exactly the same licensing that the -- this
3 utility's employee had. And it was very close, it was
4 within a couple thousand dollars on an annual basis.

5 For the -- for the office manager,
6 Mr. Finnegan is correct, there was no position that
7 specifically described her title as her title is
8 listed, so I chose a position that was fairly close to
9 it which I thought was more close to it than what
10 Mr. Sherry had done since he had based his on what he
11 called an executive secretary, which I think did not
12 fit at all.

13 Used that for the -- the assistant
14 manager or assistant operator. And I thought the
15 first line operator that was found in MERIC was very
16 close for the type of position that this -- this
17 person held. In addition, we've also used that
18 position in other utility cases to set up or try to
19 develop annual salaries for employees in those various
20 other cases.

21 with that, I looked at the information, I
22 then looked at how long these folks had been employed,
23 what their experience level was. And, of course,
24 once -- once you did that, it became a bit subjective.
25 But the idea was to find the market information and

1 then from that, try to better define a recommendation
2 for the Commission. And that's what I did.

3 Commission can look at the market data
4 that I looked at and they can look at my
5 recommendation and determine whether it's reasonable
6 or not. But essentially the idea was to first find
7 out what the market range is for those employees and
8 then -- then we made that recommendation based on the
9 experience level, as I did also for the general
10 manager.

11 Q. And each of those were based on job
12 descriptions that were given to you by the company?

13 A. Those job descriptions that Mr. Finnegan
14 was referring to a few moments ago were provided by
15 Mr. Sherry to -- I believe to a Staff data request.
16 And I believe Mr. Prenger also has them in his
17 testimony, his schedules.

18 MS. BAKER: I have no further questions.
19 Thank you.

20 JUDGE STEARLEY: All right. Thank you,
21 Mr. Robertson, for your testimony.

22 I believe that concludes our witness
23 list. We have a few housekeeping matters to take up.
24 Before I go into those, are there any other matters
25 that you all need to bring to my attention?

1 All right. We currently have a schedule
2 set to expedite the transcripts so that they will be
3 available Monday, January 10th, for briefs and
4 proposed findings of fact and conclusion of law to be
5 filed on February 4th.

6 And, Ms. Ott, I believe I asked you to
7 get a -- an affidavit for a late-filed exhibit
8 explaining a portion of the capital structure and
9 Staff's accounting schedules earlier. If that could
10 be filed by -- is January 14th, next Friday, is that
11 possible or would you need more time?

12 MS. OTT: I believe so. I'm not sure of
13 Ms. Atkinson's Staff demands right now, but if it's
14 going to be a problem, I will file something
15 indicating that.

16 JUDGE STEARLEY: All right. Are there
17 any other matters we need to take up at this time?
18 Well, hearing none, the evidentiary hearing in File
19 No. SR-2010-0320 hereby adjourned. I thank you all
20 very much.

21 (Hearing adjourned.)

22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

I, Tracy Thorpe Taylor, CCR No. 939, within the State of Missouri, do hereby certify that the testimony appearing in the foregoing matter was duly sworn by me; that the testimony of said witnesses was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this matter was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Tracy Thorpe Taylor, CCR

<p>\$</p> <p>\$10 95:11,15</p> <p>\$10,000 20:23 23:16 24:25 32:16</p> <p>\$10,849 21:2</p> <p>\$100 215:17</p> <p>\$100,000 213:17</p> <p>\$11,000 33:22</p> <p>\$120,000 156:13</p> <p>\$121,389 233:24</p> <p>\$15,301 21:17</p> <p>\$17,791,488 88:2</p> <p>\$18,000 147:1</p> <p>\$18,750 145:25</p> <p>\$19,391 35:7</p> <p>\$20,000 49:3,16 213:2</p> <p>\$245,441 26:9</p> <p>\$26,000 175:19 178:10</p> <p>\$26,400 175:9</p> <p>\$26,404 175:10</p> <p>\$265,742 31:18</p> <p>\$30,000 94:15 113:20 139:14 156:10</p> <p>\$39,000 80:21 81:1</p> <p>\$4 61:25</p> <p>\$40,980 81:8</p> <p>\$42,000 138:9</p> <p>\$433,900 170:14</p> <p>\$448,044 175:25</p> <p>\$45,867 80:22</p> <p>\$45,902 21:15</p>	<p>35:6</p> <p>\$457,131 179:25</p> <p>\$46,000 80:23 81:11,13</p> <p>\$49,000 83:3</p> <p>\$49,290 82:19</p> <p>\$5,020 82:4</p> <p>\$500,000 161:6</p> <p>\$518,541 180:1</p> <p>\$53,000 240:13,21</p> <p>\$537,691.40 171:19 175:17</p> <p>\$60,000 156:11</p> <p>\$62,590 27:15 35:5,25</p> <p>\$646,659.71 177:6</p> <p>\$7,000 80:20 82:4,7</p> <p>\$7,514,440 87:24</p> <p>\$70,000 151:5</p> <p>\$702,000.64 177:19</p> <p>\$8,691 37:6</p> <p>\$9,000 49:15</p> <p>\$94,000 49:22</p> <p>\$94,529 86:4</p> <hr/> <p>0</p> <p>07 84:6</p> <p>09 84:6</p> <hr/> <p>1</p> <p>1 15:11,14,17, 18 16:3 18:7 78:11,14 173:23 174:5</p> <p>1,100-and- some 181:5</p> <p>1,400 92:23</p> <p>1,413 91:18</p>	<p>92:4</p> <p>1,500 97:25 181:5 240:14 254:22</p> <p>1,500- customer 233:7</p> <p>1,526 17:25 47:12</p> <p>1,852 91:21 92:5</p> <p>1:15 166:3</p> <p>10 47:11 71:24 72:1 73:4,22,24 74:3 99:6 238:10,13,22</p> <p>10,000 60:3 90:16 130:20</p> <p>10,849 100:19 131:14,18</p> <p>100 131:20 132:1 213:10</p> <p>100,000 123:9</p> <p>100,000-foot 61:11</p> <p>100-kilowatt 120:11</p> <p>10th 216:23 258:3</p> <p>11 18:10 158:23,25 159:18 160:12,14,19 236:5 238:13,22 251:17</p> <p>11,000 33:23</p> <p>11:00 112:4</p> <p>116,068 178:7</p> <p>117 91:22 92:6</p> <p>12 62:6 78:11,13,14 79:3 105:7 158:24,25 159:19 160:12,14,19 228:3 229:14 239:11,18</p> <p>12.5 90:4</p>	<p>12/31/06 170:1</p> <p>12/31/07 169:20,25 170:6,15</p> <p>12:00 158:13</p> <p>120 120:11</p> <p>1209 12:3 13:15</p> <p>128,187 178:7</p> <p>12-Month 189:10</p> <p>13 91:17 166:10,12 167:7,24 168:1,5</p> <p>130 156:7</p> <p>133,000 97:24</p> <p>14 74:17 166:10,12 167:7,24 168:5 239:15 241:9</p> <p>14th 258:10</p> <p>15 62:1 166:11,12 167:7,24 168:1,5 182:2 228:3 240:10 241:9</p> <p>150 119:15 121:5</p> <p>150-day 208:22</p> <p>16 42:11,14 74:16 176:5 178:1 187:1,2,5,20 ,22 194:5,7,25 195:2</p> <p>16,000 178:10</p> <p>17 79:6,21 80:2,5 176:5 178:1 182:10 187:21 195:5,8 196:1,19,21, 25</p> <p>17,000 49:7</p> <p>17,9 88:21</p>
--	--	---	--

<p>170,000 124:17 214:10</p> <p>177,000 123:10</p> <p>177-something 123:11</p> <p>179 91:22 92:6</p> <p>18 195:6,8 196:1,19,21, 25</p> <p>19 22:22 172:19 199:25 200:4,23 201:16,18,22</p> <p>190,543 32:14</p> <p>1920's 119:8</p> <p>1940's 119:9</p> <p>1986 143:14</p> <p>1991 143:15</p> <p>1995 18:1 109:7 143:10 144:6 233:3</p> <p>1998 143:17,18,20</p> <hr/> <p style="text-align: center;">2</p> <hr/> <p>2 15:12,14,17, 21 16:3 78:11,14 90:8 173:23 176:20 177:3 180:24 182:9,22</p> <p>2,900 152:21</p> <p>2:30 23:12 110:2 112:4</p> <p>20 19:12 158:13 176:4 177:11,25 180:17 200:1,4,23 201:16,18,22 229:22</p> <p>200 179:15</p> <p>2000 144:13</p> <p>2001 150:24</p> <p>2003 162:3</p>	<p>2004 56:8,16 146:6</p> <p>2006 125:11</p> <p>2007 56:8,10,16 116:23 125:12 144:7,16,20 146:5,8 151:2 154:17 162:4 170:14 175:6,13,24 178:10 179:15,20 190:8 231:5</p> <p>2008 109:9 143:10,20 144:1 151:1 176:20,22 178:10 190:8</p> <p>2009 32:11 51:25 60:2 87:19 89:20 140:12 149:20 150:1 178:2,11 190:9 231:5</p> <p>2010 48:5 83:1 150:3,4 152:21 162:4</p> <p>2011 11:7 13:2 27:17 48:10</p> <p>209 47:16</p> <p>20's 119:20</p> <p>21 200:2,4,23 201:16,18,22</p> <p>219 97:25</p> <p>22 225:8,9,11 226:21,24 227:3</p> <p>2230 12:6 13:19</p> <p>23 90:9,10 225:10,11 226:21,24 227:3 251:13</p> <p>2-3 180:24</p> <p>24 225:10,11 226:22,24 227:3</p> <p>24/7 110:5</p> <p>243,000</p>	<p>193:22</p> <p>25 231:13,14,18 232:6 234:11 241:14 242:12,17 245:4,7,11</p> <p>250 47:17</p> <p>26 231:13,14,22 242:11 245:5,7,11</p> <p>28th 81:18</p> <p>29,000 95:5</p> <p>29-and-some 94:18</p> <p>2nd 83:1</p> <hr/> <p style="text-align: center;">3</p> <hr/> <p>3 11:9 15:13,14 16:3 47:3 62:3 78:23 81:20 173:23 176:20 177:4,15 180:24 238:13 240:16 241:14 243:23 244:1</p> <p>3,000 49:10 152:21</p> <p>3,200 47:10,25</p> <p>30 156:21 218:11</p> <p>30,000 19:12</p> <p>31 251:13</p> <p>3100 12:3 13:14</p> <p>3-2 87:15</p> <p>32,000 156:21</p> <p>32,060 178:10</p> <p>32.62 89:21</p> <p>320-to-1 47:19</p> <p>3-4 87:17</p> <p>360 12:9 14:2</p> <p>38 90:13</p>	<p>380-to-1 47:19</p> <p>386.370 28:25 64:2</p> <p>39,000 82:8</p> <p>393.270 24:1</p> <p>393.270.5 251:1</p> <hr/> <p style="text-align: center;">4</p> <hr/> <p>4 40:14 41:5 43:2,5 46:14,17 47:12 78:1 98:1 175:12 251:5</p> <p>4:30 110:9 112:3,5</p> <p>40 39:15 53:18 54:18 90:15 96:7,13</p> <p>400 175:12</p> <p>40-hour 38:6</p> <p>40's 119:21</p> <p>40-some-thousand 49:14</p> <p>41 45:13 90:2,3</p> <p>41,000 50:1</p> <p>42 88:12 112:15</p> <p>42.24 88:23</p> <p>43,000 49:23</p> <p>448,044 176:10</p> <p>45 109:20 112:7,15 218:11</p> <p>45,867 81:3</p> <p>45,902 21:18</p> <p>46 81:11</p> <p>47 17:25</p> <p>49 147:10</p> <p>49,000 49:14 50:1</p> <p>49,290 83:18</p>
---	---	--	--

<p>4th 258:5</p> <hr/> <p>5</p> <p>5 11:7 24:2 40:14 41:8 43:2,5 46:14,17 60:3 76:16 79:21 80:3,5 147:12 188:11 239:15 251:18</p> <p>5:00 38:6</p> <p>50 22:21 37:2 109:20 112:7 219:4,5</p> <p>50/50 57:4,5,7 121:14,21 122:4 137:2</p> <p>500 175:13</p> <p>511,286.59 171:14</p> <p>511,287 170:7</p> <p>53 175:12</p> <p>53,285 178:6</p> <p>532 178:6</p> <p>537,000 176:8</p> <p>537,691 175:7,23 176:1</p> <p>54 21:15</p> <p>547 177:24</p> <p>547,133 176:24 177:7,12,13</p> <p>555 192:16</p> <p>573.751.4857 12:7</p> <p>573.751.8700 12:10</p> <p>5th 13:2</p> <hr/> <p>6</p> <p>6 16:9 18:10 40:14 41:11 42:7,14 43:3,5 44:6 46:14,17 79:21 80:3,6</p>	<p>83:9 169:16 171:2,7 172:25 174:22 178:12 189:9 227:21,24 229:12,14 244:4</p> <p>634 178:3</p> <p>634,350 177:17 178:4,8</p> <p>64 177:6</p> <p>64111 12:3 13:15</p> <p>646,000 177:10 180:23</p> <p>646,659.71 176:23</p> <p>65101 12:9</p> <p>65102 12:6 13:19 14:2</p> <p>662,693 170:9 176:21 177:5</p> <p>669,736 170:10 177:17</p> <p>669,940 177:16</p> <hr/> <p>7</p> <p>7 47:3 66:1,6 71:21 72:1 73:4,22,24 74:3 83:8 88:20 173:24 174:3,4</p> <p>702 178:6</p> <p>702,000 177:23</p> <p>714 191:1</p> <p>75 121:15 214:13</p> <p>791 88:23</p> <hr/> <p>8</p> <p>8 71:22 72:1 73:4,22,24 74:3 79:4 105:7 236:6</p>	<p>8:30 110:9</p> <p>80 221:16</p> <p>816.753.1122 12:4</p> <p>89,647.19 176:5</p> <hr/> <p>9</p> <p>9 71:23 72:1 73:4,22,24 74:3 76:16 78:2 238:13</p> <p>9,900 125:12</p> <p>9.3 18:10</p> <p>9/30/07 170:3</p> <p>9/30/2007 190:7</p> <p>9:00 38:6 112:2</p> <p>939 11:22 259:3</p> <hr/> <p>A</p> <p>ability 123:18 206:6,11 259:7</p> <p>able 14:19 22:25 25:16 43:24 57:15 122:5 138:13,14,16 145:1 206:13 214:1 236:18 255:17,23</p> <p>absence 116:24</p> <p>absolutely 53:11 114:17 122:25 123:3 149:9,11 211:13,22</p> <p>abuse 34:21</p> <p>accept 122:23 149:16</p> <p>acceptable 14:20 107:15 216:17</p> <p>accepts 243:13</p> <p>access 46:13</p>	<p>141:14 212:21</p> <p>accomplish 145:1</p> <p>accomplished 206:23</p> <p>according 81:25 119:13 155:18 177:18 239:24 253:24</p> <p>accordingly 114:11</p> <p>account 98:22 99:10,12 123:6 125:20 164:4 172:15,16 173:20 176:6 181:9 198:10 212:2 223:22,25</p> <p>accountable 114:18</p> <p>accountant 188:14 226:3</p> <p>accounting 17:3,9 71:21 73:3 101:5,10 161:9 173:21 174:1,5 188:15 258:9</p> <p>accounts 172:7,8 178:22 246:1</p> <p>accurate 33:3,5 73:18 83:19 99:8 105:5 113:11 160:8 167:20 196:15 201:12 226:18</p> <p>accurately 163:7</p> <p>acres 152:21</p> <p>across 141:17 155:14,15 161:13</p> <p>Act 19:6</p> <p>acting 145:20</p>
--	--	---	--

<p>action 259:10,14</p> <p>active 117:10 118:24 119:9</p> <p>actively 61:20</p> <p>activities 52:16 228:4 229:16</p> <p>activity 65:8 146:2 229:18</p> <p>actual 51:17 59:10 60:19 87:20 89:20 124:20,22 146:23 168:16,22,25 169:5 175:25 180:4 182:4,13 183:2 184:5 190:5,13,21 191:16 193:21</p> <p>actually 20:12 22:6 24:9,13,17 34:22 49:12 53:18 58:3,5,24 59:17 60:21 66:18 91:2 100:23 101:18 110:20 116:23 118:10,22 120:8,11 122:3,7 128:23 129:6 130:8,10,12 134:1 139:24 141:18,22 142:3,5,9 144:12,21 156:5,6 164:10 170:1 171:5 172:2,3 178:19 217:21 221:22 228:9 231:1 235:19 240:23 246:8 247:4 252:1</p> <p>add 42:23</p>	<p>176:6 222:5</p> <p>added 82:9 144:25 145:2,4</p> <p>adding 155:9</p> <p>addition 239:2 246:2 251:24 256:17</p> <p>additional 26:19 32:11 35:6 54:12 82:10 83:24 110:14 183:17,19 194:20 240:16 255:22</p> <p>add-on 173:17</p> <p>address 14:21 100:23 175:22 189:12 205:11</p> <p>addressed 176:17 180:11 185:12 186:6 212:1</p> <p>addressing 47:8 178:15</p> <p>adequate 94:11</p> <p>adequately 54:15</p> <p>adjourned 258:19,21</p> <p>adjusted 232:25 240:18</p> <p>adjusting 244:12</p> <p>adjustment 107:4,12,15 221:3,4</p> <p>administrative 144:11 234:12 236:10,15,22</p> <p>administrator 234:23</p> <p>admission</p>	<p>15:25</p> <p>admissions 46:14</p> <p>admit 72:3 118:8 194:4 211:25 236:17</p> <p>admitted 16:1 46:16 74:2 160:18 168:4 194:25 196:24 201:21 227:2 245:10</p> <p>admittedly 131:11</p> <p>advantage 60:22</p> <p>advertisement 239:5 255:25</p> <p>advice 111:14 153:13</p> <p>aerobic 59:9 130:9</p> <p>affect 211:18 222:19</p> <p>affidavit 101:23 102:2,8 258:7</p> <p>afford 65:15,18</p> <p>afraid 134:19</p> <p>afternoon 110:1 168:13,14 184:17,18 197:11,12 207:5,6 227:8,9 245:16,18</p> <p>afterwards 105:6 106:2</p> <p>against 33:10 51:13,14 136:21 172:10 173:10 189:17 190:23 193:11</p> <p>agency 204:21</p> <p>agenda 71:2</p>	<p>93:3 100:4</p> <p>aggregate 253:23</p> <p>aggregated 230:8</p> <p>aging 123:17</p> <p>ago 23:16 125:9 175:14 257:14</p> <p>agreed 49:6 68:13 81:25 103:6 154:21 212:23 216:4</p> <p>agreement 16:10,11 17:1,2,8 19:1 25:19 101:11 102:7 117:6 123:7 148:23 149:2 154:23 207:16 209:8,17 210:4,7,9,10 219:25 228:14,21 247:9,10,12</p> <p>agreements 208:16 209:4</p> <p>ahead 17:15 39:22 72:5 93:11 111:16 136:9,21 158:19 213:20 215:2 235:4,12</p> <p>aid 74:25 75:22 76:2 176:7</p> <p>allegation 24:6</p> <p>alleged 32:25</p> <p>allocation 21:4</p> <p>allow 24:22 35:11 53:23 71:3,10 130:19 135:7 204:25</p> <p>allowed 27:5,19,22 56:4,14 93:4 187:11</p>
---	--	---	--

<p>212:25 213:1 already 31:10 49:6 61:7 70:15 89:8 95:22 97:3 100:22 116:7 129:10 166:7 212:23 221:8,11 222:17 alternative 20:17 21:6 25:23 27:23,24 28:10 30:3 58:7 61:17 62:19 100:18,21 117:17 129:16 130:13,21 131:8,15 147:8,18 197:15,19,21 am 17:19 31:8 72:23 73:5 159:13,20 167:8 185:20 187:11 200:24 203:12 205:5,25 226:7 240:12 242:12 249:9 259:8,11 amalgamation 254:8 amenable 219:17 Ameren 254:19 AmerenUES 222:24 American 215:15 American's 222:24 among 24:7 amortization 176:9 177:25 180:20 amortizations 176:7 amortized 27:6</p>	<p>amount 21:4,17 22:20 23:20 26:9 27:16 31:14,22 32:21 33:24 34:1,5 35:5 45:8,9 47:23 74:21 78:17 82:1,7,10 85:19 86:5 100:20 101:13 103:21 107:14 118:17 147:24 180:6 191:2 193:14 207:10,20,21 212:10 221:8,17 234:6,7 243:13 250:25 amounts 32:5 36:25 37:6 54:18 190:1 221:21 232:4,5 242:18 243:13 255:3 anaerobic 59:9 130:10 analysis 51:22 107:13 130:1,7,22 255:10 analyst 159:14 and/or 68:1 213:3 222:22 annual 86:4 106:6 153:17 169:21,22 170:7,17 171:21,24 173:3 175:17,24 176:3,23 177:6,18 178:11 180:18 190:8,9 222:4 256:4,19 annualized 33:1 244:7</p>	<p>249:21 250:5,22 annually 253:12 answer 39:17,18 55:9 60:23 63:9 68:12 74:19 78:7 79:11 88:11 110:4 114:19 115:22 168:24 208:14 216:19,21 218:15 228:22 248:12 251:17 answered 116:2 139:18 185:17 222:18 answers 73:15 105:25 115:2 155:15 160:5 167:18 196:12 201:9 217:24 226:16,18 anticipating 128:25 anticipation 122:11 anybody 61:20 88:15 149:12 224:25 anymore 125:23 243:5 anyone 14:15 119:10 anything 22:25 42:23 95:18 113:24 117:13 122:10 126:4 164:12,22 179:20 185:22 193:25 214:16 218:17 242:24 249:3,15 250:17</p>	<p>anyway 93:10 anywhere 60:2 95:6 apart 36:12 94:15 apologize 97:3 100:5 109:3 255:8 apparently 149:14 209:8 219:15 243:18 249:22 appealing 222:12 appear 178:24 appearance 13:10 appearing 13:19 21:1 259:5 appears 192:9 232:1 251:23 252:4 apples 77:21 apples-to-apples 97:20 98:6 applicable 179:16 applied 110:19 apply 85:8 99:2 appreciate 14:7 17:13 102:12 115:7,12 122:15 126:5 164:22 218:15 249:2 approach 89:8 146:10 170:21 approached 146:4 appropriate 18:21 20:7 26:2,6 27:1,2,8,15 29:16,20 54:22 75:20</p>
---	---	---	--

