

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of The :  
Commission's Investigation:  
into Ohio Rural Natural : Case No. 16-1578-GA-COI  
Gas Co-Op and Related :  
Matters. :

- - -

PROCEEDINGS

before Mr. Nicholas Walstra and Mr. Scott Farkas,  
Hearing Examiners, at the Public Utilities Commission  
of Ohio, 180 East Broad Street, Room 11-C, Columbus,  
Ohio, called at 10:00 a.m. on Tuesday, September 6,  
2016.

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APPEARANCES:

Mike DeWine, Ohio Attorney General  
By Mr. Werner L. Margard III  
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On behalf of the Staff of the Public  
Utilities Commission of Ohio.

Kravitz, Brown & Dortch, LLC  
By Mr. Richard R. Parsons  
Mr. Michael D. Dortch  
65 East State Street, Suite 200  
Columbus, Ohio 43215

On behalf of the Ohio Rural Natural Gas  
Co-op.

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Tuesday Morning Session,  
September 6, 2016.

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EXAMINER WALSTRA: The Public Utilities  
Commission of Ohio has called for hearing at this  
time and place Case No. 16-1578-GA-COI, being In the  
Matter of the Commission's Investigation into Ohio  
Rural Natural Gas Co-op and Related Matters.

My name is Nick Walstra, and with me is  
Scott Farkas, and we are the Attorney Examiners  
assigned by the Commission to hear this case. We'll  
begin by taking appearances of the parties.

Staff.

MR. MARGARD: Thank you, your Honors. On  
behalf of the Staff of the Public Utilities  
Commission of Ohio, Mike DeWine, Ohio Attorney  
General, William Wright, Section Chief, Public  
Utilities Section, by Assistant Attorney General  
Warner L. Margard, 30 East Broad Street, 16th floor,  
Columbus, Ohio.

EXAMINER WALSTRA: Thank you.

MR. PARSONS: On behalf of Ohio Rural  
Natural Gas Co-op, Richard Parsons, 65 East State  
Street, Suite 200, Columbus, Ohio, and Michael Dortch  
of the same address.

1 EXAMINER WALSTRA: Thank you.

2 Any procedural matters before we get  
3 started?

4 MR. PARSONS: Yes, your Honor. Would  
5 like to move for a Protective Order as to the  
6 portions of exhibits, I believe they are 9 and 12,  
7 they were filed under seal which contain personal  
8 information about customers, Social Security numbers  
9 of employees and drug test results.

10 EXAMINER WALSTRA: Any objections?

11 MR. MARGARD: No objections, your Honor.  
12 Thank you.

13 EXAMINER WALSTRA: We will grant the  
14 order.

15 MR. PARSONS: Thank you.

16 EXAMINER WALSTRA: Anything else? Staff  
17 has the burden, so you can go ahead.

18 MR. MARGARD: I thank you, your Honor.  
19 Your Honor, for convenience and as a preliminary  
20 matter, I have marked the Staff Report filed in this  
21 case on July 15th, 2016 as Staff Exhibit No. 1.

22 EXAMINER WALSTRA: Okay. So marked.

23 (EXHIBIT MARKED FOR IDENTIFICATION.)

24 MR. MARGARD: Your Honor, I would call  
25 Mr. Christopher Domonkos to the stand, please.

1 EXAMINER WALSTRA: Okay.

2 MR. MARGARD: Your Honor, I have marked  
3 for purposes of identification as Staff Exhibit No. 2  
4 the Prepared Direct Testimony of Mr. Christopher  
5 Domonkos.

6 EXAMINER WALSTRA: So marked.

7 (EXHIBIT MARKED FOR IDENTIFICATION.)

