

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of :
Camplands Water LLC for an Increase in : Case No. 13-1690-WW-AIR
its Rates and Charges. :

**PRE-FILED TESTIMONY
OF
JOHN L. BERRINGER
ACCOUNTING AND ELECTRICITY DIVISION
UTILITIES DEPARTMENT
PUBLIC UTILITIES COMMISSION OF OHIO**

Staff Exhibit _____

March 20, 2014

1 1. Q. Please state your name and business address.

2 A. My name is John L. Berringer. My business address is 180 East
3 Broad Street, Columbus, Ohio 43215.

4 2. Q. By whom are you employed?

5 A. I am employed by the Public Utilities Commission of Ohio
6 (PUCO).

7 3. Q. What is your current position and what are your duties?

8 A. I am a Utility Specialist in the Accounting and Electricity
9 Division. My duties include conducting investigations of
10 assigned phases of rate case applications and other financial
11 audits of public utility companies subject to the jurisdiction of
12 the PUCO.

13 4. Q. Would you briefly state your educational background?

14 A. I graduated from The Ohio State University in 1991 with a
15 Bachelor of Arts in English. In addition, I earned a post-
16 baccalaureate Certificate of Accounting Concentration at
17 Columbus State Community College in 2012. I also completed a

graduate level course in utility regulation at The Ohio State University in 2004.

5. Q. Please briefly outline your work experience.

A. I have been with the PUCO since July 2003 and in the Accounting & Electricity Division since April 2009. Prior to working at the PUCO, I held various positions in the insurance, education and health care industries.

6. Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to address the Applicant's Objection No. 4, Operating Expense—Administrative Fees.

7. Q. In Company Objection No.4, the Applicant objects to the Staff's adjustment of \$9,400 to Administrative Fees. The Applicant states that the proposed fee of \$15,600 for the chief operating officer of the Company is too low for the work and duties required. How do you respond?

A. Staff believes that the proposed fee of \$15,600 is reasonable, based upon the results of its investigation and the calculation it used to determine the adjusted amount.

1 8. Q. You mentioned that the adjustment was reasonable based upon
2 the results of Staff's investigation. Could you please elaborate?

3 A. Staff made the decision to adjust the expense for administrative
4 fees based on questions asked to the plant operator during an on-
5 site visit at the Company's facilities in Ashtabula County, Ohio
6 from September 11-13, 2013. As a result, it was determined that
7 the chief operating officer did not communicate with the plant
8 operator on a regular basis throughout the year. According to the
9 employee, there is a period of time each year of approximately
10 4-5 months in which he does not speak to the chief operating
11 officer at all.

12 During the remainder of the year, the plant operator does speak
13 to the chief operating officer on a weekly basis via phone call.
14 However, when asked to estimate how long those calls were, the
15 employee stated that, on average, they were about 20 minutes in
16 length. The employee added that there were times when the calls
17 would last longer, with the longest calls being about an hour.

18 Staff asked the plant operator if the chief operating officer made
19 additional calls to other people on a regular basis. The employee
20 stated that the chief operating officer did call the accounting
21 firm on a weekly basis. When asked if he knew how long those

1 calls were, the plant operator estimated them to be about the
2 same as the calls made to him, although he indicated he could
3 not speak with certainty. Staff contacted the accounting firm.
4 However, Staff was told by the accountant that she was unable
5 to speak with us.

6
7 9. Q. You also mentioned that the adjustment was reasonable based
8 upon the calculation used to determine the adjusted amount.
9 Could you please elaborate?

10 A. The calculation used to determine the adjusted amount is based
11 on two parts, (1) a monetary rate per hour and (2) an estimated
12 time spent per week performing job-related duties.

13 Staff used \$200.00 per hour as the monetary rate. This amount
14 was chosen because Staff believes this is the rate at which the
15 chief operating officer values knowledge. The consultant hired
16 by the Company for this case charges \$200.00 per hour. In
17 addition, the attorney hired to represent the Company in this
18 proceeding also charges \$200.00 per hour. While the attorney's
19 fee was not known to Staff at the time of its decision, Staff
20 believes this information reaffirms its position that \$200.00 per
21 hour is a reasonable rate at which to compensate the chief

1 operating officer for the knowledge he uses to perform his
2 duties.

3 Staff used 1.5 hours as the estimated time spent per week
4 performing job-related duties. This allows 45 minutes each for
5 phone calls and related preparation time for both the plant
6 operator and the accountant. Staff does recognize that some
7 phone calls may necessarily last longer. Conversely, longer
8 phone calls must be balanced against the times during the year
9 in which no calls are being made.

10 Staff multiplied the \$200.00 rate by the 1.5 hours to arrive at a
11 figure of \$300.00 per week. Staff then multiplied the \$300.00 by
12 52 weeks to arrive at an annual salary of \$15,600. The
13 adjustment of \$9,400 represents the difference between the chief
14 operating officer's current salary and Staff's recommendation.

15 10. Q. Does this conclude your Pre-filed testimony?

16 A. Yes it does. However, I reserve the right to submit supplemental
17 testimony as described herein, as new information subsequently
18 becomes available or in response to positions taken by other
19 parties.

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prefiled Testimony of **John L. Berringer**, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail, upon the following parties of record, this 20th day of March, 2014.

/s/ *Steven L. Beeler*

Steven L. Beeler
Assistant Attorney General

Parties of Record:

Henry W. Eckhart, Esq.
Eckhart Law Offices
1200 Chambers Road
Suite 106
Columbus, OH 43212
henryeckhart@aol.com

Zachary D. Kravitz
Taft Stettinius & Hollister LLP
65 E. State Street, Suite 1000
Columbus, OH, 43215
zkravitz@taftlaw.com

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/20/2014 4:04:59 PM

in

Case No(s). 13-1690-WW-AIR

Summary: Testimony Prefiled Testimony of John L. Berringer electronically filed by Mrs. Tonneta Y Scott on behalf of PUCO