<p>82:11 166:1 218:12 224:15 248:11 250:24</p> <p>approval 35:19 42:13,19 214:23</p> <p>approvals 123:5</p> <p>approve 222:23</p> <p>approved 246:1</p> <p>approximate 78:24</p> <p>approximately 32:16 49:3 227:13 239:6 240:13</p> <p>April 216:23</p> <p>area 20:21 23:7 28:10 32:2 44:21 64:22 69:22 91:14 98:15 99:13 107:21,22 116:14 117:18,19 118:20 119:11,12 121:7 122:6 124:12 141:13 152:15,23</p> <p>areas 65:6 69:6 109:2 116:21 118:24 145:19 153:6 228:8 255:16</p> <p>aren't 84:9 152:10 171:25 204:2 238:3</p> <p>argument 100:7</p> <p>arguments 95:25 125:2</p> <p>arrangement 211:4 215:4</p>	<p>arrive 123:13</p> <p>A's 251:17</p> <p>aside 211:8 248:2,3</p> <p>aspect 211:5,11</p> <p>asphalt 141:12</p> <p>assess 59:4</p> <p>assessed 27:16 64:11</p> <p>assessment 18:4,7 21:11,12,13, 15,23 22:3,7,12,13 25:24 27:3,15,18 28:19,24 29:3,12 30:4,19,21 31:14 35:3,5,12,24 36:1 64:5,11,14 78:5 123:15,20 149:22,25 164:18 202:6 203:3,14,16, 19 204:19,22 207:11,20 213:24 220:23 221:8,17</p> <p>assessments 35:8 207:7,9,17</p> <p>asset 51:7 63:6 66:19 123:22 124:15 135:16 145:16 172:14</p> <p>assets 51:13 178:22 213:9</p> <p>assigned 112:14</p> <p>assistant 48:25 237:10 244:5 256:13,14</p> <p>associated</p>	<p>35:8 36:22 45:7 172:6,15 178:22</p> <p>associates 153:14</p> <p>assume 90:4 91:9 96:15 98:10 107:19 111:11 198:13,15,20 ,23,24,25 199:2,8 208:25 211:8 230:19</p> <p>assumed 96:8,13</p> <p>assuming 15:24 84:22 92:17 203:21 207:10 212:9 237:7</p> <p>assumptions 199:5</p> <p>Atkinson 101:18,23</p> <p>Atkinson's 258:13</p> <p>attached 39:4 127:7 132:17 133:5 171:1 234:19</p> <p>attempt 32:5 188:7</p> <p>attempted 33:21 154:10</p> <p>attempting 34:22 35:14,19</p> <p>attempts 79:22 80:7</p> <p>attend 108:25</p> <p>attention 81:18,23 84:2 257:25</p> <p>attest 43:10</p> <p>attested 105:11</p> <p>attorney 12:2 36:23 55:9 111:8 138:25 139:1 253:3</p>	<p>259:12</p> <p>attorneys 109:2</p> <p>attorney's 208:24</p> <p>attractive 58:15</p> <p>attributed 49:7,10</p> <p>audience 113:17</p> <p>audit 70:12 221:23</p> <p>auditing 75:2</p> <p>auditor 72:23 167:1</p> <p>auditors 203:1 208:9,20 223:24</p> <p>August 82:17 83:1</p> <p>authority 29:1 60:21 211:9 248:3 252:5</p> <p>authorization 32:8,9</p> <p>authorize 31:18 32:24 35:24 36:21 37:2,8</p> <p>authorized 22:20 38:23,25</p> <p>authorizes 24:21 30:18,22 217:10 250:24</p> <p>auto 224:24</p> <p>automated 51:6 145:17</p> <p>automatically 212:18 228:25 229:2</p> <p>available 60:21 62:11 118:1 123:4 174:13 198:25 199:1,2,8</p>
---	--	--	--

<p>255:19 258:3</p> <p>average 24:8,12 109:13,20,21 112:15 114:10,25 251:25</p> <p>aware 36:15 61:1,16 64:1 203:9 204:2 208:10,19</p> <p>awareness 123:15</p> <p>away 18:13 45:10 210:19</p> <hr/> <p style="text-align: center;">B</p> <p>baby-sitting 142:24</p> <p>backfires 206:2</p> <p>background 204:11 212:16</p> <p>backup 67:5</p> <p>bad 51:1</p> <p>Baker 12:5 13:18,22 14:23 16:15,22 17:5,10 31:6,7,8 37:15,19,23 38:7,15,24 39:8,16,22 40:3,7,8 67:20,21 70:22 74:9 80:2,4,14 96:3 102:15,16,21 104:11 135:4 137:22 154:19 155:4,11,13 157:5,11 160:16,25 161:17 165:2,6 168:11,12,14 169:9 178:25 179:6 186:20 187:22 194:13 197:5 199:15 202:3</p>	<p>204:9 216:24 218:22 225:2,9,17,1 8,21 226:21 245:8 247:15 253:6,7 257:18</p> <p>Baker's 214:15</p> <p>balance 114:14 164:7 172:7,14 178:22</p> <p>bank 34:8</p> <p>bankruptcy 57:20</p> <p>bargaining 228:14,20</p> <p>barred 27:12</p> <p>barrel 141:20</p> <p>bars 211:8</p> <p>base 32:8 80:11 128:12 152:6 227:14 244:11</p> <p>based 22:23 26:8 28:25 38:21,22 67:12 76:12,13,25 82:4,14 83:18 84:18,20,22 87:6 102:13 105:20,21 113:7 114:2 120:25 121:1 132:8 134:15 135:14 138:24 140:17,18,20 155:6 165:1 168:15,17,24 169:3,5 171:23 173:15 178:11 179:15,25 180:7,9 181:22,24 182:13 183:2 184:5 186:18 190:19,23 191:22 192:3 199:13 210:8</p>	<p>221:1 223:7 229:20 240:15,17 241:13 243:17 255:18 256:10 257:8,11</p> <p>basic 233:13,16 244:11,13</p> <p>basically 18:3,12,20 25:3 33:9 81:11 82:4 84:17 85:1 87:5 92:18 116:1 123:25 137:5 147:14 151:4 156:19 171:15 172:5,13 174:6 189:11 191:13 204:19 214:21 242:11</p> <p>Basin 118:21 121:6</p> <p>basing 31:25 231:4</p> <p>basis 14:17 62:18 91:7 106:5 127:17 147:23 154:6 163:17,23 212:11 244:10 256:4</p> <p>bear 28:11 126:13</p> <p>bearing 24:4</p> <p>beat 248:14</p> <p>became 109:8 146:11 183:22 249:23 256:24</p> <p>become 98:4 168:23 248:16</p> <p>becomes 172:14 243:14</p> <p>begin 13:9 17:15 40:9</p>	<p>75:4 101:8 103:21 168:9 227:6</p> <p>beginning 46:20 74:17 132:9 182:16</p> <p>behalf 13:12,20,25 25:14 31:8</p> <p>behind 33:14</p> <p>belief 73:19 160:9 167:21 196:16 201:13 226:19 252:18</p> <p>believe 14:9 16:15 20:12 23:14 27:7 29:7 30:23 38:23,24 40:3 43:22 46:7 49:5 50:3 67:8 69:10 71:21 79:1 81:5 82:16,22 87:11 89:2 90:3 92:24 94:17 95:9,14,22 96:2 100:10 102:6 103:17 114:5 116:8,12 118:1 123:3 132:11 137:7 139:18 150:24 155:6,8,20 156:9,10 157:21 162:16 164:9 174:3 198:1 199:22 202:10 208:19 210:5 215:1 216:15 218:19 223:9 228:11 229:16 230:2 234:8,19 241:3 243:20,25 244:2,19 247:15 248:11</p>
--	---	---	---

<p>257:15,16,22 258:6,12</p> <p>believed 244:7</p> <p>believes 19:4 29:19 34:7 37:8 249:23</p> <p>bench 70:25 93:2,6 102:14 108:5 132:7,9 155:7 162:22 165:1 184:15 186:19 197:9 199:14 207:3 218:20 245:13 249:6</p> <p>Bend 106:20</p> <p>beneficial 63:10 224:18</p> <p>benefit 28:7,9 36:9,19 62:16 137:12</p> <p>benefits 62:23 90:14,16</p> <p>best 62:24 66:19 73:19 87:7 145:5 160:9 167:20,22 169:8 196:16 201:13 226:19 236:17,19 242:9 259:7</p> <p>bet 63:25 114:3 115:9 217:17</p> <p>better 63:5 111:15 113:23 122:4 148:7 151:16,17 208:1 211:16 245:2 246:18 257:1</p> <p>beyond 26:23 35:15 204:12,15</p> <p>bid 62:7,9</p> <p>bids 62:3</p>	<p>bigger 135:16</p> <p>biking 141:12</p> <p>bill 22:17 26:25 131:3 147:14,15 156:15 203:15 204:1,5,7</p> <p>billed 36:24</p> <p>billing 163:5</p> <p>bills 29:2 56:19,23 63:17,19 147:9</p> <p>biogas 58:19 59:5 61:24 130:8 148:11</p> <p>Biological 238:9</p> <p>bit 111:16 114:25 122:17 171:20 209:1 211:7 222:18 254:1 256:24</p> <p>Blackberries 14:5</p> <p>blew 23:4,6</p> <p>blow 198:20</p> <p>blueprint 219:21</p> <p>blunt 120:17 124:13</p> <p>board 48:14 87:21 109:8 143:9 233:4 237:18</p> <p>boards 237:20</p> <p>bond 124:16</p> <p>book 102:18</p> <p>booked 70:10,12 102:20</p> <p>books 38:10 102:18</p> <p>borders 119:16</p> <p>bottom 46:8 83:9 90:9 138:11 180:24</p>	<p>193:19</p> <p>boundary 119:15</p> <p>Box 12:6,9 13:19 14:2</p> <p>break 103:23,25 104:2 158:14 165:24</p> <p>breakdown 84:23 89:20 242:12</p> <p>Bret 14:13 26:1 71:19,22,23, 24 72:9,17,21,2 5</p> <p>bridge 141:17</p> <p>bridges 141:12</p> <p>brief 101:24</p> <p>briefing 217:19</p> <p>briefly 101:15</p> <p>briefs 258:3</p> <p>bring 28:18 45:22 108:12 144:11,20,21 206:13 257:25</p> <p>bringing 45:25</p> <p>brings 176:9 177:12</p> <p>broad 34:16 68:17,20 131:21</p> <p>Broadway 12:3 13:15</p> <p>brochures 60:17</p> <p>brother 244:19</p> <p>brought 43:15,19 56:3,4 81:17,22 84:1</p> <p>budget 44:24</p>	<p>87:20 131:21 132:2</p> <p>budgeting 45:2</p> <p>budgets 44:13</p> <p>build 212:10 218:8 219:3,20 224:16</p> <p>build-out 65:5</p> <p>built 66:18 85:20 207:11,21 209:1 212:13 221:8 224:12</p> <p>bullet 83:15,16</p> <p>bumped 244:1,3</p> <p>bunch 50:25 241:25</p> <p>burden 28:4</p> <p>burdensome 246:20</p> <p>Bureau 74:23</p> <p>burn 58:2</p> <p>Busch 14:13 28:17 97:11 199:25 200:1,2,3,6, 15,20 201:25 202:6 207:5 220:20 224:23</p> <p>B-u-s-c-h 200:15</p> <p>BUSCH 200:11</p> <p>Busch's 97:9 199:23</p> <p>bush 248:14</p> <p>business 26:24 33:5 44:12 52:5,7 59:18,20 63:25 65:23 66:14 108:25 110:11 246:3</p> <p>businessman 114:4</p> <p>bypassed</p>
--	---	--	---

142:15	23,24	162:3	categories
<u> </u>	18:2,22	168:15,16,19	230:7 231:3
<u> </u>	20:7,9,10,11	169:2,4,6,23	242:9
<u> </u>	,13	,24 170:2,5	category
calculate	21:9,20,22	171:22	235:22 236:1
74:18	22:6,11,14	172:1,12,13	241:21 242:4
calculated	25:17,18,21,	179:15,17,21	caused 73:1
78:16 101:21	22	181:21,24	117:19 125:6
172:22	27:2,6,8,9,1	182:4,5,13,1	159:17 167:4
173:15 174:8	3,20	4	195:24
calculating	28:14,16	183:1,2,5,7,	200:21
88:24	29:6,13,24,2	8,9,17,20,22	causes 164:2
calculation	5 30:12	184:5,6,9,25	CCR 11:22
68:3,9 69:1	31:14 32:20	185:5,8,9,10	259:3,17
140:13	35:9,16	,12,18,23	cell 14:5
173:14	36:3,4,8,12,	186:3,4,5,7	cent 219:5
174:24 244:7	13,14,22,23	188:25	cents 22:21
calculations	37:6,7,9,25	189:2,4,5,7	219:4
101:25 124:4	40:25	190:6,18	certain 18:19
140:21	43:9,16	191:2,23,24	23:20 37:3
164:11	45:2,23	192:2	52:16
176:16	48:14,16	193:17,22	96:11,17
calculator	49:4	202:7 203:11	106:9 150:8
88:5,16	50:13,16	204:11,12	171:24
call-out	51:8,17,24	205:23	181:15,16
142:19	55:16,17,19,	206:17	212:10,17
call-outs	21,23,24,25	207:8,9,14,2	certainly
140:5	56:4,5,7,8,9	1	94:12 103:7
cap 57:19	,10,11,12,14	208:17,18,21	108:10 114:3
123:8	,15,23	209:1,6,7,10	117:23 139:3
212:8,11	59:5,18	,11,13,15,16	217:17
capacity	63:25 65:9	,18,21	219:17
72:22 159:12	67:24 68:19	210:5,8,17	254:20
166:25	70:7	211:15,19	CERTIFICATE
195:19	74:12,22	212:15	259:1
200:16 226:1	75:5 76:5	213:23	certificated
capital 17:8	81:24 83:2	216:9,15,16,	64:21
24:12 59:7	85:7,8,10	22 218:7	152:22,23
63:21,22	86:6 87:10	220:5 221:16	certified
101:9,16	90:15 95:6	223:6 226:6	43:20,22
212:4 258:8	101:12,19	239:4 247:8	45:24 46:7
capitalized	104:23 108:9	248:5,16	certify 259:4
224:9	115:3	249:21	Chairman
capped 21:1	116:20,22,25	252:13	11:17
capture	117:3,7	cases 22:14	challenge
130:11,12	123:1 130:15	75:1,8	63:5 249:22
care 133:3	134:19,20,24	104:18 124:5	challenging
140:8 144:13	136:13	171:22	222:7
career 143:12	138:12 143:1	184:21	chance 121:16
carrying	144:6,17	208:6,22	144:23
238:13	145:20	211:13,18	194:11
case 14:10	146:5,6,7,8,	256:18,20	206:12 220:8
17:19,20,22,	11,16,18,22,	cash 124:13	
	23 148:12	163:20,23,24	
	149:18,19,24	173:1,8	
	151:2,5,19	189:16	
	152:13,20,22	catch 93:3	
	154:14,17,20	116:17	
	,22 155:1		

<p>chances 122:2</p> <p>change 28:23,24 58:19 94:19 95:5 123:9 125:13 182:25 251:18</p> <p>changed 151:20 176:15 183:5 189:10,11 190:12 191:3,7</p> <p>changes 58:22 83:24 84:5 192:5,13,23 193:2,3</p> <p>changing 130:9 148:11 214:2,3</p> <p>charge 29:3 153:18</p> <p>charged 24:2</p> <p>charges 37:4</p> <p>chart 89:19 187:2,9 192:4</p> <p>cheapest 120:18</p> <p>check 88:8,10,13 173:6 247:18</p> <p>checking 23:11</p> <p>chief 226:3</p> <p>choose 30:22 239:2</p> <p>chose 239:1 256:8</p> <p>Christina 12:5 13:18 31:8</p> <p>CIAC 224:9,14</p> <p>circumstances 248:1,11</p> <p>cited 30:17 147:8</p> <p>cities 107:6</p> <p>city 11:8 12:3,6,9</p>	<p>13:15,19 14:2 32:2,10 44:20 86:13 91:13 98:15 99:13 107:2,7,9,21 118:21 121:6 152:25 153:2,11 157:15 204:6 232:10 239:5 240:24 241:2 255:25</p> <p>claim 111:17 128:22,25 129:4 139:7,15</p> <p>clarification 17:13</p> <p>clarify 39:12,21 175:16 187:11 189:9</p> <p>class 19:10</p> <p>classifications 242:5</p> <p>classify 33:11</p> <p>clause 185:9 221:3</p> <p>clauses 186:9</p> <p>Clay 152:17,18</p> <p>CLAYTON 11:17</p> <p>clean-up 136:5 141:4,5</p> <p>clear 16:7 38:12 126:16 143:17,20 144:15 150:4 188:4,6,17 247:4</p> <p>clearer 188:7 190:5</p> <p>clearly 113:1 180:25</p> <p>clerical 144:11</p> <p>clerk 235:11 236:11,14</p> <p>clock 164:2</p>	<p>close 47:19 53:25 54:1,2 211:1 230:24 242:4 255:15,19 256:3,8,9,16</p> <p>closely 54:2</p> <p>closes 216:2</p> <p>cloudy 130:1</p> <p>coincidentally 86:5</p> <p>COLA 81:21</p> <p>colleagues 135:15</p> <p>collect 27:18</p> <p>collected 39:2 180:6 181:1,11,21 190:22 193:14,23 212:10,13 221:18,21 224:7</p> <p>collecting 110:21 221:14</p> <p>collection 19:17 49:25 80:19 127:3 140:15,25 223:21 237:8,9,12</p> <p>collection-type 110:17</p> <p>collective 26:9 228:14,20</p> <p>column 170:10,11,14 181:3 188:5 189:22,23 190:2,3,10,1 2,20,21,24,2 5 191:12,16,18 192:4,8,17,1 8 193:3</p> <p>combination 121:3</p> <p>combined 180:22</p> <p>comes 16:20 19:25 38:25</p>	<p>60:19 64:5 66:25 87:5,8 124:12 151:23 157:8 202:25 209:14 253:9</p> <p>comfortable 211:3 213:21 214:9 215:4,7 217:8 248:2,6,10,1 6</p> <p>coming 24:25 115:12 209:9 215:16 221:16</p> <p>commensurate 20:5</p> <p>comments 154:21</p> <p>commercial 57:8,11,23 58:1</p> <p>commission 11:1 12:10 13:3,24 14:1,10 17:18 24:3,21 25:5,13,15,2 4 27:13 28:16,20,21 29:1,11,16,2 2 30:1,3 31:7,18 32:8,24 33:13,16,17, 23 34:3,25 35:4,10,19,2 3 36:10,21 37:1,8,11 42:13,20 44:10,25 55:18,24 56:18,21 63:11 69:17 71:13 72:24 96:11 101:15,24 131:1 134:17 137:6,21 150:5 157:14 159:14 167:2 175:17 179:10 195:21</p>
---	---	---	---

<p>200:18 206:16,22 208:16 213:4,9 221:22 224:2 243:3,12,13 245:25 250:24 251:24 252:4,13 257:2,3</p> <p>Commissioner 30:10,15,24 31:1,3 37:16,20 38:2,11,17 39:6,9,10,11 ,12,20 40:1 93:9,12 96:22,25 97:1,2 99:22,25 100:2,12,16 101:2 103:2 107:1 108:15,16,20 115:6,10,11 126:3,6,7 132:12 133:8 134:13 135:6 136:25 155:24 158:4 162:23 163:1,2 164:23 165:12 184:15,16,18 ,22 186:13,15,16 197:10 198:2,4,5 207:3,4,6 209:25 210:2,3 217:2 218:17 219:2,11 222:15 223:8,9,12 225:3 245:14,15 247:1,2,17 249:3</p> <p>Commissioners 11:19 71:1 93:2 138:2 158:2 217:8</p> <p>Commission's 194:17</p>	<p>commitments 14:18</p> <p>common 109:21</p> <p>communication 110:13</p> <p>community 114:19</p> <p>comp 16:18 135:8</p> <p>companies 18:5,9 21:21 22:9 62:1,6,20,24 66:20 86:24 87:2 94:8,9,24 113:4 120:9 124:16 149:22 152:9 161:5 197:14 205:13 206:11 209:14 221:7,16 230:4 234:2 246:3 253:21,22 254:11,12,14 ,16,17</p> <p>company 11:13,14 12:4 13:4,5,11,13 17:18 18:5,13,24 19:12 20:3 21:14,20 24:23,25 26:17,18,22 28:12 36:12 38:8,14 40:22 56:7 61:9,22 66:12 67:3 68:1 70:20 74:25 77:12 81:21 86:10 87:4 90:22,23 94:4,15 101:12 103:12 135:7 136:19,21 138:7 143:1,7 144:5,7,14,2 1,25</p>	<p>145:3,6,21 147:2,5 150:23 151:3 152:14 161:23 173:6 178:9 181:3 182:13 183:8 184:6,21 185:20 193:21 202:21,24 206:7 210:12 212:20,25 213:5,7 215:21 216:20 218:12 223:6 224:2,8,17 231:2 232:20,21 233:3,6,7 239:16,22 240:6,9,14,2 2 241:22 243:14,15 244:16 245:24 246:5,11 248:19,24 249:14,17,21 ,22,25 250:2 254:18,22,23 255:2 257:12</p> <p>company's 16:19 17:2 19:1 24:24 75:12 76:8 136:11,15,20 ,22 143:7 151:22 183:16 202:21,22 203:4,10 207:17 209:9 221:10 224:13,18 243:25 249:12,20</p> <p>compare 52:12 188:23 189:8</p> <p>compared 82:21 85:18 86:20</p> <p>comparing 77:22 104:20 175:11 204:18 228:4</p>	<p>237:7</p> <p>comparison 77:21 90:12 97:20 98:6 124:20 198:8</p> <p>comparisons 77:20 99:8 199:6,9</p> <p>compensated 228:6,13,19</p> <p>compensation 31:11,16,19, 23 32:1,9,14 55:22 74:13 80:24 81:13</p> <p>competitive 154:9</p> <p>competitors 152:4,5</p> <p>complaint 24:6</p> <p>complaints 98:11 145:9</p> <p>complete 14:19 51:19 136:15 219:25</p> <p>completed 140:4</p> <p>completely 85:17 123:7 206:6</p> <p>completing 51:19</p> <p>complex 98:4,8</p> <p>complexity 222:6</p> <p>compliment 217:22</p> <p>complimentary 59:14</p> <p>components 123:19</p> <p>composed 91:2</p> <p>computation 88:14 101:17</p> <p>compute 88:4,6</p> <p>computers 222:4</p>
--	---	---	--

<p>concept 55:11,12,13, 15 163:12 165:12</p> <p>concepts 123:7 135:18</p> <p>conceptually 148:23 149:1</p> <p>concern 19:7,14 78:3,9 122:18 211:10,20 223:14</p> <p>concerned 19:2 149:3 163:14 219:24</p> <p>concerns 176:18 180:11 223:8</p> <p>concluded 83:9</p> <p>concludes 257:22</p> <p>conclusion 29:19 202:15,17 258:4</p> <p>concrete 23:5</p> <p>condition 123:21</p> <p>conditions 122:22,23 126:1 152:3 216:4,12 219:12 247:25 248:6,8</p> <p>cone 23:4 141:19,20,25</p> <p>confidential 154:22</p> <p>confirm 16:13</p> <p>conflict 242:25</p> <p>confused 146:14</p> <p>confusing 176:14</p> <p>connects 16:16 204:13</p>	<p>Conrad 12:2 13:14 36:24 37:3</p> <p>consequences 29:14 34:21 206:5</p> <p>conservation 197:20</p> <p>conservative 82:21 85:15,20</p> <p>conservative1 y 83:11 85:13,21 86:6 113:12</p> <p>consider 24:3 114:7 229:20 252:13</p> <p>consideration 82:6 99:1</p> <p>considered 126:17 183:20 203:7 208:15 230:7</p> <p>considering 219:12 251:25</p> <p>constant 188:13 190:15,16 191:8 192:1</p> <p>constitutes 67:8</p> <p>constructed 157:9</p> <p>construction 176:7</p> <p>consult 153:6,10</p> <p>consultant 145:21 240:8</p> <p>consulting 59:12,13,24 111:8 208:24</p> <p>consults 148:3</p> <p>consumer 149:4,8 212:19</p> <p>consumers 206:18 207:13</p>	<p>contacted 62:1 141:21 142:8</p> <p>contained 24:7 73:14 160:4 167:17 196:11 201:8 236:5</p> <p>content 251:10</p> <p>contested 56:12 68:11,19 134:19 146:11,16,19 ,22</p> <p>contingencies 23:17,23 24:20 133:20 252:3,6,15</p> <p>contingency 22:18,20 24:22 25:2,24 28:20 29:5,12 30:5,18,22 31:13 34:10 35:1 38:21 39:2 66:21 70:14 97:7 122:15,24 123:3 132:13 148:20,25 149:23 150:5,11 205:2,6 210:23 211:3,20 214:11 215:16 222:15,25 223:16,21 224:6 248:7,20 249:12 250:1 251:22</p> <p>continuation 27:24</p> <p>continue 21:6 28:4 29:18 58:13 62:21 63:4,7,11 108:6 128:13 137:18 153:4</p> <p>continued</p>	<p>65:5</p> <p>continuing 142:17 191:12</p> <p>contra 176:6</p> <p>contract 91:8 153:15,16</p> <p>contracted 91:3 152:11</p> <p>contributed 73:2</p> <p>contributions 176:7</p> <p>control 23:14,15 41:19 87:21 125:3,14 142:7 164:1 224:4 237:18,20 238:25</p> <p>controls 215:3,5 246:6,9</p> <p>conversation 82:14 105:15</p> <p>conversations 128:6</p> <p>cooperate 141:13</p> <p>copies 45:24</p> <p>copy 89:4,6 162:17 171:4</p> <p>corporation 26:17</p> <p>correct 16:14 30:13,14 37:19 41:16,17 42:21 48:22,24 49:1,4,12 54:10,11 62:4 67:25 69:6,7,14,18 70:13,16,20, 21 74:14,15 75:14,17 76:19,20 78:7,17,21 79:24 80:9 81:4,6,9 83:13</p>
--	--	--	--