8 EXAMINER WALSTRA: Raise your right hand.  
9 (Witness placed under oath.)

10 MR. MARGARD: I assume that your Honor  
11 has copies of both of these documents?

12 EXAMINER WALSTRA: I do, yes.

13 EXAMINER FARKAS: Yes.

14 MR. MARGARD: I have copies for the court  
15 reporter. Have you sworn the witness?

16 EXAMINER WALSTRA: Yes.

17 MR. MARGARD: Missed that.

18 - - -

19 CHRISTOPHER DOMONKOS

20 being first duly sworn, as prescribed by law, was  
21 examined and testified as follows:

22 DIRECT EXAMINATION

23 By Mr. Margard:

24 Q. Good morning, sir. Please state your  
25 name.



1           A.    My name is Christopher Domonkos.

2           Q.    And by whom are you employed?

3           A.    Public Utilities Commission of Ohio.

4           Q.    And your business address, please, sir.

5           A.    180 East Broad Street, Columbus, Ohio.

6           Q.    Mr. Domonkos, do you have before you  
7 what's been marked as Staff Exhibit 2?

8           A.    Yes.

9           Q.    And is this testimony that you prepared  
10 or was prepared at your direction?

11          A.    Yes.

12          Q.    Have you reviewed this testimony prior to  
13 taking the stand today?

14          A.    Yes.

15          Q.    Do you have any corrections, changes of  
16 any kind to this testimony?

17          A.    No, sir.

18          Q.    And if I were to ask you the same  
19 questions that are contained in this document, would  
20 your answers be the same?

21          A.    Yes, sir.

22               MR. MARGARD:  Your Honors, I respectfully  
23 move for the admission of Staff Exhibit 2 and submit  
24 the witness for cross-examination.

25               EXAMINER WALSTRA:  Thank you.

1 MR. PARSONS: Thank you, your Honor.

2 - - -

3 CROSS-EXAMINATION

4 By Mr. Parsons:

5 Q. Mr. Domonkos, my name is Richard Parsons,  
6 attorney on behalf of Ohio Rural Natural Gas.  
7 Really, just a couple questions for you. The Tin Man  
8 Storage violations cited in your report, have those  
9 been corrected at this point?

10 A. I believe the majority of them have been  
11 corrected.

12 Q. Which ones have not been corrected, if  
13 any?

14 A. I'm allowed to read through my notes,  
15 sir?

16 Q. Yes.

17 A. Okay. Okay, you want to know the ones  
18 that were not corrected?

19 Q. Yes.

20 A. Just making sure. As far as I can  
21 recall, I can't think of any off the top of my head.

22 Q. Okay. Thank you.

23 MR. PARSONS: No further questions.

24 EXAMINER WALSTRA: Any redirect?

25 MR. MARGARD: I have no redirect. Thank

1 you.

2 EXAMINER WALSTRA: Do you have any  
3 questions?

4 EXAMINER FARKAS: Does your testimony  
5 relate solely to the November 25th notice?

6 THE WITNESS: It relates to that, and it  
7 also relates to Duck Creek Road where we had a  
8 joining issue.

9 EXAMINER FARKAS: Okay, thank you.  
10 That's all I have.

11 EXAMINER WALSTRA: Thank you.

12 THE WITNESS: Thank you.

13 MR. MARGARD: Your Honor, I would call  
14 Mr. Peter Chace to the stand, please. Your Honors, I  
15 have marked for purposes of identification as Staff  
16 Exhibit No. 3 the Prepared Testimony of Peter Chace.

17 EXAMINER WALSTRA: So marked.

18 (EXHIBIT MARKED FOR IDENTIFICATION.)

19 EXAMINER WALSTRA: Raise your right hand.

20 - - -

21 PETER CHACE

22 being first duly sworn, as prescribed by law, was  
23 examined and testified as follows:

24 DIRECT EXAMINATION

25 By Mr. Margard:

1 Q. State your name, please, sir.

2 A. My name is Peter Allen Chace.

3 Q. By whom are you employed?

4 A. I'm employed by the Public Utilities  
5 Commission of Ohio.

6 Q. What is your business address, please,  
7 sir?

8 A. It's 180 East Broad Street, Columbus,  
9 Ohio, 43215.

10 Q. You have before you what's been marked as  
11 Staff Exhibit Nos. 1 and 3.

12 A. I do.

13 Q. And is Staff Exhibit No. 1 the Staff  
14 Report that was filed in this case?

15 A. It is.

16 Q. And what responsibility did you have for  
17 the preparation of that document?

18 A. I drafted it.

19 Q. And are you aware of any changes,  
20 corrections or modifications to this document?

21 A. After review, I do have one change. On  
22 Page 2, we refer to an Appendix C for a Notice of  
23 Probable Noncompliance dated April 5th, 2016. The  
24 correct appendix is Appendix D.