85:24,25 91:11,19,20 92:7 93:20,21 94:16 96:5 97:16,17 99:14 101:6,7 103:3,5 109:16 111:12 113:21 114:12 116:7 125:5,7 126:25 127:24 129:5,8 131:13,16 132:18 135:13,23 136:7 137:20 138:4,5,14,2 3 139:12,17 140:19 143:3,8 145:22 146:21 147:6 148:19 149:5 161:15 169:1 170:12 176:24 177:9,19 178:11 179:17 182:6 184:21,25 198:12,22 203:17 207:23 211:4 226:10 233:5 237:2,4 238:14 239:1,23 241:7 242:13,22 256:6 correction 42:6 corrections 42:2 73:10 159:25 167:13 196:7 201:4 226:11,13 corrective 142:15 cost 18:16 19:11 20:14 21:4,7,24	22:6 23:1,16 26:7 27:19 29:3 30:1 44:17 45:14 47:9 50:4 59:10,21 60:2,7 61:5,8,12 63:20 65:20,22 66:17 70:8 86:17 87:23 89:1 90:5,15 98:23 99:2,4,12 100:18 101:16 107:4,20 116:16 118:7 124:6 125:12 129:3 131:11,14,18 137:16 138:15 139:10,13 156:3 168:16,17,18 169:3 182:13 183:2 184:5 197:20 202:21,22 203:2,4,7,10 207:12 209:1 212:14 240:20 250:14 Costco 110:24 costs 20:11,13,16, 19 21:16 27:12,22 32:17,25 35:8 36:18,23 37:3 43:16 45:5,7,12 52:11 58:12,25 59:8,24 62:21 70:6,10,12 86:16 90:13 98:24 117:24 124:23 136:12 137:13 146:23 156:20 168:25 169:5	181:16 183:19 197:16 counsel 12:5,7,8 13:17,20 14:14,24 29:17 31:9 34:6 36:25 37:8,10 38:13 46:21,24 54:21 67:19 68:22,25 74:8 78:18 79:22 80:7 81:7 135:3 149:7 154:17,21 155:7,19 160:24 165:1 168:10 179:1,9 182:12 184:2 186:19 187:18 194:13 197:4 199:14 202:2 210:13 212:7 213:3 214:25 216:20 218:21 226:3 242:19,21 259:9,12 counsel's 32:7,13,23 33:16 34:3,24 35:23 36:20 37:1 38:20 78:15,22 111:15 154:13 169:4 counting 92:19,22 233:8 counts 92:9 county 20:21 43:14,15,20, 21 44:10,13,21, 25 45:1,22 47:10 48:2 61:23 79:5,12 87:14,20 89:1	93:18,19 97:15,25 98:1 106:5 143:14,16,17 152:17,18 227:18 240:9 County's 44:9 106:6 couple 16:5,24 59:23 97:3 100:3 169:15 184:19 218:24 244:18 247:3 256:4 course 21:8 23:6 26:23 44:12 182:25 183:16 244:4 256:23 court 11:22 13:8 19:9 103:23 cover 121:19 130:19 207:17 covered 100:4 230:21 cracks 209:17 craft 217:12,13 crazy 163:6 create 23:20 29:11 created 220:24 creation 28:19 creative 63:12 122:18 205:11 Creek 11:14 12:4 13:5,10,13 14:12 17:16,18 20:18 26:11,13 27:11,16,22 29:7,21 30:6 31:17 32:3,15,19 33:2,18
---	--	---	--

<p>34:13,17,22 35:4,10,14,1 9 36:5,9 37:12 40:22 45:22,24 47:11,24 48:4,9 50:7,11,21 54:6,9 56:2 58:8 62:24 64:10,16 65:4,10,14 67:3 68:6 69:8,15,16 70:6,19 80:16 82:20 83:10 85:12,18 87:4 90:5 94:20 96:7 97:20,25 98:1 99:16 102:18,24 103:8,11 104:19 105:14 107:16 109:6,11 114:6 116:22 135:22 137:24 141:9 143:23,24 153:9 156:19 161:19,23 162:2 165:3 169:12,21 178:17 182:11 184:2,23 186:21 197:6,15 199:16 202:4,8 203:9 205:6,17,20 218:23 219:16 220:11 229:9 249:8</p> <p>Creeks 35:1</p> <p>Creek's 26:4,5 28:7 29:22 34:15 36:13 49:2 56:19,22 67:23 75:6 90:12,14 94:25 95:2 100:7 104:24</p>	<p>144:2 184:24 188:14 220:5,12</p> <p>criteria 123:21 126:21</p> <p>critical 66:25 67:1 123:19 134:4</p> <p>criticality 123:23</p> <p>cross 46:21 217:10</p> <p>crossed 249:1</p> <p>cross- examination 43:3 46:19 47:1 67:19,21 74:6,7,9 80:15,17 160:22,23,25 161:21 168:8,10,12 169:11,13 179:4 197:3 201:25 202:1,5 227:5,7 229:8,10</p> <p>cumulative 191:2 193:10,11,12 ,20</p> <p>current 26:5 27:9 28:24 35:5,24 36:23 54:7 57:20,21 64:19 65:6 75:5,10,18 82:5 90:13 104:19 105:20 154:18 155:1 168:22,25 169:2,3,6 179:17,24 231:6 243:25 244:12,14</p> <p>currently 28:15 49:13 64:22 76:4,18 77:5,15 78:8 80:22 107:17</p>	<p>120:5 128:10 139:19 183:9 239:10 258:1</p> <p>custodian 43:20</p> <p>customer 22:1,21 34:24 36:18 47:9,13,20 92:8,11,12,2 1 98:10 106:8,12 110:16 140:4 145:9,11 181:18 212:11</p> <p>customers 17:25 31:24 35:7 37:11 39:3 47:10,12 85:19 91:18,22,23, 25 92:7,19,23 94:11 97:23,24 98:3,7 106:11,15,16 ,22,23 110:11,18 136:4,9,21 137:7 144:8 181:2,5,12 221:11 240:14 254:22</p> <p>customer's 204:1</p> <p>Customers 190:3</p> <hr/> <p>D</p> <p>dark 121:17</p> <p>data 32:1 38:7 76:5 89:3 96:17 101:19 124:5 139:24 230:8 231:4 232:4 236:18 242:17 249:14,16,19 253:8 254:5 257:3,15</p> <p>database 75:2</p>	<p>84:6 255:13</p> <p>databases 76:2 82:9,12 85:9 104:20 105:22,23</p> <p>date 46:5,9 189:10 212:17 216:22 218:6</p> <p>dated 83:1</p> <p>Davey 128:4</p> <p>day 29:4 52:20,24 53:3 135:8 163:11 246:22</p> <p>days 130:2 144:9 218:11</p> <p>day-to-day 144:14</p> <p>deadline 206:24</p> <p>deal 150:18 210:14 243:15</p> <p>dealing 22:9 153:8</p> <p>decade 150:25</p> <p>decades 214:3</p> <p>decent 55:5</p> <p>decide 104:25 118:10 216:10,11 217:5,7,11</p> <p>decided 20:25 28:3 57:19 144:22</p> <p>decides 66:10</p> <p>deciding 95:6</p> <p>decision 28:7,12 40:4 48:11,12 67:23 68:7 148:7 220:10,12</p> <p>deemed 227:10</p> <p>deeper 61:14</p> <p>defend 111:17 129:4 139:15</p> <p>defensible</p>
--	---	---	---

<p>114:21 define 85:6 257:1 defined 69:22 253:25 definitely 126:19 165:18 215:5 224:16 definition 69:11 degree 143:13 delineation 254:2 delivered 140:3 demands 258:13 deny 34:4 depart 66:10 departing 214:20 department 75:3 118:13 141:13 142:13 200:19 230:3 253:10 departure 133:12 departures 133:21 dependent 48:15 depending 50:13 60:1 111:25 depict 106:7 depreciation 173:4,5,7 176:5,9 177:11,25 180:19 189:15,18 192:22,25 193:6 derailed 56:12 Derek 14:12 40:11,16,20, 23 41:6,9,12</p>	<p>108:18 171:2 derived 102:5 describe 97:17 142:1 described 236:15 253:24 256:7 description 189:11 236:21 237:1,19 238:11 descriptions 77:24 254:25 257:12,13 design 211:2 designed 179:22 destroy 206:6 detail 29:8 130:3 227:19 detailed 148:5 details 123:2 determination 24:5 28:22 33:1 83:2 87:6 104:13 105:16,17,18 112:21 128:8 130:15 131:5 153:23 determination s 83:2 determine 43:16 50:24 52:1,6,18 56:9 105:4 107:4 122:5 124:2,3 127:22 132:13 136:16 140:13 146:6 153:23 180:5 183:1 223:24 257:5 determined 22:8 26:6 32:3 61:8 101:16 112:16 117:16</p>	<p>232:12 241:11 249:24 determining 24:2 develop 59:18,25 66:21 148:15 256:19 developed 124:8 171:24 172:25 244:6 development 58:1 62:22 65:8,11 230:3 253:11 developments 64:22,24 65:2 device 88:6 devices 14:6 difference 24:13 94:3,6,17 95:5 107:2,3 113:18 164:14 181:9,20 204:23 differences 97:19 98:17 175:1 253:17 different 24:10 47:17 50:25 51:15 60:25 66:8 69:6 74:20 77:20,23 84:8,15,16 85:17 92:7,8 94:21 98:24 99:9 104:20 117:24 121:8 171:21 173:13 175:12 176:17 189:12,24,25 204:21 235:23,24 242:4,18 252:19 253:13,18,22 254:11,12,25 255:16</p>	<p>differential 98:14 difficult 25:1 220:1 dig 117:19 digestion 58:20 59:9,22 130:10 digs 56:2 direct 40:17,24 41:6 42:15 45:23,25 49:19 65:25 66:3,4 71:23 72:19 73:1,6,8 74:16 78:3 79:10 105:10 127:11 133:6 155:9,12 158:23 159:8,17,21, 23 160:4 166:9,20 167:5,9,11,1 4 183:5,8,11,1 5 187:4 195:6,15,24 196:3,5,8 200:1,12,21, 25 201:2,8 225:9,21 226:5 236:6 238:19 241:10 direction 137:21 150:5,10,14 151:6 152:14 259:8 directly 44:15 120:1 203:11 director 143:16,19 207:22 227:17 directors 233:4 directs 187:19 disagree 39:6</p>
--	--	---	---

disagreed 150:3	210:10	61:7,14 63:2 87:12	DS-10 43:7 44:6 89:13
disagreements 94:22	district 47:16	119:5,10 121:22	DS-11 171:13 175:4 176:20 177:3,15
disallow 30:1	69:9,12,16,2 5 91:3,4	135:17 137:10 140:5	DS-3 82:24
disallowance 56:22	92:6 157:6,10	144:23 156:14 161:5	DS-4 127:13
disallowances 169:7	districts 69:6 90:25	164:10,12 208:22	DS-7 133:9
disallowed 56:18	91:1	210:14 214:2	due 57:19 108:8 134:19 183:17 221:22
disallowing 147:1	dive 61:14	215:13 217:22 218:7	dug 147:20
discharges 136:18	dividing 88:20 106:11	221:6 244:13 256:10	duly 159:6 195:13 259:5
discretion 213:6	division 207:23	door 110:17 140:1,2 223:10	during 32:20 38:1 55:24,25 56:15 70:7 95:24 102:19 108:22 116:22,24 138:4 163:11 187:3
discretionary 126:22,23 127:1	DNR 23:9 119:13 121:2 136:6,8,14	double 48:1 92:18,22 221:13	duties 19:19 20:5 26:8 76:25 77:23 79:8 99:9 110:14 112:14 234:17 236:3,7,8 237:11,17 238:24 239:16 241:11
discuss 26:2 27:1 28:1,17 203:22	doctor 98:19	doubled 152:23	
discussed 60:5 111:6 115:21 133:6 231:10	document 26:12 43:22 44:24 45:18 46:7,12 84:5 127:7	doubt 90:19 238:9	
discussing 104:12 105:7,8 106:13 107:1 132:12 133:8 134:14 220:21 222:14 223:20	documentation 75:16 246:17,20	doubts 206:14	
discussion 50:8 116:19 117:5 132:14 150:9 157:4 220:22 227:16	documented 80:12 120:6	download 45:17	
discussions 74:24 75:22 104:21 115:18,23 117:2 123:1 128:3 185:5	dollar 95:18 106:12 181:13 193:3 214:23 255:3	downloaded 44:14	
disparity 150:19 151:20	dollars 19:12,24 60:3 63:16 94:18 148:17 153:18 156:22 180:14,15 188:13,18,19 ,23,24 190:4,11,12, 14,17,19 191:16,17,18 192:21,24 193:13,15 213:13 221:9 224:4,12,16 234:1,4 256:4	dramatically 145:7 147:9	
disposition 25:19 102:7	dome 23:5	drill 33:21 119:17 120:24 121:13	
	done 46:9 60:12,18	drilled 20:18 57:13 129:15	
		driller 57:1	
		drillers 120:14 121:11	
		drilling 20:24 34:9 56:25 62:1 119:11 120:20 121:25 122:9	
		drive 163:6	
		drives 110:19	
		drove 117:24	
		DS 175:3	
			<hr/> E <hr/>
			earlier 61:13 76:14 104:11 114:25 116:15 133:7 148:1 152:21 180:13 205:10 214:16 220:20 258:9
			early 144:9
			earn 86:14
			easements 141:14
			easier 172:11 173:18

<p>183:13 easily 180:14 188:11 east 120:2,3 easy 131:19 Economic 230:3 253:11 economically 233:14 educated 85:2,5 education 123:15 149:24 effect 185:10 effective 61:8 effectively 94:10 effectiveness 26:16 efficiencies 26:16 52:1,3,15 efficiency 164:6 efficient 63:8 efficiently 52:4,6,19 94:11 233:15 effort 20:19 eight 48:2 either 14:23 185:10 190:6 218:2 250:18,19 electric 18:15 24:11 56:19,22 63:17,19 131:3 147:9,14,15 156:15 electrical 117:24 137:13,15 142:20 156:20 electricity 20:19</p>	<p>57:16,18 58:4,6 electronic 14:6 elements 66:23,25 67:1 eligible 113:2 else 53:24 119:4 120:14 126:4 127:25 164:22 193:25 218:9,18 241:13 244:23 245:1 249:15 elsewhere 243:6 embedded 101:16 emerg 70:18 emergencies 51:14 133:20 emergency 22:19 23:23 25:25 31:13 34:10,14 35:1 65:15 66:1,9,14 67:9 70:14 135:12 136:5,8 148:20 149:23 212:22 250:7 251:23 emergency-wise 250:17 employed 40:21 72:22 159:12,13 166:24 167:1 195:18,20 200:16,17 225:25 226:2 227:12 256:22 259:9,12 employee 48:7,16 84:21,23 86:13 91:4 98:10 109:11</p>	<p>111:4 112:22 116:19,24 126:23 127:22 143:1,5,23 147:2,4 152:5 164:16 234:25 241:21 256:1,3 259:12 employees 19:3,17 20:3 26:5,12,14 29:23 32:4 33:4,6,11 39:14 47:11,12,13, 20,24 49:11 52:23 53:7,14,17 54:13,17 70:9 75:6 77:2 83:10 85:12 91:6 94:9 96:6,10 97:25 103:3,9 104:19 114:6,10 115:1 126:15,16 127:2 128:10,11,20 134:17 135:7,8 139:19 154:15 163:14 214:20 233:8 240:16 243:4,5,8,16 246:4 255:21 256:19 257:7 employee's 32:1 52:21 Employees 66:15 employee-wise 97:24 employer 154:5 employment 154:4 235:17 empty 70:25 EMS 171:23</p>	<p>172:1,12 173:19 EMSD 208:10 en 45:2 enables 26:17 encourage 197:14,17 encouraging 120:7 energies 100:21 197:19 energy 20:17 21:6 25:23 27:23,24 28:10 30:3 58:7,16 60:7 61:18 62:19 70:20 100:18 117:17 129:16 130:21 131:8,15 147:8,18 148:4,6 197:15,21 enforced 29:9 enforcing 204:22 engineer 98:9 143:14 227:17 engineering 143:13 195:21,22 ensure 29:8 205:14 221:17 entailed 227:20 entire 237:21 entities 83:12 85:14,16,18, 21 91:5,8 92:2,8,9,14 93:24,25 106:12 157:16 entity 43:9 69:12,14 92:13 114:14 157:12</p>
---	---	--	--

<p>233:9,10 entries 13:10 entry 78:16 84:11,12,21 85:23 116:11 227:11 232:11,12,25 240:15,17,19 254:7 environmental 136:5 EPA 66:19 123:14 135:13,14 equation 123:25 equipment 51:1 equivocally 157:6 error 136:15 escalated 181:6 especially 223:15 essence 47:25 128:23 152:22 essentially 257:6 establish 26:18 35:1,11 131:20 182:12 184:4 228:15 established 180:2 189:1 190:6,18 191:21,23,25 193:15 205:6,15,21 219:23 establishes 27:14 192:2 estimate 139:13 156:21 estimated 32:25 156:5,16 estimate's</p>	<p>133:1 estimation 32:21 34:15 133:4 139:14 estimations 66:9 136:3 156:6 evaluate 50:24 148:16 evaluated 26:5 evaluating 254:25 evaluation 59:14 evening 110:2 event 51:17,21 136:10,12 250:3 events 51:8 96:19 163:21 180:3 eventually 117:6 everybody 20:15 22:7 120:14 151:16 154:1 210:13 216:1,5 221:7 everybody's 38:4 everyone 14:4 91:3 101:9 103:23 everything 53:4 98:12 106:1 109:22 211:24 218:9 everywhere 244:25 evidence 14:17 15:9 16:2,4 19:8 31:10,22,25 32:19 33:4,7 34:12,14,17, 21 35:13,18 36:4,7,11 46:18 74:4 128:21</p>	<p>139:4,7,25 140:1,3,6,9, 20,23 160:20 168:6 194:17 195:1,3 197:1 201:23 227:4 239:4 245:12 evidenced 145:8 evidentiary 11:6 13:3 36:14 67:23 68:7 183:18 216:2 217:5 258:18 evolution 151:23 exact 39:18 exactly 54:1 57:24 83:4 99:16 139:6 233:8 256:2 examination 40:10,17 72:19 104:10 137:25 159:8 165:10 166:20 187:13 195:15 200:12 220:19 225:21 253:7 example 59:9 65:13 83:14 85:22 112:5 136:13 254:19 examples 93:18 103:17 135:25 148:13 exceed 229:17 Excel 242:16,18 excellent 114:7 244:16 except 16:12 36:23 88:16 116:3 124:7 174:17 189:11 exceptionally</p>	<p>103:12 excess 26:22 161:6 180:25 181:10 193:11 excessive 31:23 76:8 243:16 exclude 250:18 excluding 37:3 169:6 exclusive 211:21 excuse 72:11 79:25 81:19 95:14 134:8 143:19 158:3 230:11 excused 108:7 158:7 executive 79:5,7 143:18,21 227:17 232:19 256:11 executives 254:17,21 exempt 19:5,10 111:4,9,10,1 3 126:15 127:22 128:11 164:13,14,16 exempt/ nonexempt 139:3 exhibit 15:11,13,14, 16,18 16:3 40:14 41:5,8,11 44:6,17 46:17 71:21,22,23, 24 72:1 74:3 102:11 158:23,24,25 159:18 160:12,19 166:10,11,12 167:24 168:5 171:2,7</p>
---	---	---	---

<p>182:2 186:25 187:5 194:5,7,25 195:2,5,6,8 196:19,25 199:25 200:1,4,23 201:16,22 225:7,11 227:3 231:13,14,18 ,22 232:6 234:11 236:6 241:14 242:11,12,17 245:4,11 251:13 258:7</p> <p>exhibits 15:10 16:1 42:24 43:2,5 46:14 73:4,22,24 160:14 167:7 168:1 173:20 196:1,19,21 201:18 226:21,24 231:11 245:7</p> <p>exist 122:7 144:9</p> <p>existed 118:16 121:9</p> <p>existence 152:18</p> <p>existing 179:24</p> <p>expand 54:6,16,22</p> <p>expanded 152:15,20 176:18</p> <p>expect 23:18,19 71:4 130:6</p> <p>expected 86:14 183:12,16</p> <p>expedite 258:2</p> <p>expend 212:25</p> <p>expended 24:13 100:22 213:2</p> <p>expense 20:7</p>	<p>25:22 27:2,6 28:12 29:24 31:15 36:3,8,22 37:9,25 39:13 45:5,15 55:16 56:14 74:18 116:21 130:24 133:13 137:16 168:15 169:5 170:14 172:5,6,9 173:2,4,5,12 ,16 174:10,15,17 ,22,25 175:7 176:4,6,8,9 177:11,12,24 179:15,17,21 180:1,7,8,15 ,17,19,20 181:14 182:13 183:2,7,8,9, 22 184:5 185:8,24 189:16,17,19 ,20 191:7,15,18 192:2,20,21, 22,24,25 193:1,3,5,6, 10,23 208:21 209:1,6,10 212:3 249:20,24 250:6,23</p> <p>expenses 22:11 27:4,8 30:2 32:22 35:15 36:1,5 56:9,17 68:25 86:20 87:24 88:2 106:4 124:18 132:18,22,25 133:17,18 146:6,7 170:13 171:3,19,25 172:20 173:10 175:16 176:3,22 177:6,17,19 178:1,21</p>	<p>179:24 180:5 181:1,7,10,1 5,19,23,24 182:3,4 183:3,17 185:10 188:13,16 191:8,14,17, 24 192:25 193:4,11,12, 15,20 208:17 209:16 212:3,4</p> <p>expensive 107:9 129:25</p> <p>experience 79:17 84:20,22 103:8 143:11 161:2,23 227:15 228:7 232:23 240:3,11 256:23 257:9</p> <p>experienced 84:11,12 85:24 193:22 232:11 233:24 234:6 240:1 254:7,14</p> <p>experiences 168:23 232:16</p> <p>experimental 205:23</p> <p>expert 27:25 28:16 130:23</p> <p>expertise 79:17</p> <p>experts 59:3 148:3,14</p> <p>explain 68:12 104:14 106:16 107:3 150:21 172:11 173:18 187:24 188:14,20 192:5,14 222:18 253:8 254:1,24</p> <p>explained 188:11</p>	<p>explaining 258:8</p> <p>explanation 101:24 102:2,4</p> <p>explor 147:16</p> <p>exploration 27:24 100:20 119:21 147:17</p> <p>exploratory 20:17,18 27:23 30:2 31:12 33:19,25 34:6 56:25 62:12 150:7 205:22</p> <p>explore 28:7 58:8 130:17</p> <p>explored 28:15 46:2 61:4 109:2 131:10</p> <p>exploring 28:10 59:1,21 61:17,19 129:16 130:20 131:7 147:7</p> <p>expressing 180:12</p> <p>extend 65:12</p> <p>extent 227:19</p> <p>extra 24:25 54:4 218:10 221:9</p> <p>extraordinary 250:7</p> <hr/> <p style="text-align: center;">F</p> <hr/> <p>face 36:9 153:9 161:3,6</p> <p>faced 45:3 136:11</p> <p>facilities 237:25 238:7</p> <p>facility 67:1 199:3,4</p> <p>fact 22:5</p>
---	--	---	--

<p>23:12 37:24 38:12,22 57:15 77:1 103:14 162:13 183:13 208:20 213:12 227:12 229:13,14 233:2 244:21 258:4</p> <p>factor 107:11 factors 233:6 facts 15:12,22 16:7 24:4 251:25 factual 30:11 fail 123:22 125:6 failed 23:3,15 100:22 125:9 250:4 failing 22:24 23:14 failure 67:7 110:2 124:1,20 125:4 134:4 141:16 164:1 248:23 failures 51:7,15 fair 33:11,15 99:20 111:7 126:21 128:5 161:3,6 218:15 228:11,17,23 249:2 fairly 115:15 141:20 142:4 151:22 215:21 230:2 240:21 248:12 255:14,19 256:8 fall 209:17 falls 113:8 212:19 233:17,20</p>	<p>familiar 55:7 109:10 113:3 117:9 162:5 202:19 203:12,25 221:2 234:16 251:1 fascinating 154:16 fast 20:15 151:22 faster 181:6 fastly 20:15 father 144:12 244:18 fault 136:22 favor 219:8 fear 205:25 feasibility 58:11 February 109:9 143:25 258:5 federal 19:5 214:18 fee 122:16 203:6 211:20 215:16 248:7 feel 85:10 88:7 95:16 197:23 215:3 216:11 feeling 20:1 fees 19:13 22:1 202:12 208:24 210:23 feet 119:15 121:5 felt 82:11 136:14 field 77:1,2 fight 19:13 figure 63:1 123:13 142:19 147:1 170:3,7 171:15 176:21 194:11 217:20</p>	<p>figures 20:10 84:15,16 180:16 figuring 81:16 file 11:13 13:5 101:23 102:11 139:7 194:21 200:21 242:16,18 258:14,18 filed 26:25 27:25 28:17 40:24 73:1 117:7 159:17 167:4 195:24 226:5 258:5,10 filing 37:5 183:8,11 fill 139:6 246:20 filling 112:13 163:4 final 22:18 finally 150:2 158:2,6 financial 70:10 150:17 174:9 248:22 financially 60:20 259:13 financials 118:4 249:20 financing 65:19 finding 57:1,5,8,9,1 1 87:9,10 122:2,11 137:2 251:8 findings 258:4 finds 77:3 fine 14:23 fines 136:6,8,17 finished 101:2 158:4 Finnegan 12:2 13:12,14,16</p>	<p>15:1,16,20,2 3 17:4,11,17 25:8,9,20 30:16 33:8 36:24 37:2,21 38:16 40:10,11,17 42:16,17 43:1,11,13,2 3 44:1,4 45:19 46:2 47:4 71:6,10,12 73:25 80:17 88:15,19 89:8,11,17,1 8 92:24 102:25 103:1,18 105:14 106:2,13 125:2 137:25 151:9,11,14, 15,18 154:24,25 155:16,17,23 157:1,3,21,2 4 158:9 160:15 161:20,21 162:19 165:4,7 168:2 169:13 170:21,23,25 174:2 179:4,10,12 184:12 186:22 187:20 194:9,15,22 196:22 197:7 199:17 201:19 202:5,16 204:16,17 205:1 206:25 218:24 219:1 220:17,20 223:3 226:25 229:10 230:12,13,16 ,17 231:11,16 245:3 249:9,10 253:4 255:7 256:6 257:13 Finnegan's</p>
---	---	---	---

<p>39:7 firm 36:24 60:1 127:15 firms 59:23 first 18:20 32:3 55:20 71:18 75:24 87:24 110:10 122:13 127:20 137:19 141:17 152:17 162:2 171:11 175:6 187:17 189:14,15 190:2 192:21 194:10 195:13 202:25 203:1 206:12 212:25 213:24 219:10 231:23 232:6 233:25 242:15 256:15 257:6 first-line 241:12 fiscal 27:17 fit 75:21 241:20 242:9 256:12 five 16:12 25:3,20 54:10 65:3 217:23 five-foot 23:5 five-mile 119:10,19 fix 211:15 fixed 181:16 flesh 211:6 flip 176:25 188:22 flowing 178:23 fluctuations 27:18 focused 213:23</p>	<p>folks 53:24 67:2 118:14 148:12 208:10 256:22 follow-up 38:3 food 189:13 force 26:20 29:21 54:7,16,22 86:11 105:24 foregoing 259:5 foremost 110:10 foresee 219:18 foreseeing 222:12 Forest 118:21 121:6 forget 211:11 forgotten 175:14 form 176:6 format 171:22 forms 197:15 for-profit 93:23 94:4 forth 24:6 96:3 237:12 forum 29:18 44:14 150:9 forward 62:19 146:10 156:2 165:16 184:8 209:9 foster 28:13 fosters 26:16 foundation 43:24 46:2 fourth 237:5 frame 213:22 216:14,16 frames 140:5 franchise 22:1 202:12 203:6 220:22</p>	<p>frankly 140:21 frequently 124:25 153:7 Friday 258:10 front 89:13 127:18 128:16 150:4 151:12 frontline 110:12 fuel 197:16 221:3 full 82:7 full-time 109:8 143:24 144:18 152:12 fully 36:15 fund 22:19 23:20,22 25:2,25 28:20 29:5,13 30:5 31:13 34:14 35:2 38:21 39:2,5 66:8,21,22 70:15 97:7 122:24 123:4 124:14 132:13 136:5 137:7 147:17 148:21,25 149:23,24 150:6,11 205:2,6 212:17 222:15 223:21 224:7 248:7,20 249:13 250:1 251:23 funding 67:9 funds 30:18,22 34:11 124:15 212:22,24,25 213:6 222:25 223:16 224:7 250:3 future 18:24 22:16 31:12 32:22 33:25 34:5,8,15</p>	<p>100:20 129:17 137:7 208:18 <hr/> <p style="text-align: center;">G</p> <hr/> gain 35:19 gamble 121:20 137:8 gap 141:20 gas 20:18,20 21:1 24:11 25:23 28:8 31:12,13 33:20,21 34:6,9 57:2,7,8,9,1 1,14,22 58:2,3,5 70:19 100:18 117:14,20 118:2,7,18,2 4 119:17,24 120:4,5,8,9, 22,23 121:1,8,16 122:2,6,8,11 129:15 131:10 136:25 137:1,2,9,12 147:17,20 155:25 156:8 198:8,10,13 199:2,4,8 221:4 gear 156:11 general 18:16 31:19 48:21 49:21 66:9 77:9,16,22 78:3,15,23,2 5 85:22 86:4,9 106:10 109:9,15 143:25 144:3,8 150:20 151:1 164:5 210:18 227:11 232:7 233:20 239:12,16,18 ,22 241:2,4,5,7 257:9 generally</p>
--	---	--	---

<p>59:16 61:12 77:12 124:7 154:7 210:19</p> <p>generate 58:4,6</p> <p>generating 60:7</p> <p>generation 199:3</p> <p>generator 57:15 58:6 120:9,11 148:10 156:1,2,4,8, 10</p> <p>generators 122:10</p> <p>geographic 253:15 255:16</p> <p>geographical 253:13</p> <p>geological 121:7</p> <p>gets 213:7</p> <p>getting 20:14 39:22 66:13 93:2 116:4,5 123:16 133:15 156:3 210:25 213:6 215:7</p> <p>given 31:23 52:22 73:15 95:4 101:12 119:1 121:2 128:21 140:9 154:6 201:9 208:3 215:24 216:14 257:12</p> <p>gives 45:6 84:17 211:9</p> <p>giving 48:20 121:12,24 138:10 218:1</p> <p>global 210:6</p> <p>goal 22:22 151:19</p> <p>gone 18:10 38:8 147:15 151:22 154:4 204:15</p>	<p>209:20 245:1</p> <p>good-sized 17:24</p> <p>gotten 123:2</p> <p>governance 69:23,24 70:4</p> <p>grab 108:12</p> <p>grant 30:4 61:25</p> <p>granted 81:20</p> <p>great 164:12 211:12 235:24</p> <p>greener 243:6</p> <p>grid 156:19</p> <p>gross 21:23,25 174:7 202:11,20 203:18,19,20 ,22,25 204:3,11,19 220:21</p> <p>ground 20:25 126:13 214:21,22</p> <p>group 91:8 240:10</p> <p>groups 18:6</p> <p>grow 153:4</p> <p>growing 246:5</p> <p>grown 17:25 144:7,18 181:4</p> <p>growth 54:9 153:2 181:18 246:7</p> <p>guess 15:7,10 38:11 40:2 54:5,24 60:20,25 69:20 85:2,5 92:10 93:17 97:8 124:17 131:3 132:21 138:1 146:12,16 175:13 184:19 207:15 209:5 221:1 222:16</p>	<p>guessing 248:13</p> <p>guidelines 34:19</p> <p>Gunn 11:18 30:10,15,24 37:16,20 38:2,11,17 39:6,9,12 96:25 97:2 99:22 107:1 115:10,11 126:3 132:12 133:8 136:25 155:24 158:4 163:1,2 186:15,16 198:4,5 210:2,3 217:2 218:17 219:2,11 222:16 223:8,10,12 247:1,2,17 249:3</p> <p>Gunn's 165:12</p> <p>guys 54:25 114:17 153:12 216:3</p> <hr/> <p style="text-align: center;">H</p> <hr/> <p>Hagemeyer 14:13 26:10 158:22 159:6,11,16 161:1,22 162:25 165:22</p> <p>Hagemeyer's 158:23</p> <p>half 38:10 81:15 112:25 138:20 214:14 246:16</p> <p>hand 142:5 166:15 195:11 200:7 225:14 231:17,21</p> <p>handle 76:5 152:25</p> <p>handled 110:12 149:18</p>	<p>207:8,10 208:18</p> <p>hangers 110:18 140:1,2</p> <p>haphazardly 206:1</p> <p>happen 44:14 59:7 209:13 212:22 213:13 217:17 218:4 248:16</p> <p>happened 124:7 209:12,21</p> <p>happens 21:19 136:11 213:6 243:12 244:25 246:15</p> <p>happy 23:8 131:2 210:20 252:23</p> <p>hard 69:20 89:22 138:10 152:2 206:23 222:4 246:11</p> <p>harder 251:8</p> <p>Harold 11:16 13:7</p> <p>Harris 14:14 26:25 27:4,7,14 166:9,14,18, 23 167:3 168:8,13 169:14 187:3,14,16, 24 193:24 194:1</p> <p>Harrisonville 118:22,23</p> <p>hate 163:4</p> <p>haven't 110:18 123:2 194:11 209:20 214:1 249:1</p> <p>having 19:7 22:25 28:24 40:16 72:17 105:15 108:18</p>
---	---	---	---

<p>137:12 145:13 146:17 159:6 166:18 200:11 206:13 211:20 218:8 223:16 225:19 244:17 head 88:6 94:2 headings 176:15,17 180:14 188:3 189:10 254:5 health 224:18 hear 31:10 heard 31:9 33:19 37:21 232:15 hearing 11:6 13:4,8 16:1 25:5 36:14 46:15 67:23 68:8 74:1 101:9 108:8 145:8 168:3 183:13 201:20 211:1 216:2 217:6 227:1 245:9 258:18,21 hearings 183:18 held 79:5,8,12 145:8 234:25 255:20 256:2,17 he'll 111:24 112:8,15 158:9 help 21:7 25:6 51:11 53:12 54:20 60:10 61:2 130:23 151:14 235:22 246:7 helped 153:20 helping 153:7 helps 211:16 hereby 258:19</p>	<p>259:4 here's 19:9 128:9 132:1 he's 39:20,24 79:12 108:9 116:16 128:7 141:2,4 155:9 179:6 225:2 232:18 233:2 240:20 243:19 Hey 124:7 153:11 217:19 hide 33:14 53:21 hierarchy 77:12 high 52:14 58:13 99:21 123:1 212:8 243:20 higher 76:18,23 77:5,7,15,18 85:19 99:12 107:17 171:20 228:9,13 254:15,18,21 highest 118:8 131:12 150:1 high-level 59:24 61:10,13 highlight 124:23 highly 28:2 hinge 40:4 historical 168:18 history 144:3 hit 122:7 125:10 hold 216:19 honest 218:3 Honestly 247:13 Honor 43:13 45:19 178:25 194:9,23</p>	<p>hope 30:6 115:15 120:22,23 151:24 hoped 20:21 hopefully 109:1 125:23 190:4 hoping 25:4 156:17 Horseshoe 106:20 hour 52:22 hourly 84:23 hours 29:23 39:15 53:18 54:18 96:7,14 103:22 109:11,17,20 110:15 111:19 112:6,15 114:25 118:12 135:6 140:7 housekeeping 257:23 huh 251:18 Hummel 14:13 27:25 100:24 195:5,10,13, 17,23 197:2,9,11 199:20 Hummel's 195:6,7 hundred 63:15 142:2 242:4 Hundreds 242:2 hurt 89:12 hypothetical 214:8 <hr/>I<hr/>I'd 14:4,7,19 23:25 40:11 43:1 58:9 61:2 71:12,19,22 72:3 73:21 76:3 109:21</p>	<p>119:10 121:22 138:14 158:21,22 160:11 162:7 166:9 167:23 195:5 201:15 219:13 223:23 242:8 idea 23:19 47:23 101:20 111:15 122:4 156:3 256:25 257:6 ideas 149:15 identificatio n 15:15 40:15 72:2 73:4 159:1 166:13 167:6 187:6 195:9 200:5,23 225:12 231:15 identified 16:12 22:17 25:16,18,20 149:21 173:19 196:1 identifies 27:4 47:9,11 66:8 78:2 identify 26:21 79:7 231:22 255:17 identifying 117:18 203:15 III 11:17 I'll 38:19 40:2 50:19 55:9 72:4 80:5 108:25 113:16 118:8 177:1 194:9,23 204:25 208:13 223:10 245:1 251:7,9 255:7 I'm 13:7 14:11 15:16,24</p>
---	--	---	--

19:10 23:7 25:13 37:25 52:20 56:6 61:1 64:25 66:13 68:16 71:3 80:2 81:7 82:23,24 84:12,21 88:23 89:12 92:10,17 93:9 97:11 98:9 100:23 101:2 108:3 110:5 114:3 115:16 117:12 126:16 127:25 130:23 134:19 136:16 140:19,22 146:14,17 154:19,20 155:2,5,21 156:9 158:4 163:13 164:12,16 165:8 167:1 169:25 170:23 173:22 174:13 175:23 176:25 177:20 178:2 179:4 182:7 189:6,8 195:20 198:17,19 200:17 202:14,19 203:21,25 204:5,9 207:10 208:7,10,19 209:5,12 213:21 214:6,7 215:24,25 216:18 217:3,14,18 218:1 219:18,19 221:2 223:3 225:1 226:2 228:16 230:16	233:19 235:14 237:7 239:17 242:15 246:19 247:16,24 248:8,13 252:9 253:2 255:5 258:12 immediate 142:14,19 150:15 immediately 142:9 impact 106:8 impacting 205:12 impacts 136:5 imperative 62:20 implement 33:18 134:23 implementatio n 211:11 implemented 50:7 161:14 implementing 50:12 134:21 implications 44:18 59:6 215:14 important 24:23 45:10 impression 128:18 improper 36:17 improved 145:7,12,18 improvements 212:5 inappropriate 28:2,18 33:13 incentive 60:6,22 61:1 incentives 58:14,17 60:5 129:23 130:1 inception	144:5 incident 125:3 163:25 includ 180:23 include 28:2 35:4 54:22 78:23 133:17 172:19,20,21 173:11 192:25 208:16 250:16,19 included 18:22 26:3,7 27:3 29:20,25 68:2,9,21 69:1 70:15 74:21 79:2 85:10 95:21 173:3,4 180:12 191:8,9 192:24 202:22 212:4,5 244:5 includes 132:17 135:20 171:24 189:15,18,20 191:10 192:21,24 229:15,17,25 230:5 including 76:13 81:11 83:25 90:13,16 95:21 174:9 179:20 184:22 193:5 inclusion 32:16,24 35:24,25 36:22 37:2 183:20 income 24:19 171:25 172:7,10,15, 17,21,23 174:11,13,15 ,16,17,18,19 ,23,25 176:1 180:4,21	189:19,21 193:1,6 252:3,6,14 incomes 232:11 inconsistenci es 146:17 incorporated 82:1 incorrect 49:12 increase 11:13 13:4 22:6,12 42:11,19 48:16,18,20 49:3,17,19 50:5 78:24 81:21 99:2,5,6 101:12 147:11,12 181:11,13,15 ,16,17,19 202:25 243:23 increased 181:12 240:19 increases 18:4,17 21:11 48:5,10 65:9,21 138:3,4,10,1 7 232:25 increasing 18:15 48:9 117:23 147:9 increments 163:6 incur 52:12 183:16,22,24 incurred 32:19 36:5,8 37:18 38:5,14 39:13 70:6 180:8 181:1,23 182:4 183:19 193:16,23 incurring 52:11 182:5
---	--	--	---

<p>incurs 182:14 184:6</p> <p>indeed 83:17 163:6</p> <p>indicate 91:17 210:24</p> <p>indicated 139:22 148:21 155:25 157:6 183:11 249:11</p> <p>indicates 180:25 188:12</p> <p>indicating 258:15</p> <p>indicia 46:12</p> <p>individual 47:9 113:23 230:9 242:1 254:6</p> <p>individuals 255:16</p> <p>indulging 126:10</p> <p>industries 29:15 59:3 86:24 87:1 98:18 222:21</p> <p>industry 29:14 57:3 67:12 103:16 135:16 222:20 229:23</p> <p>inexperienced 232:18</p> <p>inflated 244:1,14</p> <p>inflow 173:2</p> <p>inflows 173:1</p> <p>inform 68:1</p> <p>information 29:8 32:4,9 43:19 44:22 62:5 69:5 73:19 74:24 79:13 80:12 82:21 84:25 105:11 148:6 152:7 155:8 160:9 174:9</p>	<p>196:16 201:13 205:19 207:19 229:15, 25 234:18, 21 239:24 240:23 246:10 253:23 255:4, 10, 11, 18, 23, 24 256:21, 25</p> <p>informed 68:6 148:7</p> <p>infrastructur e 64:23 65:1 123:17, 20 129:24</p> <p>ingredients 185:25</p> <p>inherently 98:3</p> <p>initial 75:7 113:11</p> <p>initially 96:9 104:17 148:21 174:21 231:1</p> <p>initiate 35:20</p> <p>initiated 101:13</p> <p>innovative 62:25 63:12</p> <p>inputting 80:25</p> <p>inside 119:15</p> <p>insistence 36:13</p> <p>inspection 213:12</p> <p>install 64:23</p> <p>installing 63:20</p> <p>instance 99:3 106:9 164:16 175:6 188:9 197:24 202:24</p> <p>instances 180:21</p>	<p>instead 182:3 191:14 242:7</p> <p>insurance 16:18</p> <p>intend 128:13, 15 129:11, 12, 16 130:14</p> <p>intended 248:15</p> <p>intent 183:21</p> <p>interceptor 65:12</p> <p>interdependen cies 53:21</p> <p>interest 172:5, 6 173:12, 13, 16 174:9, 17, 22 176:4, 8 177:11, 24 180:17, 19 189:19, 20 192:25 193:5 243:1</p> <p>interested 131:1, 4, 7 134:2 205:22 259:14</p> <p>interesting 63:2</p> <p>interests 37:13</p> <p>interfere 14:6</p> <p>internal 75:1 104:21</p> <p>internet 60:13</p> <p>interpretatio n 39:7 54:24 55:14</p> <p>inventory 110:22</p> <p>invest 59:8 64:16 148:8</p> <p>invested 224:8</p> <p>investment 63:21, 23 64:19 67:13 118:5 156:13</p>	<p>224:19</p> <p>investments 65:4 148:10</p> <p>invoice 56:2</p> <p>invoices 55:17, 23</p> <p>involve 115:17</p> <p>involved 58:25 59:10 61:5 115:24, 25 117:1, 5 143:7 154:17 173:8 184:20 185:18, 20 186:8 203:2 208:4, 7 218:12, 13 233:3 237:17 238:7 247:20</p> <p>involvement 185:5</p> <p>involves 173:9 174:16</p> <p>involving 202:7</p> <p>Iowa 118:20</p> <p>ironed 205:14</p> <p>irrespective 129:6 130:14</p> <p>isn't 42:7 47:12 53:20 60:11 65:22 66:14 70:16 83:21 135:20 203:6, 19, 23 204:14 216:8 229:19</p> <p>issue 16:17, 21 19:3, 24 20:6, 16 21:10 22:18 24:15, 16 27:11, 21 28:1 31:16 32:15 33:9, 12 35:3 36:3 40:5 48:4 69:4, 24 70:5, 14, 18, 1 9 74:12 96:4 100:6 116:21</p>
---	--	---	--

<p>117:14 126:22 128:9 131:6 136:17 150:2,10 158:18 202:7 204:15 206:8 209:20 210:24,25 213:15,25 217:11 245:21 251:20,22</p> <p>issue-by- issue 14:17 15:4</p> <p>issues 14:21 16:11,12 18:2,18,19 25:3,21 26:21 28:14,15,18, 21,22 29:18 31:11 36:14 45:3 65:21 68:11 110:17 112:1 122:19 140:8 149:21 150:17 161:3 204:12 205:12,13 210:5,7,15,1 6,21 211:7,10,19 213:19 214:5 215:7 217:23 220:2 222:16</p> <p>issuing 48:10</p> <p>item 21:24 22:16 29:2 87:24 125:20 133:2,3 137:16 172:4,19,23, 24 204:4</p> <p>items 16:25 22:24 23:13 84:8 85:4 110:25 124:23 140:23 150:12 172:2,3,4 174:5,17 230:9 239:21</p> <p>it's 13:2 14:17 16:9 17:3,22,23,2</p>	<p>4 18:10,11,12, 14 19:2 22:4,8 23:10 24:14,24 28:18 38:23 39:3,4,5 43:7 46:4,6,7 47:14 49:5 53:15,20 54:5,19 57:4 60:1 62:20 63:10,24 64:4 65:6 66:6 69:25 76:12,13,21, 23 77:20 82:3,4,25 83:6,7 87:14 90:3 91:2,8,13,21 97:22 105:19,24 110:17 113:11 114:20,21,22 117:23 120:11,19 121:16,17,20 123:3 126:25 127:3 130:5 133:2,3,6,19 134:4,14 135:14 136:19,20 138:9 139:10 141:10,11,12 142:2,4 144:24 146:16 147:10,14,21 149:14 150:9,12 151:11,19 152:1,5 153:11,17,22 ,24 157:19,20 158:17 161:4 165:7 168:17 169:3,16 171:19 172:8,9,13 173:6,24 174:3,4 181:1 183:21,23 189:16</p>	<p>191:8,12,14 193:17 194:10 199:22 203:20 204:17,19,20 ,21 205:15 207:19 210:6,14 212:13 213:8,10 215:1,5 216:8 217:3 218:3,4 219:20,25 223:4 228:7,23 231:10,24 233:8,24 234:19 236:13 238:1,19 246:3,22 248:15 251:12 253:3,10 254:14 257:5 258:13</p> <p>I've 15:4 19:9 48:18 59:23 60:18 66:20 93:4 111:6 113:12 116:18 117:25 118:25 128:21,22 140:22 148:1,2 149:14 162:10 164:20 169:15 175:14 183:6 189:23 190:4 194:7 206:8 211:23 222:1 229:22 231:23</p> <hr/> <p style="text-align: center;">J</p> <hr/> <p>Jaime 12:8 13:25 25:13</p> <p>James 14:12 28:17 199:24 200:1,2,3,11 ,15,20</p> <p>January 11:7</p>	<p>13:2 51:3 258:3,10</p> <p>Jarrett 11:18 31:1,3 39:10,11,20 40:1 93:9,12 96:22 103:2 108:15,16,20 115:6 135:6 162:23 184:15,16 186:13 197:10 198:2 207:3,4 209:25 225:3 245:14,15</p> <p>Jason 128:3</p> <p>Jefferson 11:8 12:6,9 13:19 14:2</p> <p>Jeremiah 12:2 13:13</p> <p>job 26:8 77:20,23 79:8,11 99:9 141:4 150:22 157:19,20 162:12 164:20 217:22 228:4 229:18 236:7,16 238:11 239:4,8 240:23 241:1,6,10 242:5,9 243:9 244:19 254:25 255:25 257:11,13</p> <p>jobs 228:5,7 229:16,25 230:5,7</p> <p>Johnson 43:14,15,20, 21 44:9,21 45:1,22 61:23 79:5,12 88:25 93:18 97:15,24 98:1 106:5 143:14,15,17 227:17,18 240:9</p>
--	---	--	--