25 EXAMINER FARKAS: I'm sorry, B as in boy?

1 THE WITNESS: D as in delta.

2 Q. (By Mr. Margard) Are you aware of any  
3 corrections or changes to the Staff Report?

4 A. I'm not.

5 Q. You also have before you Staff Exhibit  
6 No. 3 which is your Direct Testimony.

7 A. Yes, I do.

8 Q. And was this prepared by you or at your  
9 direction?

10 A. Yes, it was prepared by me.

11 Q. Have you reviewed this document before  
12 testifying today?

13 A. I have.

14 Q. Do you have any corrections,  
15 modifications, changes of any sort to this document?

16 A. No.

17 Q. If I were to ask you the questions  
18 contained in this document, would your answers today  
19 be the same?

20 A. Yes, they would.

21 MR. MARGARD: Your Honors, I respectfully  
22 move for the admission of Staff Exhibit No. 3 and  
23 tender the witness for purposes of cross-examination.

24 EXAMINER WALSTRA: Thank you.

25 MR. PARSONS: No questions, your Honor.

1 EXAMINER FARKAS: I have a couple  
2 questions for you.

3 - - -

4 EXAMINATION

5 By Examiner Farkas:

6 Q. On Page 6 of your testimony, you indicate  
7 that the Ohio Rural Natural Gas responded in a letter  
8 which is on Line 15 --

9 A. Yes.

10 Q. -- written by Michael Panzarella and that  
11 was a letter that was written, if I can look back  
12 here, that references the March 10th Notice of  
13 Noncompliance?

14 A. Yes, it does.

15 Q. The March 10th, 2015 Notice of  
16 Noncompliance was issued to Ohio Rural Natural Gas;  
17 is that correct?

18 A. I'll take a moment. I believe that's one  
19 of the attachments in the Staff Report, yes.

20 Q. So I just want to be clear for the record  
21 that is it Staff's position that the Ohio Rural  
22 Natural Gas, the letter that was issued in March,  
23 that was issued to Ohio Rural Natural Gas Company and  
24 responded to by the Ohio Rural Natural Gas Co-op, the  
25 letter that you said Mr. Panzarella responded to as

1 Compliance Manager for Ohio Rural Natural Gas Co-op,  
2 is it Staff's position that those two are one and the  
3 same?

4 A. Yes.

5 Q. And on Page 2 of the Staff Report,  
6 there's a reference to under where it's describing  
7 Staff investigation, and it has No. 1, cites the CFR  
8 section. Then the first sentence says, "The Ohio  
9 Rural Natural Gas Company," which you're saying is  
10 Co-op, basically the same thing, "has installed  
11 approximately 7,300 feet of four-inch plastic line."

12 And that 7,300 feet, does that have any  
13 relationship to if you go to Page 19 of the Staff  
14 Report, there are references to 3,400 feet of piping  
15 at Duck Creek Road and 5,400 feet of piping at  
16 Ellsworth Road?

17 A. Yes.

18 Q. What is the relationship?

19 A. They are different segments of piping.

20 Q. Different segments but it's --

21 A. They're close to each other. It's part  
22 of the same pipeline system.

23 Q. So there's 7,300 feet of four-inch  
24 pipeline, there's also 3,400 feet of piping at Duck  
25 Creek and also 5,400 feet of piping at Ellsworth

1 Road?

2 A. Yes.

3 Q. In the testimony of the witness for the  
4 Co-op, Mr. Knight, he indicates that this company has  
5 not received response from Staff to their  
6 counterproposals to some of the directives that Staff  
7 had made in the notices.

8 A. That's correct.

9 Q. Do you know why from the Staff they have  
10 not received any response?

11 A. Quite frankly, when I received that  
12 counterproposal, after reading it, what it said was  
13 we will commit to qualifying our people which is  
14 something we've been after them to do for over a  
15 year. And other than that, I essentially saw it as  
16 an opportunity to negotiate against myself. We were  
17 at that time in the process of developing the Staff  
18 Report, and I felt that the Staff Report would be --  
19 that question would be resolved when we filed the  
20 Staff Report.