<p>join 228:12 255:7</p> <p>Judge 11:16 13:1,16,22 14:3 15:3,18,21,2 4 16:5,20,23 17:7,12 25:7,10 30:8 31:1,5 37:14 39:10,23 40:6,9 43:4,11,23 44:2 45:20 46:1,10,19,2 3 67:17 70:24 71:8,15,17 72:11,14 73:23 74:1,7 80:15 89:10 93:1,11 96:25 99:25 100:12,15 101:3,22 102:1,4,10,2 3 103:20 104:1,5 107:25 108:3,6,10,1 3,17 115:10 126:6 132:6 134:8,11 135:3 137:24 151:9,13,17 154:24 155:2,16,20 157:23 158:6,12,19 159:3 160:13,17,23 161:19 162:21 163:1 164:25 165:3,9,21 166:2,5,14,1 7 167:25 168:3,9 169:11 170:22 179:9 184:14 186:15,18,21 ,23 187:1,7,18 194:1,4,6,15 ,24 195:10 196:20,23 197:4,6,8 198:4</p>	<p>199:13,16,19 ,22 200:6,9 201:17,20 202:1,4,18 204:16,24 207:2 210:2 216:21,24 218:19,23 220:18 223:9 224:22 225:7,13,16 226:23 227:1,5 229:8 230:11,14 231:12 245:6,9,13 247:1 249:5,8 253:6 257:20 258:16</p> <p>judgment 24:4 126:22,24 127:1</p> <p>July 207:20</p> <p>jurisdiction 69:16</p> <p>justifiable 75:21 76:3</p> <p>justify 32:5 74:21 75:12 105:21 138:10</p> <hr/> <p style="text-align: center;">K</p> <hr/> <p>Kansas 12:3 13:15 32:2,10 44:20 61:21 86:12 91:13 98:15 99:12 107:2,7,21 204:6 232:10 239:5 240:24 241:2 255:25</p> <p>KCI 120:2,3</p> <p>KCPL 254:20</p> <p>Kenney 11:19 97:1 99:25 100:2,12,16 101:2 126:6,7 134:13 164:23</p> <p>KEVIN 11:18</p>	<p>key 67:2 134:4</p> <p>kick 163:22</p> <p>kilowatt 131:20 156:7</p> <p>kilowatts 132:1</p> <p>kinds 123:6</p> <p>knew 188:4</p> <p>knowledge 73:19 80:11 96:16 113:7 160:9 167:21,22 169:8 196:16 201:13 229:21</p> <p>known 68:25 118:25 136:17 163:12 165:13 168:23 169:7 170:4 183:22 190:7</p> <hr/> <p style="text-align: center;">L</p> <hr/> <p>Labor 19:5 33:11,15 74:23 111:7 126:21 128:5 138:25 161:3,6</p> <p>Lack 38:21 122:21</p> <p>laid 17:3,9</p> <p>Take 90:22,23 91:5,7,9,10, 12,18 92:4 93:19,25 94:1 98:15 99:3,17 106:14,16 107:2,9,16,2 1,22</p> <p>Language 185:23 251:20 252:10,12,16</p> <p>Large 22:24 45:6 103:21 141:12 223:15 233:9,11</p>	<p>234:3</p> <p>largely 181:2</p> <p>larger 85:18 97:23 98:11 107:8 254:16,17,18</p> <p>last 20:9 21:12,13 23:2,15 27:13,19 28:14 36:3 54:10 55:17,21 56:15 60:2 64:25 66:6 85:7 90:9 110:2 112:2 116:22 119:9 125:14,15,17 138:8 141:1 142:25 144:24 145:20 146:18 147:11 151:2 169:23 170:2,5 171:9 172:13 181:4,21,23 182:10 184:22,24 185:18 186:3,5 191:2,23,24 193:22 207:20 209:10,16,18 222:2 225:1,2,3,6 244:18 246:15 247:8,10</p> <p>late 110:16 125:11 135:9</p> <p>late-filed 102:11 258:7</p> <p>later 40:2 93:5,8 183:20</p> <p>law 11:16 12:2 28:24 111:7 127:15 128:5 138:25 214:17,18 216:22 218:6 258:4</p>
--	---	--	---

lawyer 98:18 163:4 252:20	20:4 26:3 27:1,2,15 75:21,24 78:17 79:16 81:14 82:19,20,21 83:3 84:7,21,22 85:20 99:11 106:12 123:2 126:25 127:1 132:13 179:23,24 180:6,8 182:12 184:5 191:24 192:2 193:18,19 212:3,18 222:6 227:11 228:13 232:12,25 240:15,17,19 250:11,22 254:7,8 256:23 257:9	74:17 76:16 78:1 79:4 80:1 90:9,10 105:7 138:11 155:6 172:8,19,22 176:4 177:11,25 180:17 182:10 204:4 229:14 238:13 239:15 245:1 251:17 256:15	98:23 99:2,5,12 107:4,7,12 116:17 240:20 LLC 11:22 located 91:11 130:5 location 23:3 log 146:2 logs 110:3 119:4,8 121:7,10 140:2,7 long 54:4 109:5 117:21 135:8 162:1 175:14 256:22 longer 19:4 125:15,17 146:11 150:13 212:12 216:9 long-term 224:18 long-winded 155:15 losing 138:7 loss 138:9 163:12,13 175:9,19 178:24 losses 165:13 175:22 lost 175:14 178:9,10,19 lot 33:19 40:4 53:20 69:5 84:24 86:11 98:7 120:15,16 125:15,17 181:17 189:13 204:2 205:13 206:14 208:21,23 211:16 214:1 219:15 223:14 233:17,20 237:16 238:24
learned 143:11 222:1			
least 99:23 131:11,14 150:12 151:5 221:16 225:4 243:5,18 253:12			
leave 116:24 154:25 244:22			
left-hand 191:14			
legal 12:8 19:12 30:16 55:10 121:4 122:19 126:17 138:25 183:17 194:16 202:15,16 211:8 217:9 248:3			
legally 119:16			
legislative 44:9,12			
legitimate 199:6			
less 18:7,12 63:19 94:15 113:19 151:7 157:17 193:20 214:14 229:1,3			
lessen 79:22 80:7			
lesser 101:13			
let's 91:16 118:9 136:13 169:14 175:3 211:7,8 214:3 217:19 225:7 230:10			
letter 127:15			
level 18:21			
	levels 29:21 83:10 85:12 95:9,16,17 98:10 99:8 104:19,20 105:4 179:25		
	licensing 256:2		
	lid 23:5		
	lift 98:12 142:3,6		
	lifted 141:19		
	light 46:1 204:7		
	lightning 125:10		
	likelihood 58:23 92:16,17 120:25		
	likely 146:8 217:16 218:4 229:15,25 230:1,2,5		
	limited 121:5 161:4		
	limits 218:9		
	line 21:24 22:15 29:2 42:9,14 48:1		
		lines 78:11,14 79:21 80:3,5 176:5 228:3	
		liquid 237:6	
		list 14:11 51:2 211:21 222:16 238:12 239:15,21 241:23 247:25 248:8 257:23	
		listed 32:12 136:4 242:10 256:8	
		listen 30:6	
		listing 136:2 235:23 236:3	
		lists 241:10	
		litany 219:11	
		literally 141:15	
		little 39:22 72:5 96:3 101:13 105:6 111:16,25 114:25 122:17 156:25 163:20 176:14 190:5 192:7 208:25 211:7 222:18 254:1	
		live 107:20 114:19	
		lives 178:17	
		living 50:4	

<p>255:13 lots 120:13 low 18:8 236:14 lower 78:4,8 79:23 80:8 98:25 107:17,19 lowest 118:7 193:18 lunch 54:4 158:14 165:24</p> <hr/> <p style="text-align: center;">M</p> <hr/> <p>machine 142:3,5 machinery 238:1,5 machines 237:21,22,23 238:1,2,25 magnitude 99:6 107:7 main 33:9 223:13 maintain 51:5 145:6 maintained 75:2 maintenance 45:2,5,15 51:10 70:15 77:2 145:14 157:9 major 97:18 122:18 248:18 majority 25:17 makeup 92:2 manage 51:21 145:6 246:7 managed 224:1 management 26:15 28:3,12 51:7 63:6 66:19 79:17 86:8,9 123:15 135:14,16 145:16</p>	<p>159:14 246:6 management's 246:10 manager 19:18 31:20 32:17 48:18,21,23 49:22,23 50:2,4 66:10 76:17,22 77:1,9,10,22 78:4,25 85:23 109:9,15 110:7 111:13,14,18 ,19,22,23,24 112:14 113:13 116:3,4 127:6 139:22 142:10 143:25 144:3,8 151:1,8 162:11,14 200:18 207:24,25 222:2 227:11 232:7 233:18,20 234:14 235:2,4,9,12 ,14 239:12,19,22 241:2,4,5,8, 11,12,13,16, 20 243:19 244:3 255:24 256:5,14 257:10 managers 86:4 152:12 235:18 manager's 77:15,17 78:16,23 79:22 80:7 106:10 110:8 116:12 150:20,22 234:17 236:3,7 239:16 managing 66:25 123:17 mandates 134:17</p>	<p>manhole 141:18 manner 64:8,9 84:24 85:7 207:13 210:18 mark 15:9,10 71:22 166:9 170:24 195:5 marked 15:14 40:14 71:20 72:1 73:4 158:22,25 159:18 166:12 167:6 186:25 187:5 195:8 199:25 200:4,22 225:11 231:12,14,17 ,21 market 20:2 26:8 32:1 52:9 74:23 75:24 76:2,18,23 77:6,15,18 113:15 152:3 154:8 234:5 243:10 244:21 255:11 256:25 257:3,7 markets 154:9 Martin 14:13 27:25 100:24 195:4,5,6,13 ,17,23 material 75:1 materials 110:23 118:16,17 133:3 math 124:17 matter 11:13 13:4 16:11 20:8 30:20 139:9 208:15 246:22 259:5,10 matters 14:10 17:14 257:23,24 258:17</p>	<p>maturing 144:21 152:1 maximum 116:11,14 may 17:17 19:4 24:3 25:12 28:4 31:7 39:16 42:19 44:2 46:21,23 71:15,17 72:14 89:8,10 94:21 98:17,19 110:23 115:16,22 131:4 158:1 159:3,5 163:22 164:8 165:22 166:17 170:21,22 185:16 194:2,3,4,6 199:20 200:10 206:3 208:3,14 210:19 213:11,14,15 214:16,20 215:17,18 225:16 242:6 243:6 244:23 251:2 252:18 maybe 41:13 51:14 54:3 94:22 111:25 130:13 175:15 180:13 206:19 212:13 214:24 222:10,17 234:4 245:2 mean 47:22 53:15 58:19 60:20 82:12,18 83:17 84:7,11,12 85:23 98:4,7 114:18 121:19 122:25 128:17 132:22</p>
--	--	--	--

<p>143:12 151:21 154:1 177:22 179:7 186:3 188:23 193:5 209:6,14 215:15 217:21,24 220:12 222:23 228:11 232:10 246:12 248:20,25 254:7</p> <p>means 98:9 252:18,19</p> <p>meant 106:18 188:21</p> <p>measurable 69:1 170:4 190:7</p> <p>mechanized 238:8</p> <p>median 84:11,12,13 85:24 86:3,13 232:11 254:7</p> <p>meet 33:15 121:4</p> <p>meeting 44:11 48:14 71:2 81:18 142:12 149:20 150:7 222:4</p> <p>Mega 217:16</p> <p>member 101:18 109:8 143:10 228:18,19,25 229:1</p> <p>members 96:11 104:22 228:5,6</p> <p>memo 86:1,3 102:7</p> <p>memorandum 82:25 83:23</p> <p>memorized 251:3</p> <p>memory 246:14</p> <p>mention 119:23 125:1</p>	<p>224:11</p> <p>mentioned 76:14 125:2 187:15 205:10</p> <p>mentions 119:22</p> <p>merely 36:8 128:18</p> <p>MERIC 32:10 74:22 76:7,11,12 78:17 80:12 82:14,22 83:21 84:3,5,9,18, 25 85:4 116:10 229:15,24 230:3,10,18 231:5 232:4 240:23 253:8 255:13 256:15</p> <p>M-E-R-I-C 232:4</p> <p>merit 138:10</p> <p>merits 135:10</p> <p>met 120:9,13 244:17</p> <p>metal 62:13</p> <p>methane 58:21 130:12</p> <p>methodology 94:22 206:19</p> <p>methods 85:9 197:19</p> <p>metro 98:15 99:13</p> <p>metropolitan 91:13 107:8,20 228:8 253:18</p> <p>microphone 134:9 151:10</p> <p>middle 62:14 109:24 174:12 191:9</p> <p>mid-point 116:11,13</p> <p>mileage 37:3 140:2</p>	<p>miles 120:1</p> <p>million 61:25 88:20 89:21 90:4 215:17</p> <p>Millions 217:16</p> <p>mind 63:1 75:15 104:13 230:15 255:6</p> <p>mine 176:25</p> <p>minus 174:15 176:4,5 177:10 178:6,7</p> <p>minused 190:25</p> <p>minuses 188:16</p> <p>minute 52:24,25 53:4</p> <p>minutes 44:11 142:10 246:22</p> <p>miss 14:15</p> <p>missed 55:20 64:25 140:22</p> <p>missing 128:1</p> <p>Missouri 11:2,8 12:3,6,9,10 13:15,19,23 14:1,2 25:14 61:17,21 72:24 118:20,22 159:13 167:2 195:20 200:17 215:15 222:24 226:2 259:4</p> <p>misunderstood 235:6</p> <p>model 123:14 124:3,8,15,2 1 132:12,16 133:7,17,19 135:12,13,20</p> <p>models 133:25</p> <p>model's 66:18</p> <p>moments</p>	<p>257:14</p> <p>Monday 258:3</p> <p>money 34:5,18 63:13,14,16 65:17 100:21 107:14 118:11 120:15,16 122:10 137:9 138:8 139:11 178:18,19 197:16 249:17 250:5</p> <p>monies 107:14 248:23</p> <p>monitoring 164:2</p> <p>month 22:21 39:3 163:25 246:15</p> <p>monthly 163:17,19,23 212:11,18</p> <p>months 124:13,18 206:20 213:11 246:16</p> <p>morning 13:2 23:12 25:12 33:8 47:2 67:22 74:10,11 93:13,14 108:21,22 112:3 159:9 161:1 173:21 245:16</p> <p>mostly 30:11 119:21</p> <p>motions 14:10</p> <p>move 49:22,23,25 65:11 99:5 116:20 122:14,15 142:5,6 210:22</p> <p>moved 182:3</p> <p>moving 20:12 56:10</p> <p>multiple 76:10</p>
--	---	---	--

<p>multitude 76:13</p> <p>municipality 157:15</p> <p>myself 72:5 111:12</p> <hr/> <p style="text-align: center;">N</p> <p>name's 195:17</p> <p>narrowing 217:23</p> <p>natural 25:23 28:8 57:7,8,9,11, 14,22 58:2,3,5 118:2,6,13 119:23 120:5,8,9 122:5,8 129:15 137:9,12 156:8 198:8,10,13 199:2,4,8</p> <p>nature 85:15</p> <p>necessarily 33:23 98:7 115:21 203:5 208:7,11 210:20 219:19 250:16,19</p> <p>necessary 149:8</p> <p>necessity 24:18 91:7 252:2,14</p> <p>negative 138:11</p> <p>negotiate 153:20 154:5</p> <p>negotiations 151:4 186:8 208:5,12</p> <p>neither 259:9</p> <p>net 138:9 172:22,23 173:10 174:11,12,15 175:9,19 176:8 181:9 193:10</p>	<p>netted 172:9 173:10 189:17 190:22</p> <p>night 109:24 110:3 112:2 211:16</p> <p>Nilā 14:13 158:21 159:6,11,16</p> <p>Nilā's 158:22</p> <p>nobody 43:9</p> <p>none 16:1 39:14 46:15 74:1 132:8 168:3 191:6 201:20 227:1 245:9 258:18</p> <p>nonexempt 113:1 126:18 128:20 139:5</p> <p>non-exempt 26:14 111:9 112:22 126:15 127:22</p> <p>nonlegal 55:14 64:7,9</p> <p>non-profitable 157:14</p> <p>non-regulated 135:21</p> <p>nonrelated 98:18</p> <p>nonunion 228:6,18 230:4,5 254:2</p> <p>nonunionized 228:4 229:17,22 254:13</p> <p>nor 259:9,13</p> <p>normal 26:23 33:5 38:5 44:12 51:9 65:22 66:14 70:16 75:23 138:22 209:6</p> <p>normalization 183:15</p> <p>normalized</p>	<p>35:6 37:4 168:17,18 182:6,12 183:7 184:4 185:11</p> <p>normally 68:21 114:9 181:19 185:4,19 197:14 207:7,10 208:21 209:14</p> <p>northwest 118:19</p> <p>Nos 15:14 16:3 40:14 46:17 72:1 74:3 158:25 160:19 166:12 168:5 195:8 200:4 201:22 225:11 227:3 231:14</p> <p>noted 16:9 154:13</p> <p>notes 16:10 155:18 157:2</p> <p>not-for-profit 94:4</p> <p>nothing 135:1 244:20</p> <p>notice 94:13 171:11 190:15 221:6</p> <p>notifications 110:16</p> <p>November 149:20 150:1,4</p> <p>numerous 118:12</p> <hr/> <p style="text-align: center;">O</p> <p>O&M 86:17 249:20,24 250:5,22</p> <p>oath 104:8 108:15</p> <p>ob 255:5</p> <p>object 43:6 154:18,19</p>	<p>155:5 194:10 202:14 204:9 214:25 215:2 223:3</p> <p>objecting 15:25 205:4</p> <p>objection 38:21 46:3,11 73:25 155:3,22 168:2 194:14,16,23 196:22 201:19 204:24 205:3 223:11 226:25</p> <p>objections 43:4 46:13 73:23 160:13,15,16 167:25 194:8 196:20 201:17 226:23 245:6</p> <p>obtain 44:8</p> <p>obviously 58:11 65:9 67:6 68:18 109:19 117:23 122:18 128:7 144:7 151:6 156:18 214:7 216:19</p> <p>occasions 162:17</p> <p>occupation 32:10 86:8,9 236:22</p> <p>occupational 235:17</p> <p>occupations 234:13</p> <p>occur 44:11 58:23 206:5</p> <p>occurred 124:25 141:6 150:21</p> <p>occurs 65:11</p> <p>October 25:19</p> <p>odds</p>
--	--	--	--

<p>137:1,2,9 offer 15:8 43:2 73:21 128:1 160:11 167:23 194:6 196:19 201:15 226:21 239:4 245:4 offered 127:8 offering 43:5 101:24 160:14 168:1 179:11 194:7,8 196:21 201:18 226:24 241:1 245:7 offerings 240:24 offers 34:18,19 office 12:7 13:17,20 14:14 19:18 31:9,20 32:17 48:23 49:23 53:22 79:22 80:7 110:6,8,10,2 2 111:13,19,21 ,22 116:3 127:6 139:22 142:12 156:19 162:11,14 168:10 210:12 216:20 226:2 234:12,13,16 ,22 235:1,3,8,11 ,17,22,25 236:3,7,10,2 2 242:20 244:3 246:21 256:5 officer 13:8 143:9 232:19 233:2 235:14 offset 20:19 21:7 offsetting</p>	<p>137:12 Oh 111:24 135:23 157:4 165:7 170:16 174:4 213:1 241:25 250:9 oil 119:21 okay 15:20 16:23 17:7,12 30:15,24 38:11 41:18 42:2,14,22 43:1 47:6 50:20 66:5 69:19 70:11 75:11,23 76:21 77:8,25 81:10 82:3 83:17 84:7 87:13,23 88:15,25 89:15 90:11 93:22 95:24 96:21 99:22 100:12,25 102:6,10 104:1 105:14 106:25 109:17 113:3,16 115:19 117:1,12 118:9 125:25 126:3 127:5 129:9,21 132:20 133:15,16 135:11 136:19 140:11 142:25 146:13,18 147:23 151:19 162:19 164:21 170:6,16,20, 24 171:10,11 174:4 175:5,20,25 176:19 177:1,2,3 178:5,17 179:19 182:9,15,17, 24 184:11,24</p>	<p>186:13 188:1,21 190:20 192:18 193:9 198:2,18 199:11,19 206:25 207:22 209:23 210:22 214:10 215:20 222:14 226:14 228:2 231:7,25 232:8 234:11 235:3,4,15 236:9 237:5 238:17,20,23 249:24 250:15 252:17,20 254:1 old 119:8 oldest 119:3 ones 211:25 219:21 242:7 ongoing 20:8 70:15 182:12 184:4 onsite 45:18 onto 21:8 34:24 116:18 122:15 210:22 251:22 OPC 68:1 80:11 218:12 OPC's 247:11 open 110:10,11 239:10 opened 223:10 opening 16:8 17:15 25:10 31:6 95:25 operate 52:10 145:6 162:8 237:20 operating 34:23 52:19 87:24 88:1 106:4 132:25 133:17</p>	<p>171:3,13,14, 18 172:22,23 174:11 175:7,16 176:2,22 177:4,5,15,1 8 190:5,13,22 191:17 operation 45:1,5,14 50:2,3 51:9 111:24 116:12 145:14 157:8 216:22 218:6 233:17 250:3 operational 145:18 235:12 operations 31:20 34:20 48:18 52:4 53:22 63:7 76:17,22,25 77:3,10,14,2 2 78:4 94:10 98:13 110:23 111:12,18,22 112:14 113:13 116:4 142:10 143:8 144:10,14 150:22 151:7 162:6 232:7 235:10 243:19 operations- type 112:13 operator 19:18 31:21 32:18 48:25 49:13,25 67:5 80:19 82:19,20 83:16 112:11 127:4 140:15,25 150:23 237:7,9,10,1 2 238:25 244:5 256:14,15 operators 140:8 152:12 operator's 150:20</p>
--	---	---	--

<p>238:11 opinion 19:25 62:23 94:7 97:21,22 126:17 127:8,23 128:1 131:6 138:25 154:2 228:5,24 229:5,20 234:9,10 243:17 253:3 opinions 179:2 opportunity 53:21 100:13 137:11,14 206:3 opposed 148:22 172:7,15 176:23 181:22 210:12 opposes 33:2 opposing 155:19 opposite 54:1 opposition 149:1 216:7 option 58:12 131:10,15 options 59:1 129:17 130:17,21 131:8,17 oral 128:6 orange 77:21 order 51:6,19 75:16 79:23 80:8 138:16 140:8 206:16 211:9 217:8 orders 140:3,4 206:22 organized 185:23 original 150:23 188:22 189:14</p>	<p>others 124:6 otherwise 68:19 94:23 259:13 Ott 12:8 13:25 14:3,25 16:14 17:6 25:12,13 30:9,14,23 31:5 38:20 42:15 43:6,19 45:20,21 46:4,21,25 47:1,5,7 67:15,18 71:17,19 72:3,6,15,16 ,19 73:21 74:5 79:25 89:16 101:22 102:1,6 103:20,24 104:10 107:23 108:6,11 132:10 134:8,10,12 135:1 155:5,12 158:16,19,21 159:5,8 160:11,21 165:5,10,19, 25 166:8,20 167:23 168:7 174:1 186:24 187:2,9,13,2 1,23 193:25 194:4 195:4,15 196:18 197:2 199:18,24 200:12 201:15,24 202:14 220:19 223:7,19 224:20 227:7 229:6 249:7 255:5,8 258:6,12 ourself 216:13 ourselves 63:5 217:13</p>	<p>outages 112:1 outcome 48:13,15 50:13,15 81:24 134:24 259:14 outflow 173:2,8 189:16 outflows 173:1 outing 51:18 outlay 163:19 outlays 163:23,25 out-of-pocket 148:17 173:5 outside 38:5 56:2 110:15 153:8 208:23 224:13 outstanding 210:15,16 overall 37:10 68:16 86:19,20 overlook 54:3 overrule 155:22 223:11 overruled 46:11 202:18 204:25 oversight 122:21 123:5 overtime 18:21 19:3,6,9,16, 19,21,22 25:22 26:3,14 31:11,16 32:15,17,20, 21,25 37:17,22,25 38:5,9,13 39:13 50:8,12,15,1 9 51:25 70:6,12 74:13 80:20 81:1,4,12,15 ,17,23 82:1</p>	<p>90:16 96:4,20 100:6,9 102:19,20 110:15 111:5,16 112:21 113:2 128:16,24 129:10,11,13 134:14,16,22 ,23 138:18,22 139:20 140:1,13,15 141:1 163:21 165:16 244:6 owned 93:23 94:1 119:18 owner 57:20,21 owning 34:23 oxymoron 17:22 Ozark 91:5 92:5 94:1 106:19 107:2 Ozarks 91:10,12 98:16 99:4,17 107:22</p> <hr/> <p style="text-align: center;">P</p> <hr/> <p>p.m 112:2 pace 150:11 page 42:7,14 47:3 49:24 66:6 74:16 76:16 78:2,11,13,1 4 79:3,21 80:2,5 83:6,9 87:17 89:16 90:8 91:17 105:7 169:16,17 171:11,12 172:25 176:3,20 177:3,15 178:12 182:9,22 188:11 189:9 227:21,24 229:12,14 232:7 234:11</p>
--	---	---	---

<p>236:5 237:5 238:10,13,20 ,22 239:11,15,18 241:14 251:13,14 pages 171:9 241:9 paid 19:6,10,20 20:4 21:15 38:8 76:4 77:9,17 82:2,20 83:10,11 85:6,14 86:20 102:19 105:5 111:4 114:10 143:10 145:23 151:7 152:8 156:23 228:6 229:1,3 painless 115:15 panel 23:14,15 125:3,4,11,1 2 142:20,22 164:1 panels 125:14 148:11 pans 63:24 papers 231:8,19,24 235:21 paragraph 16:9 127:21 parameters 121:1 park 23:3 141:6,8,10,1 1 parks 141:13 142:13 partial 15:10,19 16:10,24 25:19 102:7 210:7 participating 22:13 particular</p>	<p>40:4 82:13 84:4 107:13 172:18 175:5 194:17 204:15 206:2 210:17 211:19 248:5 250:20 particularly 118:19 228:8 232:20 246:5 parties 14:16 16:13 17:1,2,8 25:16 101:10 158:13 208:8 210:11 216:17 220:1 249:24 250:23 259:10,13 party 15:25 43:9 206:2 pass 21:22 22:15 30:4 114:23 203:11 204:3 passed 21:8 204:1,14 207:12 pass-through 28:19 29:12 30:5 31:14 35:11,21 36:2 202:8,11 203:14 220:22,23 221:3 pass-throughs 221:2 past 35:15 56:1,7 182:3 183:3 pastures 243:6 patient 155:13 pause 213:20 pay 19:21,22 23:1 32:3 35:7 50:15,18 95:22 97:13 98:14 104:19</p>	<p>107:1 111:16 112:22 116:7,9 128:12 131:3 134:14,16 136:4,9,21 137:18 148:18 153:23 154:2 157:17 203:7 229:17,18,21 ,22 pay-back 199:5 paying 19:22 50:19 59:11,12 81:23 100:9 104:25 128:15 129:10,11,12 136:12 138:19 156:20 163:17 214:17 221:12 243:16 payment 50:8 138:22 payments 110:17 payoff 121:23 payroll 16:16,21 33:1 43:17 44:22,23 74:18,21 75:4 76:8 229:15,24 243:25 pays 81:3 pegged 20:1 pending 14:9 people 15:4 37:22 66:17,24 67:4 91:25 99:16 103:15 121:12 141:15 153:23 157:10 162:13 215:14 220:3</p>	<p>237:1 244:22 255:20 people's 133:25 per 22:21 32:16 35:7 47:9,13 60:4 78:23 106:8,12 109:11 111:19 115:1 135:7 153:18 192:5 212:11 247:9 percent 18:7 37:2 45:13 47:16,17 78:23 81:20 88:12 90:2,3,13,15 99:6 121:15 147:10,12 213:10 243:23 244:1,4 percentage 18:11 86:16,21,25 88:4 107:14 121:14,17 percentages 47:15 106:3 percentage- wise 90:6 perform 19:19 114:10 performed 82:17 83:25 performing 37:22 perhaps 180:13 194:20 243:2 251:6,18 253:12 period 21:5,6,12,17 22:21,22,24 23:22 66:12 70:7 147:25 168:22 170:5 182:6 185:12 189:10 233:1 permission</p>
--	---	---	--

<p>213:10 permits 110:12 permitted 43:18 permitting 145:17 person 112:13 164:13 213:16 235:8 240:2 256:17 personal 96:16 113:7 personnel 45:5,7,12,14 51:21 86:16 87:23 89:25 90:1,5,13,15 106:3 133:12,21 134:4,6 perspective 44:22 70:4 122:1 163:16 pertinences 156:12 Peterson 12:2 13:14 36:24 37:3 phone 81:18 131:25 140:7 phones 14:5 physical 132:24 physically 110:20 pick 22:25 110:25 picked 64:21 112:2 230:23 picking 234:6 pie 89:19 piece 174:12,16,19 194:17 pieces 174:6 piggy 34:8 pike 152:10 pilot 120:18,19 122:12</p>	<p>214:12 215:12,23 216:5,16 219:16 224:24 pipes 214:21,22 placed 34:8 places 139:5 plaguing 149:21 plainly 34:11 plan 19:22 48:9,17 50:11 54:6 58:8 59:20,25 65:4 132:1 133:21 planning 57:24 plans 64:19 plant 19:17 49:13,25 50:4 62:14 68:2,8,13,20 80:19 127:3 132:18,22,24 133:12,18 134:6 140:14,25 147:19 150:20 156:19 237:8,12 241:11,12,16 ,20 255:24 Platte 20:21 47:10 48:2 93:19 106:5 152:17,25 153:2,10 Plattsburg 118:23 play 233:6 played 81:24 please 14:5 17:17 25:12 31:7 40:12,19 47:3 72:7,20 74:19 78:1 79:7 86:18 151:10</p>	<p>158:20 159:9 166:15,21 170:21 177:2 187:24 195:11,16 200:7,9,13 225:14,22,23 227:10 237:3 pleasure 126:11 plowing 126:13 plus 18:16 178:7 PO 12:6,9 13:19 14:1 point 19:21 20:8 23:25 24:15 39:23 54:12,21 59:17 62:13 67:7 71:9 83:16 84:2 111:14 118:12 119:2 120:7,13 121:24 130:22,24 137:20 140:21 142:14 144:17,22 146:24 151:21 157:11 165:24 178:25 179:8 204:13 205:9 210:25 212:9 214:15 242:24 248:25 249:2 251:6,19 254:4 points 83:15 86:3 134:5 234:4 policy 28:23 30:20 50:12 183:4 Pollution 87:21 portion 36:7 75:10 81:2 258:8</p>	<p>position 30:7 32:7,12,13,2 3 33:17 34:3,8,25 35:23 36:21 37:1 49:2,15 76:22,24 77:8,11,16,1 7 78:15,22 79:7,9,12,23 80:8,12,18,2 3,24 81:3,11,14,2 0 82:1,2,7,11, 13 83:4,20 85:11,23 86:15 87:9 94:13 104:22 112:12 113:2 136:20 144:3,4,8 183:14 234:5,21,24 235:22,25 236:16,18,19 237:8 239:6,12 240:17 241:16 243:9 245:20,24 254:6 255:1,24 256:6,8,16,1 8 positions 31:19 32:13,18 79:5 81:21 83:12 85:14 95:20 113:15 128:5 139:4 143:16 152:10 227:20 230:20,23,24 231:19 235:23,25 237:15 243:10 253:22,25 254:8,10 255:12,18,20 possibility 28:8 58:10 198:10 219:7 236:14 242:8 possible</p>
--	--	--	--

<p>20:15 54:5 58:18 59:16 180:11 216:15,25 217:1,15 218:3 258:11 possibly 19:4 54:14 128:22 246:6 potential 28:9 122:19 125:20 222:16 potentially 28:23 29:5 106:23 115:17 214:2 248:9 pounds 142:2 power 57:15,25 58:6 61:11 63:6 118:2 120:10 198:24,25 204:6 PowerPoint 43:8 practice 33:5 56:7 69:21 75:24 129:9 163:4 188:15 246:3 practices 36:16 66:19 145:5 Prairie 65:10 141:9 156:18 precedential 211:14 predictive 145:14 prefer 55:2 pre-filed 194:19 pre-funded 66:2 preliminarily 15:6 preliminary 17:14 prematurely</p>	<p>185:17 premise 233:13,16 244:11 Prenger 14:13 26:1,4,10 71:19 72:9,12,17,2 1,25 74:5,10 80:18 93:13 96:24 101:4 104:3,6,7,11 107:25 108:7 113:17 114:5 157:18 164:9 257:16 Prenger's 47:8 71:23,24,25 234:20 236:2,16 237:13 238:10 239:13,14 241:10 prepare 133:2 249:13 prepared 40:24 41:18 73:1,6,7 99:23 159:17,22 166:7 167:4,9,10 195:24 196:4 200:21 201:1 205:20 220:15 226:5,8 present 14:16 51:24 presentation 43:8 45:4 presentations 44:11,13 presented 44:25 69:5 presently 19:19 81:3 president 109:7,9 143:6,25 presiding 11:16 13:8</p>	<p>presume 244:25 pretty 17:24 18:12 19:23 47:19 52:13,21 58:12 60:1 70:25 103:11 109:21 110:5 131:19 217:22,24 229:19 previous 30:11 35:9 146:15 154:22 previously 73:1,3 108:18 159:17 167:4,6 195:24,25 200:21 247:6 price 24:2 26:8 priced 83:11 85:13,21 86:7 113:12 pricing 85:16 primary 110:8 principles 55:3 prior 27:8 35:25 56:3,25 75:1,8,10 81:20 104:18 155:21 189:5,6 227:14 priority 150:1 private 157:17,20 163:4 privately 93:23 94:1 proactive 123:16 probability 22:23 57:1,10 123:22 124:1</p>	<p>probable 217:1 probably 22:13 59:8 62:24 64:3 65:10 92:16 107:9,11 116:16 118:8 121:15,24 150:3,9,13 165:25 179:16 188:4,6 220:9 224:11 236:17,19 242:3,4 246:14 248:21 252:23 254:13 problem 97:5 109:25 115:14 153:12 247:23 258:14 problematic 26:21 problems 21:21 procedure 36:13 procedures 162:15 proceed 16:8 44:3 67:23 68:7 72:15 158:14 159:5 166:17 200:10 225:17 proceeding 17:20 183:18 PROCEEDINGS 11:5 process 23:10 25:18 56:13 58:20,22 66:24 104:14 105:25 117:15,18 130:9 152:1 168:16 169:5 173:13 216:9 237:21 238:8</p>
---	---	--	--

processes 59:6	206:10 214:4	140:1,6 152:7 162:18	79:21 80:6 81:7 124:11
processing 123:24	property 20:20,22 24:9,17 28:8	231:8,19 234:18 235:20	130:25 135:3 141:22 142:13
produce 57:16,17 58:24	117:20 119:15 252:1	239:25 240:22 257:14	145:7,8,12 149:7 154:13,17,21
produced 57:14 140:3,9 175:19	proposal 114:1 116:6 168:15 169:5 202:8 214:7	providing 45:12 67:4 208:17	157:12,14,16 ,20 159:13 160:24 161:2 165:1 167:2
production 57:14 58:19,21 119:24 120:5,12 122:6 130:2,6 148:13 156:16,17 197:21 241:13	proposals 203:13	provision 208:17	168:10 169:4 182:11 184:2 186:19 194:13 195:20 197:4 199:14 200:17 202:2 210:13 212:7 213:3 214:25 216:20 218:21 226:3 242:19,20 252:1
productions 118:25	propose 79:23 80:8 125:25 243:4	prudent 27:5 29:24 36:15,22 183:23 206:15 215:1	publish 44:10
professional 144:19,22 145:13 153:14 234:10	proposed 56:22 82:7 95:16 235:2 256:1 258:4	PSC 18:4 21:10,12,13, 15,23 22:3,12 27:2,15,18 28:18,24 29:3,12 30:4 31:13 35:3,5,8,24 64:4,11,13 149:22,25 202:6 203:3,13,15 204:18 207:7,9 211:13 214:24 220:23	pull 203:1,13 212:15 214:14,16 221:9,12,14, 18
profit 18:13 67:12	proposing 80:20 81:10,13 203:10 219:5	protection 203:3,13,15 204:18 207:7,9 211:13 214:24 220:23	pulled 46:6 79:10 105:11 135:25 221:11
program 214:13 215:12,23 216:5,17 219:16	proposition 121:15	public 11:1 12:5,7,10 13:17,20,23 14:1,14,24 24:9,18 25:14,23 29:16 31:9 32:7,12,23 33:16 34:3,6,23,24 35:23 36:20,25 37:7,10 38:12,20 44:14 45:16 46:13 54:21 63:10 67:19 68:9,22,24 69:14,17 72:24 74:8 78:15,18,22	pump 23:2 51:15,17 65:10,12 110:1,4 112:3 125:6 136:13 141:16 248:23
prohibited 35:22	protect 29:9 136:21 228:21	protective 37:12	pumps 50:25 142:15 237:23,24 238:2
prohibition 27:10 55:7	protections 34:12,20 38:22	protects 33:6	pun 248:15
projected 165:16	prove 75:17 140:17	proven 144:24 248:19,24 249:12	purchased 221:4
projects 26:19	provide 29:1 55:17,23 59:13 62:6,7,8 88:7 91:6 139:25 153:3 233:10,14 241:1 250:2	provided 18:23 26:1,11 29:7 32:9 74:25 84:25 89:3 93:17 139:25	pure 32:21 144:10 223:4
promoted 143:15	promotion 208:4		purpose 44:16 163:8 250:1
proof 19:9	proper 24:5 232:12		purposes
properly 29:9 205:14			

<p>39:24 95:6 164:18 pursue 131:2 pursuing 131:15 pursuit 118:7 push 222:8 putting 216:18</p> <hr/> <p>Q</p> <p>qualification s 105:8 qualify 26:14 253:2 quality 94:9 103:3,9 quantities 57:8 quantity 57:11,23 quasi 152:11 quasi- governmenta l 69:12 70:2 quasi-public 157:12 question 18:22 19:23 22:19 24:5 30:16,20 38:3,20 39:25 40:2 50:22 53:9 63:9 68:4 72:4 74:17 77:25 96:3 100:17 101:4 102:17 110:4 111:8,13 113:16 126:14 127:23 129:14 131:9 161:2,20 163:12 165:12 175:13 177:2,21 182:8 185:17 187:16 191:10 197:13 198:6 199:12</p>	<p>208:13 215:9 222:17 223:7,8 228:16 229:11 235:13 245:19 246:24 249:11,15 questionable 126:20 questioning 155:6 223:10 questionnaire s 253:19,20 questions 16:6 25:7 30:8,11 31:2,4 37:14 41:21 60:23 67:16 70:22 71:3,5,10 73:14 80:14 92:25 93:1,6,8,10, 12 96:23 97:2 99:23 100:1,2,3 101:3 102:13,25 103:18 107:24 108:4,20 115:7,11,16, 17 116:1 126:7,12 132:4,6,8 137:22 155:7,12,14, 18,20,21 157:22 160:4 161:17 162:15,20,21 ,24 163:2 164:24 165:1,8,20 167:17 169:9,16 179:3,5 184:12,14,16 ,20 186:14,17,19 196:11 197:5,7,8,10 198:5 199:14,15,17 201:8 202:3 207:1,2,4</p>	<p>210:1,3 218:20,25 219:11,15 220:17 224:3 226:15 229:7 245:4,13,15 247:2 249:5 253:1,4 257:18 quick 16:6 30:10 37:17 38:2 101:4 124:16 163:11 198:6 199:20 quicker 181:18 quickly 14:11 100:5 117:22 206:1 248:12 250:4 quite 20:24 82:23 103:17 140:21 153:6 171:19 230:20 238:2 239:21 quote 53:21 quoting 92:1</p> <hr/> <p>R</p> <p>radius 119:10,19 raise 116:4,5,18 166:15 195:11 200:7 225:14 229:18 raised 155:19 raises 229:17 ran 103:13 124:4 180:16 random 32:4 range 49:22 60:1 84:17,18,19 95:7 112:8 113:14,25 116:10 153:24,25 154:12 236:13 257:7</p>	<p>ranges 154:8 rarely 163:7 rate 11:13 13:4 17:19,20,23 20:6,7,9 21:9 22:6,11,14 25:18,22 26:7 27:2,5,8,9,1 3,20 29:24 30:12 31:14 32:20 35:9,16,25 36:3,4,8,12, 22 37:9,25 45:2 55:16,17,21, 24,25 56:4,5,7,8,9 ,10,11,14,15 ,23 63:18 85:24 101:12 116:20,22,25 138:12,15 141:21 142:25 144:6,17 145:20 146:5,6,7,8 149:24 151:2 162:3 168:15,16,18 169:2,4,6,23 ,24 170:2,5 171:22 172:1 173:14 174:8,24 179:15,17,21 181:21,23 182:4,13 183:1,7,9,17 ,22 184:5,24 185:5,8,10,1 2,23 186:3,5 188:13,18,19 ,23 189:5,6 190:11 191:2,17,23, 24 193:22 202:25 207:8,9 208:6,17,21 209:1,6,10,1 3,15,16 210:17 211:15 212:19 218:7</p>
---	---	--	---

<p>220:5 221:16 223:6 234:5 239:6 240:13 243:20 244:21 247:8 252:13 253:17 rate-base 17:2 24:24 39:4 68:3,9 173:15 174:10 207:18 224:9,13,17 rate-making 27:10,11 35:17,20 36:15,16,17 39:1 55:4,8,14 173:12 178:13 202:9,13 215:25 251:21 ratepayer 21:8 67:9 ratepayers 13:21 22:16 28:5,6,11 29:10 34:2,5,7,19, 20 37:13 62:11,23 63:11 114:15,18 137:8,18 ratepayer's 29:2 rates 18:15 21:14 23:21 26:4 27:3 28:2 36:6 37:11 42:11,19 52:11 54:23 56:15,19 68:21 69:2 70:16 76:2 95:23 114:16 124:20 171:23 179:23,24 180:2,7,9,15 ,16 181:22,24 188:24,25</p>	<p>189:1 190:13,14,17 ,18,23 191:19,20,21 ,22,23,25 192:3,22,24 193:3,4,14,1 6 207:11,21 209:7 218:8 219:4,6 221:9,10,12 224:14 229:21,22 243:10,16 251:24 253:21 254:15 255:12,15 rather 31:25 42:22 111:16 179:2 210:7 ratio 47:13,20 48:3 ratios 47:17 re 180:16 221:7 reach 22:22 212:11 reaches 212:17 reader 188:6 reading 80:1 180:10 187:15 188:1 189:22 230:15 ready 93:7,9 real 16:6 23:8 37:17 119:25 124:5 130:2 137:11 178:9,15,18 246:10 reality 154:3 realize 101:10 151:21 176:13 177:20 188:10 realized 188:2 really 18:8</p>	<p>51:5 60:7 62:15 63:14,16 79:16 100:5 110:9 115:23 117:22 119:9,22 128:6 130:6 144:6,8,9 148:8,16 151:2 152:2,5 164:14 177:16 194:11 206:12 209:20 215:13 216:8 218:9 220:3 246:11 reason 90:19 116:3 118:9 119:12 124:14 131:10 136:14 146:25 234:20 240:12 253:16 reasonable 24:8,12,16 26:7 27:5 29:20,24 32:6 36:6 37:12 75:13 76:24 77:3 85:3 86:16,23 87:2 88:18 95:8,12,23 104:16 105:1 114:1,3 136:20 137:8 138:15 147:24 183:23 206:18 257:5 reasonableness s 179:20 reasonably 183:19 reasons 18:14 119:17 248:19 rebuttal 40:24 41:8</p>	<p>71:24 73:2,7 76:16 87:13 91:17 155:10 158:24 159:18,22 160:5 166:10 167:5,10,14 169:15 171:6 182:18 183:25 188:2 189:7,9 195:7,25 196:4,8 198:7 200:2,21,25 201:9 225:10 226:5 227:22,25 229:12 238:17 251:13 rec 141:13 142:13 recalculated 180:20 recall 96:2 108:4 185:15,22 186:2 241:20 recalling 71:5 receipt 21:25 204:19 220:21 receipts 202:11,20 203:18,19,20 ,22,25 204:3,11 receive 34:19 48:16 50:4 received 16:2,3 28:6,9 46:15,17 61:24 62:3 74:2,4 101:18 126:17 160:17,19 168:4,5 194:25 195:2 196:23,25 201:21,22 227:2,3 245:10,11</p>
--	---	---	---

<p>receiving 62:15 106:24</p> <p>recent 20:17 152:20 168:18</p> <p>recently 145:9</p> <p>recess 104:4 166:4</p> <p>recognize 67:11</p> <p>recognizes 179:10</p> <p>recommend 232:5</p> <p>recommendatio n 87:3 99:11,18 121:12 257:1,5,8</p> <p>recommendatio ns 98:23 243:11</p> <p>recommended 87:3,11 95:9,23 169:6 242:19 243:22</p> <p>recommending 111:3 161:12 205:5 207:16 247:4</p> <p>reconciliatio n 15:9,12 37:6 94:14</p> <p>record 43:2 45:16,21 46:16 51:16 72:4,8,20 73:22 74:2 104:6 159:10 160:12,18 166:3,6,22 167:24 168:4 194:5 195:16 196:19,24 200:14 201:16,21 225:23 227:2 245:10</p> <p>recorded 172:8</p> <p>recording</p>	<p>14:7 246:9</p> <p>records 43:21 51:23 53:6,10 119:23</p> <p>recover 21:5,17 23:21 27:22 35:14 109:1 147:19</p> <p>recovered 21:16 27:9 33:24 36:6 209:7,9</p> <p>recovering 27:12</p> <p>recovery 21:3 31:12 34:4 35:8 36:18 100:18 209:15</p> <p>recross 102:13,23 132:8 164:25 186:18 199:13 218:20 249:5</p> <p>RECROSS- EXAMINATION 102:16 103:1 132:10 135:4 219:1 249:10</p> <p>red-face 114:23 116:15</p> <p>redirect 71:6,9 93:5 103:21,22 104:3,7,10 137:24,25 138:1 165:9,10 186:23 187:13 199:18 220:18,19 224:21 253:6,7</p> <p>reduce 137:15 154:14 197:19 243:3</p> <p>reduced 259:8</p> <p>reducing 80:21</p>	<p>reduction 26:20 99:18 247:4</p> <p>refer 90:21 172:12</p> <p>reference 30:17</p> <p>referred 162:13 241:17</p> <p>referring 84:20 172:25 174:14 182:19 187:3 189:4,6 192:15 209:18 257:14</p> <p>reflect 54:15 179:22 190:12</p> <p>reflected 172:4 181:20 191:16</p> <p>reflects 191:18 193:4</p> <p>regard 16:23 24:7</p> <p>regarding 31:10 83:1 104:23 165:12 202:6</p> <p>regardless 81:24 134:24 157:20</p> <p>regards 35:20 224:6</p> <p>region 32:10 69:10,21 86:13 90:22,23 91:6,7,9,18 92:4 93:19,25 94:1 99:3 106:14,17 107:3,8,9,21 119:3</p> <p>regional 47:16 69:5,8,12,15 ,21 107:8 157:5,10</p> <p>regions</p>	<p>253:13,15,18</p> <p>regularly 71:1 139:23</p> <p>regulated 67:11 93:23 114:14 135:21 157:13</p> <p>regulation 35:22</p> <p>regulations 214:17,18</p> <p>regulatory 11:16 72:23 195:21</p> <p>reimbursement 100:21</p> <p>reject 34:25 35:25</p> <p>relate 28:14</p> <p>related 27:8,12,22 29:24 165:11 172:14 179:14 259:9</p> <p>relates 44:24 45:12 179:19 248:4</p> <p>relating 30:2 55:21</p> <p>relation 155:21</p> <p>relations 145:7,12</p> <p>relationship 54:2 83:11 85:13</p> <p>relative 259:11</p> <p>release 122:8</p> <p>relevance 204:10</p> <p>relevant 43:17 146:12 251:25</p> <p>reliability 46:12</p> <p>reliable 255:14</p> <p>relied 234:22</p>
--	---	--	--

<p>relief 150:15 relies 94:20 rely 94:20 relying 97:14 remain 25:21 46:3,23 192:1 remained 192:1 remarks 155:3 remember 86:21 119:15 132:14 137:2 156:9 186:11 247:13,21 remind 104:7 108:14 repair 22:19 25:25 31:13 34:10,14 35:2 65:15 70:15 124:20 125:19,20 133:4 148:21,25 149:23 248:22,23 250:5 251:23 repairs 23:24 34:15 123:4 124:5,23,24 135:12 250:12 repeat 80:5 86:18 192:7 repeated 191:14 repercussions 194:12 rephrase 68:4 replace 23:16 125:11 142:21 replaced 125:11 report 113:11 148:15 153:17 169:21,22 170:7,17 171:21,24 173:3 175:17,24</p>	<p>176:3,23 177:6,18 178:11 180:18 190:8,9 reported 11:21 23:10 reporter 13:9 103:23 259:1 reporting 11:22 33:18 51:11 135:14 212:5 221:24 reports 52:17 106:6 222:5 represent 17:18 234:1 representation 231:2 representative 234:24 representing 188:5 reputation 244:15 request 34:4 35:1,21 36:1 139:24 249:16,19 257:15 requested 31:17 145:25 215:22 requesting 32:16 35:10 100:20 104:18 231:3 requests 38:7 96:18 249:14 require 29:22 33:17 110:15 required 19:6,14 26:12 50:17,18 96:19 100:8 124:16 128:22 139:5 requirement 33:3 163:22 174:7,11,20, 24 requirements</p>	<p>121:4 212:6 221:24 requires 246:1 requiring 246:2 reran 176:16 research 60:11,12 61:13 62:22 76:12 83:25 85:9 105:3,20 107:13 118:10,17 119:4,20 121:22 137:7 161:5 researched 26:4 reservations 24:19 252:2,5,14 reserve 28:20 29:5,13 30:5 66:21 123:3 132:13 150:6,11 222:15 224:7 reserves 124:13 resolve 25:17 217:21 resolved 16:11 18:20 21:22 30:12 210:6,8,21 Resources 118:13 respect 18:25 73:6 80:18 88:25 91:16 100:17 131:6 138:18 142:25 144:2 147:7,16 148:20 150:19 155:24 159:21 167:9 170:13 196:3 200:25 205:2 219:3 242:11 respond 62:10</p>	<p>142:9 253:21 254:11 responded 254:9 responding 116:14 response 43:12,13 45:24 194:21 219:2,10 responses 41:24 responsibilities 79:9 110:9 responsible 110:21 181:2 responsive 223:4 rest 67:6 158:9 restoration 136:6 result 21:11 22:13 23:14 26:19 28:22 29:13 189:25 193:7 results 28:13 193:21 resume 104:2 retained 127:21 retroactive 27:10 35:16 36:17 55:8 return 24:8,12,17 118:6 173:14 174:8,24 251:25 revenue 90:14 163:16 173:2 174:7,23 176:21 180:1,14,15 188:13,16,24 189:17 190:4,12,14, 17,19 193:23 revenues 169:19 171:3,14</p>
--	---	--	---

<p>172:10 173:11 175:24,25 176:2 177:4,15 178:23 179:23 180:4,5,6 181:1,6,11,1 3,17,20 189:3 190:6,13,22, 23 191:7,15 193:10,12,14 ,20 203:2 review 79:13 83:19 161:14 215:1 reviewed 82:21 102:18 133:25 reviewing 45:1 110:3 reviews 123:5 revised 64:2 reworded 176:15 right-hand 191:13 ripe 28:21 risk 34:23 36:17 118:8 131:12 137:14 road 246:16,17 ROBERT 11:17,19 Robertson 14:15 39:17 79:2 225:10,13,24 226:4 227:8 231:18 245:14,17 246:25 257:21 R-o-b-e-r-t- s-o-n 225:24 ROBERTSON 225:19 Rolla 118:14 143:13</p>	<p>room 108:7 208:11 215:11 216:1 roughly 50:1 88:23 132:1 147:11 152:21 156:13 rounding 171:15 routine 208:15 routinely 208:5 ruling 134:21 139:2 run 14:11 52:4,5,6,15 53:24 62:24 63:18 94:10 103:12 130:1 131:22 153:7 171:23 172:1,12 173:19 180:23 240:14 running 103:22 142:16 rural 253:18 <hr/><p style="text-align:center">s</p><hr/>S-1 171:11,24 175:7 176:3 177:23 S-3 172:19 safeguard 211:2 safeguards 29:8 149:4,8 205:8 206:17 safety 119:17 sal 87:3 salaried 38:4 96:10 163:14 salaries 18:21 19:23 25:21 26:5 49:4 54:23 69:4 75:6,8,10,12 ,18 76:6</p>	<p>83:11,18 85:6,13 86:20 87:10 90:14 99:2,7,19 104:15,18,23 105:3,4,21 106:9 144:4 152:3 154:11,14,18 228:9 231:4 243:3,14 244:12,14 247:5 254:18,20 256:19 salary 26:3 29:21 47:9 48:4,10,16,1 8 49:8,17,22 65:21 75:2 76:3,18,24 77:15 78:3,8,16,23 79:23 80:8,21,24 81:1 82:5,18,20 83:10,19 84:7 85:12 86:4,14 87:3,11 94:5,6,15 95:8 96:9 99:8,11,21 104:13,25 105:16 106:10 107:17,19 111:4 113:8,14,19, 25 116:2,13 128:12 138:3,10,16 150:20,21 151:5 228:15 235:2 236:13 239:7 243:23 244:8,21 253:12,17 255:11 sale 213:10 Sam's 110:24 satisfied 240:11,12 satisfy 206:2 save 62:21</p>	<p>63:12 197:16 saving 63:14,16 savings 164:8 scale 45:11 85:17 95:22 97:13,18 99:7 107:1 116:7 scenario 192:5,12,13, 14 193:16,17 scenarios 118:6 189:12,24 191:5,7 192:9 193:8,9 schedule 43:7,24 44:6,17 53:23 65:25 66:1,6,8 82:24 83:5,8 87:14,15,17 89:12 90:7 101:10 111:25 133:5,9 169:17 171:12 172:18 173:22 174:1,5,22 175:3,22,23 176:20 177:3,14 217:19 241:14 258:1 scheduled 51:8 71:2 schedules 17:3,9 71:22 73:3 96:17 101:6 132:17 257:17 258:9 scheme 112:18 scope 97:18 screw 211:14 search 46:9 86:8,9,12 seated 108:13 159:4 200:10 second 75:9</p>
---	---	---	---

<p>100:17 150:6 155:11 157:1 182:10 189:18 192:23 213:24,25 232:2 234:11 237:3 238:20</p> <p>secondary 212:16</p> <p>secondly 38:19</p> <p>secretary 234:22 236:15 256:11</p> <p>section 24:1 28:25 64:1,6 251:1</p> <p>sector 124:11 157:17</p> <p>seeing 132:8 185:15,22 186:2 241:20 242:16</p> <p>seeking 20:16 21:3,6,16,22 22:15 49:3 55:22 86:6 147:18</p> <p>seem 95:3 149:15 222:12</p> <p>seemed 65:16 210:23</p> <p>seems 55:1 81:9 122:17 146:12 182:22 219:12 237:16 238:24</p> <p>seen 145:13 185:7,13 186:9 194:10 204:6 205:19 231:23</p> <p>segregated 23:23</p> <p>selected 120:24 241:23 242:7</p> <p>sell 213:15</p>	<p>send 253:19,20</p> <p>Senior 11:16 12:5</p> <p>sense 52:13,21 55:10 69:23 70:8 114:21 137:21 176:16 216:5</p> <p>separate 21:23 22:16 23:20 29:2 30:20 39:5 92:2,21 123:6 187:7</p> <p>separated 253:14</p> <p>separately 204:1,3</p> <p>September 50:9 51:4 81:18</p> <p>seriously 142:11</p> <p>serve 47:25 64:24 65:1 69:10</p> <p>served 163:8</p> <p>service 11:1 12:10 13:24 14:1 21:25 24:3,9,18 25:15,24 26:8 27:19 30:1 45:13 63:10 67:4 69:17 72:24 91:6 94:11 106:24 110:19 131:1 138:16 144:15 145:11 152:15 157:14 159:14 167:2 195:21 200:18 202:22,23 203:3,4,7,11 207:12 209:2 212:14 233:11 250:14 252:2</p>	<p>services 55:18 59:12,13 153:3</p> <p>serving 65:7,8</p> <p>sets 36:12</p> <p>setting 251:24</p> <p>settled 151:4 154:20 184:25 185:9</p> <p>settlement 115:18 117:2 154:23 168:22 185:2,5,8,14 ,16,18,21 186:1,7,8 207:16 208:4,12,15 209:8</p> <p>seven 17:21 120:1</p> <p>several 63:15 71:2 142:2 184:21 187:3</p> <p>sewage 23:7 141:19</p> <p>sewer 11:14 12:4 13:5,10,13 17:18 18:5,6,9 21:20 22:7,9,12 23:5 24:3 29:14 40:22 47:16 50:21 61:16 64:17 69:5,8,12,15 ,25 70:20 87:4 90:23,25 91:3,4,22,25 92:6,11,20 94:9 98:4,13 103:12,16 106:14,16,17 ,21,22,24 113:4 143:11 157:5,10 161:23 162:9 171:2 176:2 185:20 200:19</p>	<p>205:12 209:19 215:22 222:22 233:11 244:16</p> <p>shale 121:8 122:6</p> <p>Shana 101:18</p> <p>share 78:9</p> <p>shared 64:23 65:1,3 135:18 152:10</p> <p>shareholder 67:12</p> <p>shareholders 29:10 130:25</p> <p>sheet 111:2 112:18 146:2 163:22 164:20 172:7,15 178:22 245:21 246:20</p> <p>sheets 18:23,25 19:2,8,15,21 25:22 31:11,17 33:3,5,9,15 38:3 50:19 54:15 74:13 100:6,8 128:16,23 134:15,22,24 139:6 140:22 158:18 161:12,14 163:5 164:6,15,17 165:15 245:25 246:21</p> <p>sheriff's 142:12</p> <p>Sherry 14:12,18 22:23 23:11 40:12,16,18, 20,24 41:6,9,12 43:3 44:5 47:2 67:22</p>
--	---	--	---

<p>70:24 76:14 78:2,25 79:4,17 81:19,22 82:15 84:1 86:5 93:4 100:13 105:9,13 108:4,14,18, 21 115:7 126:8 132:11 138:1 157:25 158:7 171:2 174:14 199:9 212:1 213:15,23 227:11 232:13,15 233:8 234:19,21 239:24 243:7 244:3,17 256:10 257:15 Sherry's 78:5 79:10 82:25 89:5 90:8 175:3 176:13 180:10 188:2,12 204:18 231:2 235:1 She's 110:12,21 shift 112:1 shifting 36:17 shifts 141:2 shine 198:21 Shore 92:5 Shores 91:5 94:1 106:19 short 102:4 shortly 106:2 shot 57:4,5,7 121:16,21,24 217:20 218:1 showed 76:7 121:22,23 140:4 163:10 242:15 showing 169:19 175:24</p>	<p>shown 175:16 176:1,22 shows 45:13 87:19 171:2,13,14 175:7,9 177:4,15 178:12 180:3 242:17 sign 214:6 247:14 signator 247:11 signed 102:8 210:11 significant 28:23 36:7 54:9,18 83:24 98:14,17 120:4 136:10 137:16 141:21 148:9 163:21,24 significantly 97:23 signing 210:14 signs 213:4 similar 47:13 73:14,16 83:12 85:14 96:10 111:24 160:4 167:17 196:11,13 201:8 229:17 239:6 similarity 203:23 similarly 113:4 simple 164:13 simplest 120:18 simply 87:2 190:21 211:1 255:13 single 27:11 67:7 208:11 single-issue 35:20 36:16 39:1 55:14 202:9,12</p>	<p>251:21 sit 148:15 152:2 154:4 246:12 site 44:10,13,15 119:14,18 120:24 121:5 sites 110:19 sitting 213:17 237:17 situated 113:5 situation 59:4 78:6 136:8 142:16 148:15 212:24 six 42:8 89:17 213:11 246:15 six-minute 163:5 sixteen 42:10 size 31:23 32:2 45:11 86:10 144:18 152:23 156:8 230:4 233:6 240:22 246:4 sized 234:2 254:11,12 sketchy 119:23 skill-sets 152:6 sleep 211:16 slightly 99:21 189:25 slower 192:8 sludge 58:20 59:22 130:10 small 11:13 13:4 17:20,21,23, 24 18:4 21:20 24:24,25 25:17 31:23,24 36:12 53:20</p>	<p>56:7 60:8 67:3 101:12 103:16 149:22 152:19 184:21 185:20 205:12 208:6,22 215:21 222:3 223:18 234:3,7 254:22,23 smaller 221:25 223:1 248:21 smoother 163:20 solar 58:11 59:21 61:4 118:2 129:23 131:17 148:10 198:8,23,24 sold 213:7 sole 213:5 somebody 54:3 141:23 213:16 228:24 245:1 somebody's 54:17 someone 244:23 something's 51:3 somewhat 99:18 somewhere 114:2 217:25 245:1 sonar 120:16 sor 215:14 sorry 15:16 37:25 64:25 72:4,16 80:2 81:7 84:12 107:22 108:22 134:10 165:8 169:25 177:20 178:2 230:16 233:19</p>
--	--	--	---

<p>239:17 255:5,8 sort 62:25 88:5 107:11,15 114:23 120:25 121:19 150:13 209:3 sought 32:4 sounds 49:9 source 20:17 27:23 28:10 76:7,9 130:13 250:3 sources 21:6 30:3 61:18 74:17,21 76:11 117:25 118:2 147:8,18 148:4,6 south 65:11,12 153:1 southeast 118:20 span 147:13 specialist 195:22 specialists 142:19 specific 92:13,14 106:8,22 124:14 204:4 specifically 118:14 119:3 139:1 185:15,24 186:2,11,12 209:3 236:1 247:21 249:19 256:7 specifics 34:13 specify 86:10,11 speculation 223:5 229:19 speculative 28:3,13 30:2 62:18</p>	<p>197:24,25 speculatory 34:9 spell 225:23 spelled 209:3 spells 59:20 spend 54:25 118:10 120:15,16 122:10 214:22 spending 26:22 53:16 89:20 spent 20:23 21:2 33:21 51:20 70:9 118:12 162:11 spike 163:24 spilling 141:19 spoke 121:11 sponsor 101:5 spot 81:8 216:18 spring 57:17 Springs 57:12,23 118:24 120:1,3 Sprint 116:24 143:5,18,19, 21 SR-2010-0320 11:13 13:6 258:19 staff 12:10 13:23 14:1,12,25 15:8 20:9,14 22:9 25:11,14 26:1,25 27:25 28:16 29:4,16,19 34:11 37:23 38:13 43:15,19 45:21,23 46:20,21 47:17 48:1 50:9</p>	<p>52:15,18,19 53:22 54:20 55:18,24 56:21 67:2 68:1,22,24 70:11 71:20,21 74:18,20,24 75:1,5 76:8,21 77:3 78:5 80:25 81:20,25 82:16 83:1,3,9,19, 25 86:15 87:11 94:14 96:11 101:18 103:14 104:7,12,22 105:16,23 106:7 107:4 111:3,7 112:20 113:10,19 119:1 125:25 132:9 139:25 140:10 144:19,22 145:13 146:3,25 148:21 149:7 166:6,8 167:1 173:21 174:1 182:11 183:6 184:1 188:15 194:3 195:4 197:14 199:18,24,25 201:24 205:5 206:22,23 207:16 208:9 209:19 210:12 212:7 213:2 214:24 218:12 219:8 222:7 224:1 227:6 243:18,24 244:9 246:21 249:6 255:2 257:15 258:13 Staff's 17:3,9 75:4,23 76:22 77:8,11,16 79:23 80:8 86:3</p>	<p>95:9,11,14,1 5 101:5 106:4 113:25 122:18 183:4,14,21 258:9 stakeholders 29:17 stand 14:22 40:12 104:6 108:4 146:24 standard 52:14 99:4 188:16 Standards 19:5 33:12,16 111:7 126:21 128:5 161:3,7 standing 62:14 standpipe 62:13 stands 217:6 start 50:19 66:21 75:5 85:6 100:8,9 128:15,20,23 129:11,12 131:24 134:21 183:24 223:16 225:7 233:24 started 17:21 18:1 20:9 104:17 112:4 129:10 143:12,22,24 149:20 180:13 231:1 240:19 starters 14:4 starting 13:10 17:15 90:10 138:2 151:4 169:20,25 170:1,13 202:2 234:4 238:12 239:14,18 244:11 248:25 249:6</p>
---	---	--	---

<p>251:17 Starts 83:8 state 11:2 29:15 40:18 61:17,21 62:25 72:7,20 78:14 79:4,21 80:6 136:18 149:10 159:9 166:21 184:1 195:16 200:13 204:21 214:17 225:22,25 252:21 253:14 259:4 stated 29:4 33:8 37:17 48:19 68:23,25 69:3 85:5 101:11 147:3,8 148:1 149:12 183:6 statement 25:10 31:6 32:12 34:16 68:17,20 76:17 77:19 79:14 81:25 99:20 157:19 171:25 172:7,10,16 176:2 180:5 statements 16:8 17:15 34:18 79:19 94:14 137:1 164:5 179:1,7 states 78:18 80:10 90:12 174:15 stating 83:7 100:11 185:23 station 23:2 51:18 65:10,12 110:2,4 112:3 136:13 141:16</p>	<p>stations 98:12 statistics 74:23 171:3 176:3 230:18 235:17 status 23:13 statute 24:21 30:21 39:7 211:9 217:10 251:23 statutes 24:1 64:2 statutorily 38:23,25 statutory 28:25 30:17 64:1 stay 116:16 190:16 stays 190:3,15 Stearley 11:16 13:1,7,16,22 14:3 15:3,18,21,2 4 16:5,20,23 17:7,12 25:7,10 30:8 31:1,5 37:14 39:10,23 40:6,9 43:4,11,23 44:2 45:20 46:1,10,19,2 3 67:17 70:24 71:8,15,17 72:11,14 73:23 74:1,7 80:15 89:10 93:1,11 96:25 99:25 100:15 101:3,22 102:4,10,23 103:20 104:1,5 107:25 108:3,10,13 115:10 126:6 132:6 134:8,11 135:3 137:24 151:9,13,17</p>	<p>154:24 155:2,16,20 157:23 158:6,12,19 159:3 160:13,17,23 161:19 162:21 163:1 164:25 165:3,9,21 166:2,5,14,1 7 167:25 168:3,9 169:11 170:22 179:9 184:14 186:15,18,21 ,23 187:1,7,18 194:1,6,15,2 4 195:10 196:20,23 197:4,6,8 198:4 199:13,16,19 ,22 200:6,9 201:17,20 202:1,4,18 204:16,24 207:2 210:2 216:21 218:19,23 220:18 223:9 224:22 225:7,13,16 226:23 227:1,5 229:8 230:11,14 231:12 245:6,9,13 247:1 249:5,8 253:6 257:20 258:16 step 71:4,15 75:7,9,11 93:4 108:22 151:6 158:1 165:23 194:2 199:20 stepping 144:12 steps 142:15 254:24 sticking 126:8</p>	<p>stip 16:24 stipulation 15:11,19,22 16:6,10 30:12 68:14 117:6 144:20 210:4,6,8 247:9,10,12 249:23 stipulations 15:8 186:1 stock 213:11 stop 20:25 stopped 129:20 store 173:7 straight 48:1 111:4 203:14 strategic 23:3 streamway 141:10,11 stretches 118:21 stricken 155:3 strictly 106:10,19,20 strike 125:10 211:24 strong 63:24 148:25 structure 17:8 44:18 47:24 77:12 94:5,6 95:8 101:9 106:14 113:8,25 138:15 258:8 studies 94:20,21,23, 24,25 95:1,3 113:22 114:2 116:13 stuff 115:25 116:3 122:16 142:11 208:24 subdivisions 152:19 subject 19:4 88:8,10,13</p>
---	--	--	--

<p>111:5 subjective 19:24 87:6 105:17,18,19 ,25 153:22 154:11 256:24 submitted 146:3 subsection 24:1 subsequent 180:3 substance 115:21 substantial 18:12 230:20 substantially 18:15 73:16 160:6 196:13 201:10 226:15 substantiate 240:24 substantiating g 239:3 subtract 178:23 subtraction 177:24 succeed 19:11 successfully 161:14 sudden 212:14 sufficient 46:11 240:22,23 suggesting 56:1,6 suitable 32:1 Suite 12:3 13:15 summary 232:1,3 235:21 254:5 summer 150:3 sun 198:21 Sunday 23:2 51:18 110:1 125:3 136:14 141:1,9</p>	<p>142:8 sunny 130:1 supervision 41:19 73:8 159:23 167:11 196:5 201:2 supervisor 241:12 supplies 110:22 111:1 support 29:5,6 30:7 32:11 76:6 85:9 87:10 96:18 102:3 153:5 234:12 236:10,22 255:4,23 supported 82:9 83:3 supporting 255:10 suppose 65:24 supposed 125:14,15,17 surcharge 35:11,21 36:2 142:16 219:4,5 221:13 surcharged 141:18 sure 15:5 17:1 23:7 53:2,11,14 60:16 68:4 82:23 94:1,10 104:15 109:3 110:3,11,25 114:15 132:23 134:9 135:10 136:16 140:19,22 151:10 161:11 170:23 173:22 206:10 211:22 214:4 228:16 229:25 247:16</p>	<p>258:12 surplus 24:19 252:3,6,15 surprised 185:24 186:10 surrebuttal 40:25 41:11 42:5,7,16 43:7 47:3,4 71:25 73:2,7 78:12 79:4,20 80:3,6 89:7,13 90:8 105:7 155:10 166:11 167:5,10,14 171:1,7,8 182:2,9,20,2 1 188:2,12 200:3,22 201:1,9 204:18 225:10 226:6 surrogate 20:10 56:9,11 146:6,9,19 179:15,21 surrogates 146:15 survey 74:23 83:14 230:3,9 253:11,13 254:9 surveyors 94:24 surveys 74:22 75:22 76:2 104:21 105:22 sustain 155:2 swear 39:24 72:12 switching 156:11 sworn 39:24 40:13,16 72:13,17 105:12 108:18 159:2,6 166:16,18</p>	<p>195:12,13 200:8,11 225:15,19 259:6 system 19:18 26:21 49:13,25 50:21 51:6,7,10 64:17 75:25 77:3 82:19,20 83:16 92:4,5 97:19,23 106:17,19,20 111:3 112:11 116:9 123:23 127:3 140:15,25 153:7 162:9 211:2 237:6,8,9,10 ,12,21,22 238:3,11,25 246:1 systems 31:21 32:18 51:5 80:19 97:14 98:4,8,12,16 135:17 140:7 145:16,17 161:9 222:3 223:1 <hr/> T <hr/> table 46:22,24 172:4,20,25 173:4,9 174:21 176:14 177:13 178:12,16 179:14,19,22 180:3 188:3,22 189:14,15,18 ,20 190:11 191:15,17 192:21,23 193:2,4 tables 179:7 taking 13:9 54:3 107:10 141:23 146:10 talk 37:21</p>
---	---	--	--

<p>59:2 91:23 97:7,10 113:23 126:14 154:23 208:9</p> <p>talked 59:23 60:3 135:15 148:3 155:1 156:1 244:17</p> <p>talking 60:25 68:16 84:8 91:10 98:16 113:18 114:24 115:3 118:13,14 127:2 130:24 135:5,11 136:24 138:19 141:25 144:20 146:23 148:2 180:24 188:19 190:5 208:8 215:25 219:16 235:3,14 246:19</p> <p>talks 37:24 45:4 118:18</p> <p>tariff 13:12 212:16</p> <p>task 25:1</p> <p>tax 16:17 22:1,2,3 58:14,17 60:5,6,22 61:1 129:23,25 172:19 174:18,20,25 193:6 202:12,20 203:18,20,22 204:11,20 220:22</p> <p>taxes 21:25 172:17,21,23 173:16 180:21 189:19,21 193:1,5 204:1,3,19,2 2</p> <p>Taylor 11:22 13:9</p>	<p>259:3,17</p> <p>teach 103:15</p> <p>team 53:20,22,25</p> <p>technically 217:15</p> <p>techniques 120:17</p> <p>technology 66:24</p> <p>Ted 14:15 225:10,24 226:4</p> <p>T-e-d 225:24</p> <p>TED 225:19</p> <p>telemetry 110:3 140:6</p> <p>telephone 88:16</p> <p>ten 48:2</p> <p>tender 43:3 74:5 160:21 168:7 197:2 201:24 226:22</p> <p>tends 58:16</p> <p>ten-minute 104:2</p> <p>tenure 84:22</p> <p>term 208:1 224:15</p> <p>terms 47:18,20 97:17 197:18 211:17</p> <p>TERRY 11:18</p> <p>tes 43:2</p> <p>test 32:20 35:15 37:18 38:1 56:3 70:7,10 102:19 114:23 115:3 116:15 138:4 170:2</p> <p>testified 40:16 72:17 76:15 108:18 114:5 159:6 166:18 195:13</p>	<p>200:11 225:19</p> <p>testify 232:16</p> <p>testimony 14:19 26:2,11 27:1,4 28:1,17 39:18 40:25 41:6,9,12 42:3,5,7,24 48:19 49:18,20 61:3 71:23,24,25 73:11,15 74:16 78:3 79:11 82:25 87:13 89:5,7 90:9,21 91:17 93:17 100:4 101:14 105:10,12 108:1,8,23 109:1 113:13 117:25 123:8 127:8,11 133:6 138:9 147:3 148:2 149:12 152:8 154:13 155:9 158:1,23 159:18,22 162:24 165:22 166:10 167:5,17 169:15 171:1 174:14 176:14 179:2,11 180:11 182:2,10,18, 20 183:6 184:1 188:4,9 189:7,9 194:2,20 195:6,7,25 196:11 197:23 198:7 199:10 200:1,2,3,22 201:5 204:10,17,25 205:19 210:23 224:23 225:9</p>	<p>226:5,6,8,10 227:22 229:12 231:10 234:2,20 235:2 236:6,16 237:13 238:10 239:9,13,14 241:10 249:13 251:4,7,13 254:3 257:17,21 259:5,6</p> <p>thank 13:16,18,22 14:3 15:23 25:8,9 30:7 31:5 37:13 40:6,8 45:19 46:25 67:17,20 70:22 71:11 72:14,16 93:16 96:23 99:24 100:25 102:11,21 104:9 107:24 108:1,2,12,1 6 115:7,12 126:4 134:11 135:1 137:22 151:13 155:4 157:23,25 158:4,8 159:3 161:17 162:24 164:22,24 165:2,22 166:1 168:11 169:4,9 186:17,20,22 193:24 194:1 197:5 198:3 199:12,21 200:9 202:3 216:24 218:22 224:21,22 225:16,18 249:7 257:19,20 258:19</p> <p>thanks 30:24 66:7 71:16 115:9 126:8 132:4 164:23</p>
---	---	--	---

<p>165:20 186:14 210:1 246:25</p> <p>that's 17:9,12 18:11,13 22:8 24:14 25:3 30:14,25 37:19 39:9 42:14 47:19 49:12 54:24 58:18 60:9,22 61:20 62:25 63:6 66:14 81:5,7 86:23 89:21 92:24 95:11,18,19 100:10,24 102:21 103:18 105:17 107:10 110:9 115:23 117:12 119:7,16 127:7,15,17 129:8 130:23 131:16 133:15 138:5 140:12,23 141:18 142:23 146:9,24 147:3 148:25 149:17 150:7,8 151:17 154:10 155:1 156:20 157:2,21 162:19 163:18 164:18 169:1 172:4,5,9,21 173:15 174:10,15,16 ,23 175:25 176:10,11 177:23 178:14 180:2 181:14,19 184:8,12 191:16,20,25 194:16 198:2 199:11 204:21 205:12</p>	<p>206:25 207:21 212:16 217:14 220:10,17 221:19 222:11,12 223:16,23 228:17 229:19 230:2 232:3 233:5,13,16 234:9,10 236:5 240:12 242:8,14,22 244:6 245:3 246:24 247:22 248:24 250:5,8,10 251:8 253:4 254:8 257:2</p> <p>thereafter 259:7</p> <p>therefore 28:11 32:21 34:2 35:16,22 36:20 188:25</p> <p>therein 24:7</p> <p>there's 17:14 20:20 21:19 22:11 24:12 46:11 51:2 58:9,10,14 59:5 60:24,25 67:4,6 83:15,24 84:8,24 86:1 87:19 89:19 91:5,23 92:4,5,22 93:6 95:5 97:24,25 98:1 101:13 106:20 109:24 118:16,20,23 121:15,16 127:12 128:24 153:24,25 172:3 173:8,14 174:12 181:8,14,20 185:9</p>	<p>190:16,17 191:10 193:13,19 205:8 208:23 209:2 210:20 215:7 218:19 222:10 230:19 235:5,8,22,2 4 237:16 238:2,6,8,11 ,24 239:21 241:25 242:3,6 246:13 248:15 250:11</p> <p>thereto 259:13</p> <p>they'd 53:7 221:13 224:14</p> <p>they'll 59:15 131:21 201:20 245:2</p> <p>they're 14:22 20:19 30:11 38:3 49:3 53:4 57:3 59:18 61:19 62:15 76:1,3 92:7 100:19 101:11 104:25 106:21 116:6 120:5 121:20,23 124:14 125:17 130:25 148:23 149:1 171:12 203:2 220:13,14 246:7,12</p> <p>they've 17:25 18:10 19:8 33:22 96:18,19 124:25 139:4 153:2 214:10 215:22 220:14</p> <p>third 27:21 58:18 83:16 172:3,24 174:19 181:3 189:20 193:2</p>	<p>Thirty-one 251:15,16</p> <p>Thorpe 259:3,17</p> <p>thoughts 149:15</p> <p>thousand 63:16 123:11 153:19 256:4</p> <p>threatened 243:7</p> <p>three-year 21:5,12 147:25 185:11 233:1</p> <p>threshold 217:11 249:1</p> <p>threw 242:15</p> <p>throughout 37:7 183:6</p> <p>thrown 149:14</p> <p>tie 176:10</p> <p>tied 176:11</p> <p>ties 177:12,23 178:7</p> <p>Tiffany 57:12,17,22 118:24 119:25 120:2</p> <p>TIGER 11:22</p> <p>till 150:4 158:13</p> <p>Timber 11:14 12:4 13:5,10,13 14:12 17:16,18 20:18 26:3,5,11,13 27:11,16,21 28:7 29:7,21,22 30:5 31:17 32:2,15,19 33:2,17 34:13,15,17, 22,25 35:4,10,13,1 4,18 36:5,9,13 37:11 40:22,23</p>
---	---	--	--

<p>45:22,24 47:11,24 48:4,9 49:2 50:7,11,21 54:6,9 56:2,19,22 58:8 62:24 64:10,16 65:4,14 67:2,22 68:6 69:8,15,16 70:6,19 75:6 80:16 82:20 83:10 85:12,17 87:3 90:5,12,14 94:20,25 95:2 96:7 97:14,19,25 98:1 99:16 100:7 102:18,24 103:8,11 104:19,24 105:14 107:16 109:5,11 114:6 116:22 135:22 137:24 143:23,24 144:2 153:9 161:19,23 162:2 165:3 169:12,21 178:17 182:11 184:2,23,24 186:21 188:14 197:6,15 199:16 202:4,8 203:9 205:6,16,20 218:23 219:16 220:5,10,12 229:9 249:8</p> <p>Time-keeping 26:15</p> <p>tips 153:13</p> <p>title 86:13 235:21 256:7</p> <p>today 13:8 14:17,20 25:14 26:2</p>	<p>28:20 29:6 31:10 41:22 45:18 73:15 108:8 151:24 158:10 160:5 167:18 179:11 196:12 201:10 205:10 209:22 226:12,16</p> <p>tomorrow 14:18 158:10,11</p> <p>tool 26:15 53:15 54:19,20 55:1</p> <p>top 23:6 88:6 94:2 95:18 116:7 169:17 174:8 189:15</p> <p>topic 150:6</p> <p>topics 149:25</p> <p>total 31:18 32:14 80:23,24 82:10 86:19 88:1 89:21 94:17 113:19 171:13,14,18 175:7 176:22 177:5,18 185:2</p> <p>towards 45:14</p> <p>track 26:18 29:23 50:20,23 51:11 53:6,12 128:19 134:18 165:15 246:13</p> <p>tracked 146:2</p> <p>tracks 51:7</p> <p>Tracy 11:22 13:9 259:3,17</p> <p>traditional 116:9</p> <p>trail 23:4 141:12</p>	<p>train 66:17</p> <p>transcribed 84:4</p> <p>transcript 11:5 219:14</p> <p>transcripts 258:2</p> <p>transfer 34:23 213:8</p> <p>transport 153:5</p> <p>transportatio n 98:24</p> <p>treat 84:24 87:9</p> <p>treated 21:25 24:14 128:10 224:8</p> <p>treating 128:13,20</p> <p>treatment 58:20,22 59:6 75:19,20 76:4,6 85:7 130:9 153:5,18 205:23 237:6,25 238:6</p> <p>tremendous 118:17</p> <p>tremendously 206:3</p> <p>trend 50:23 51:2</p> <p>trends 26:18 50:20,25 51:12</p> <p>tried 20:9 255:3,9</p> <p>trigger 212:12</p> <p>trouble 146:17</p> <p>true 73:18 135:20 160:8 167:20 170:9 177:14,22 181:14 191:6 196:15 201:12</p>	<p>226:10,18 242:14</p> <p>true-up 35:15 221:20,23</p> <p>try 63:1,7,12 75:12 109:1 119:16 120:18 130:3,12 131:2 137:14 151:12 206:1 208:20 221:16 244:19 256:18 257:1</p> <p>trying 18:18 20:19,23 39:21 92:10 93:3 106:7 107:10 133:21 156:9 157:11 176:10 189:9 209:5 234:4,23</p> <p>turn 14:5,8 47:3 141:17 165:6 199:23 227:21 239:11</p> <p>turned 124:10</p> <p>type 118:2,7 212:2,23 223:21 243:10 253:13 255:19 256:16</p> <p>types 58:7 98:16 120:12,17 148:4 186:9 208:5 212:3,4 213:19 215:5 235:23,24</p> <p>typewriting 259:8</p> <p>typical 36:12</p> <p>typically 59:2 124:15 210:5</p> <hr/> <p style="text-align: center;">U</p> <hr/> <p>Uh-huh 62:2</p>
--	---	---	--

<p>86:2 112:19 163:15 165:14 250:13</p> <p>ultimately 154:11 176:18 189:24 224:17</p> <p>un 151:7</p> <p>unanimous 15:10,11,19, 22 16:6,24 25:18 68:14 102:7</p> <p>unattended 29:14</p> <p>unaware 188:15</p> <p>understand 50:22,23 55:3,11,12,1 3,15 64:7,10,13 68:5 108:24 109:4 114:13,20 132:23 179:9 182:1 189:8 197:22 204:12 205:3 209:5 220:7 228:16 250:2 253:20</p> <p>understandabl e 180:14</p> <p>understanding 14:18 54:25 55:5 100:7,19 161:4 169:20 179:14 210:13 232:9 253:10</p> <p>undisputed 15:12,22 16:7 37:20</p> <p>Unfortunatly 56:11 58:12 178:17</p> <p>Uniform 246:1</p> <p>unintended 206:4</p> <p>union</p>	<p>228:5,12,19, 25 229:1,21 230:4 254:2</p> <p>unionized 228:4,7 229:16,25 230:5,6 234:3 254:13,14</p> <p>unknown 43:8 163:13 165:13</p> <p>unless 214:24</p> <p>unlike 255:2</p> <p>unlikely 32:22</p> <p>unpaid 109:8 144:14</p> <p>unplanned 133:20</p> <p>unreasonable 95:15,19</p> <p>unscheduled 51:8 136:18</p> <p>unsuccessful 33:21</p> <p>unusual 17:19</p> <p>unverified 43:7</p> <p>upcoming 48:14</p> <p>update 58:13 84:2 170:4 187:10 190:7</p> <p>updated 37:7 168:21 187:9</p> <p>updates 208:8</p> <p>upon 24:4,8,16 28:25 48:15 76:12,13,25 83:18 105:3 176:18 252:1</p> <p>upper 95:21 113:14</p> <p>upscale 98:2</p> <p>upward 244:12</p> <p>URL 46:8</p> <p>usage 147:12</p> <p>useful 34:2</p>	<p>39:4 68:2,8,14,21</p> <p>USGS 118:14 119:13</p> <p>usually 110:24 157:16 228:9 229:16 238:4 254:15,17</p> <p>utilities 18:7 24:11 44:20,23 52:10,13 76:14 84:1 103:3 104:21 105:23 106:8 123:16,24 124:11 135:21 151:23 161:3 204:2 221:25 222:19,21 223:5,15,18 248:4,21</p> <p>utility 17:20,23,24 18:6,9 21:7 22:2,3,7 29:15 31:24 32:2 33:6,13,20 34:24 35:22 39:5 42:18 45:6,7,11 52:2 60:8 61:16 67:12 68:10 72:23 86:10 98:13 135:22 159:14 204:20 226:3 227:13 232:20 234:7 242:24 254:22 255:12,21 256:18</p> <p>utility's 33:1 203:19,20 256:3</p> <p>utilize 206:11</p> <p>utilized 171:16,20 205:16</p>	<p>236:25</p> <p>Utilizes 188:12</p> <hr/> <p style="text-align: center;">V</p> <hr/> <p>vacation 53:1</p> <p>valid 94:24 95:3 194:16 198:9 199:10 234:8</p> <p>value 24:8,17 114:16 144:25 145:2 211:14 252:1</p> <p>values 101:14</p> <p>variable 199:1</p> <p>varies 22:4 109:19</p> <p>variety 74:20</p> <p>various 44:20 79:5 115:1 148:6 234:2 256:19</p> <p>vehicles 61:1</p> <p>vendor 133:2</p> <p>vendors 51:20 124:6 131:21 156:6</p> <p>venture 28:3 62:18 198:1</p> <p>verifiable 32:11</p> <p>verified 46:5,13 53:8</p> <p>verify 53:17 79:13 221:20</p> <p>versus 60:6 85:21 126:15 130:1 132:22 163:12 229:21 235:4 253:18 254:2,13</p> <p>vet 214:4</p> <p>vetting 29:18</p> <p>viable 60:8</p> <p>vice 109:7 143:6</p> <p>view 45:6</p>
--	--	---	--

<p>59:4 61:11 79:24 80:9 157:10 viewed 83:14 viewing 104:18 violation 27:10 36:15 violations 214:17 virtue 128:19 visible 141:11 volume 11:9 57:13 volumes 120:4,8 voracity 43:10</p> <hr/> <p style="text-align: center;">W</p> <hr/> <p>wage 232:25 239:6,7 253:13,17,21 254:15 255:11 256:1 wages 32:10 99:21 228:8,9,21 wait 71:11,13 187:18 waited 122:12 waiting 138:12 165:5 walk 117:15,21 141:23 walkers 23:8 walking 23:4 128:4 141:8,12,15 walkway 141:10 warn 163:3 wasn't 19:10 57:20 67:24 134:1 142:17 178:15 188:6 194:19 199:4 207:15 209:7,18,19</p>	<p>211:1 waste 152:25 wastewater 43:14,15,21 44:20 61:24 79:6 143:14 152:13 227:18 237:6,25 238:6 240:10 wastewater's 45:1 wasting 163:11 water 21:20 24:11 87:20 90:23 91:1,2,4,22, 24 92:6,11,20 94:8 97:14,19 98:4,13 103:16 106:14,15,17 ,19,22,24 113:4 120:20 184:21 185:20 200:18 205:12 207:23 208:6 209:19 215:21,22 waters 136:18 watershed 65:7 69:22 watersheds 65:7 ways 63:2,5,12 145:4 webcasting 14:7 website 43:14 46:6 84:3,6 websites 74:22 we'd 58:17 131:2 216:12 222:9 wednesday 13:2</p>	<p>week 39:15 53:18 54:18 96:7,14 109:11,17,20 111:19 112:15 115:1 135:7 139:23 246:22 weekend 110:24 141:1,3 weekends 109:24 weighs 142:1 we'll 16:7 104:2 122:17 131:3 134:21 168:9 217:10,11 227:6 248:2,3 wells 57:13 118:24,25 120:4 we're 20:13 21:3,16,22 22:5,10 23:10 25:4 39:22 49:14,21,22, 24 50:1,17,18 52:11 63:4 65:7,8 69:14 71:21 81:13 84:8 91:9 92:18 98:16 103:22 104:5 115:2 120:2 123:7 126:13 128:8 130:5 131:7 137:20 138:1 142:23 145:15,17 146:22 148:2 151:25 157:9,10,12 158:10,13 161:11,12 175:11 183:1 184:8 205:20 214:2,13,14, 16,19,20 215:8,10 216:10,11 217:5,6 219:5,13,16</p>	<p>220:4,15 224:24 235:3 west 120:2 we've 17:21 49:6 64:21 68:13 95:20 96:18 112:16 113:12 123:1 129:20 145:1,4,13,1 6,17 147:12 150:6 151:24 155:13 194:10 204:14 205:19 215:20,21 255:14 256:17 whatever 63:7 94:22 112:6 136:16 152:11 197:18 207:19 213:17 230:19 241:13 246:23 253:19 what-ifs 34:16 what-may-bes 34:16 whenever 14:22 102:17 135:5 136:24 whereas 203:3 213:14 236:25 wherewithal 248:22 whether 18:22 19:14 27:21 30:19 63:6 65:6 75:12 94:4 98:18 104:12 105:1,9,15,1 6 106:15 110:17 111:9 115:22 126:23 127:22 129:6 131:7 133:2 134:14 137:1</p>
--	---	--	--

<p>139:8 148:10 157:20 164:13 217:3,7,9 228:23 243:12 249:16 257:5 whichever 14:21 whole 206:19 235:23 238:12 wholesale 153:3 whom 40:21 72:22 159:12 166:24 195:18 200:16 who's 213:4 228:25 wide 60:1 william 14:14 166:9,18,23 167:3 willing 19:1 63:22 64:16 122:23 149:6 194:18 win 139:8,16 217:16 wind 58:16 59:21 60:7 61:4 118:3 130:4 131:17 148:10 198:8,20,25 windmill 63:15,20 window 208:23 wish 34:18 36:9 42:23 46:24 85:8 194:18 252:24,25 withdraw 194:23 witness 14:11,20 26:1,25 37:23 40:10,13 43:25 46:3</p>	<p>47:6 71:14,16,18 72:13 100:1,23 104:9 108:2,9 115:9 158:3,8,15,1 7,20 159:2 165:7 166:7,16 187:11 194:3 195:12 199:21 200:8 202:19 216:25 223:13 224:25 225:1,5,15 226:22 247:16 255:9 257:22 witnesses 17:22 30:7 259:6 wondering 101:15 209:12 work 18:18 22:8 26:20 29:21 31:13 51:6,19 52:9 53:18,23 54:7,16,22 86:11 96:7,13,19 105:24 109:18 110:15 111:25 112:6,15 114:19 135:7 140:3,4 144:11 147:5 149:6 152:13 153:1 182:11 184:1 205:24 206:20,23 214:1 220:24,25 221:1 227:15 231:8,19,24 235:21 240:2 242:20 worked 19:9 22:23 39:14 51:25 55:23 82:8 109:5</p>	<p>115:1 135:8 140:15 141:1 143:4,13,19 214:3 229:23 244:5 workers 16:18 working 21:20 26:22 53:25 54:17 64:22 110:4 123:1 139:19 149:18,19 152:24 242:23 workload 26:18 53:23 works 64:14 103:14 109:11 111:20 workshop 28:16 29:17 workweek 38:6 109:21 world 153:8 178:9,13,15, 18 worth 121:24 124:18 180:1 217:3,18 240:5 worthwhile 137:14 write 128:7 writes 173:6 written 173:20 wrong 81:8 97:12 142:20 206:12 ww 213:23 ww-2009-0386 28:16 wyandotte 87:14,20 93:18 106:6</p>	<p>60:23 76:21 142:22,23 249:1 you'll 19:24 38:15 59:12 66:11 171:11 yourself 48:21 60:12 112:7 113:5 you've 31:9 33:19 61:4,7,12 136:3 152:24 161:22 162:13 182:2 184:20 185:13 186:8 217:22 241:11</p> <hr/> <p style="text-align: center;">Z</p> <hr/> <p>zones 107:12 121:8,9 122:4,6</p>
---	--	--	--

Y

Yep 42:11
yesterday
217:16
yet 48:11