21 Q. Okay. So from the Staff's position,  
22 Staff is not accepting the counterproposal. Is that  
23 a satisfactory resolution of the issues raised in the  
24 notices?

25 A. That's correct.



1 EXAMINER FARKAS: Okay, thank you.

2 That's all I have.

3 EXAMINER WALSTRA: I have one question  
4 for you.

5 - - -

6 EXAMINATION

7 By Examiner Walstra:

8 Q. On the last page, you make the  
9 recommendation that the system should immediately  
10 cease operations. Logistically how would you see  
11 that operating like in terms of their customers in  
12 going forward if that were to happen?

13 A. Well, I'm focused primarily on pipeline  
14 safety and not service, so I don't know if I'm an  
15 expert in that. I do know that we're still a few  
16 months out before heating season and enough time for  
17 some alternatives to be arranged.

18 EXAMINER WALSTRA: Okay.

19 - - -

20 FURTHER EXAMINATION

21 By Examiner Farkas:

22 Q. As a follow-up to that, do you know how  
23 many customers -- Well, let me ask you this, are all  
24 the customers on Ohio Rural Natural Gas Co-op's  
25 system residential customers?

1           A.     What I know about the Ohio Rural system  
2     is they have approximately 100 customers. A majority  
3     of that would be clients at the Tin Man Storage  
4     facility. I don't know if -- I suppose you would  
5     classify that as commercial.

6           Q.     Do you know how many of the customers if  
7     you can break it down, residential and  
8     nonresidential, how many have never received natural  
9     gas through a pipeline prior to receiving service  
10    from Ohio Rural Natural Gas Co-op?

11          A.     I don't know.

12          Q.     Okay. Thank you.

13                EXAMINER WALSTRA: Mr. Margard, do you  
14    have any questions following up?

15                MR. MARGARD: No, your Honor, no  
16    redirect.

17                MR. PARSONS: Nothing, your Honor. Thank  
18    you.

19                EXAMINER WALSTRA: Thank you.

20                MR. MARGARD: Your Honor, having  
21    previously moved the admission of Staff Exhibit Nos.  
22    2 and 3, I also move the admission of Staff Exhibit  
23    No. 1.

24                EXAMINER WALSTRA: Any objections?

25                MR. PARSONS: No objection.

1 EXAMINER WALSTRA: Staff Exhibits 1, 2  
2 and 3 will be admitted.

3 (EXHIBITS ADMITTED INTO EVIDENCE.)

4 MR. MARGARD: And I have nothing further  
5 at this time, your Honor. Thank you.

6 EXAMINER WALSTRA: Thank you.

7 Mr. Parsons?

8 MR. PARSONS: Thank you, your Honor. We  
9 would call Darryl Knight to the stand.

10 EXAMINER WALSTRA: Raise your right hand.

11 (Witness placed under oath.)

12 MR. PARSONS: May I approach, your Honor?  
13 I have testimony for you. I only printed off one  
14 copy.

15 - - -

16 DARRYL L. KNIGHT

17 being first duly sworn, as prescribed by law, was  
18 examined and testified as follows:

19 DIRECT EXAMINATION

20 By Mr. Parsons:

21 Q. Please state your name for the record,  
22 sir.

23 A. Darryl L. Knight.

24 Q. And who are you employed by?

25 A. Ohio Rural Natural Gas Co-op.

1 Q. What's your position there?

2 A. I'm the President.

3 Q. Do you hold any other title there?

4 A. I'm also the President of the Board of  
5 Directors.

6 Q. And what's your business address?

7 A. 7001 Center Street, Mentor, M-E-N-T-O-R,  
8 Ohio, 44060.

9 Q. And before you, you have your Prefiled  
10 Testimony which I have marked as Exhibit 1. Do you  
11 recognize that?

12 A. I do.

13 Q. And was this prepared by you or at your  
14 direction?

15 A. That's correct.

16 Q. Have you reviewed it?

17 A. I have.

18 Q. Are there any changes you would make to  
19 that testimony?

20 A. Not at the present time.

21 Q. If I were to ask you the same questions  
22 in your testimony that are written there, would your  
23 answers be the same?

24 A. That's correct.

25 MR. PARSONS: Your Honor, I would move

1 Exhibit 1 into evidence.

2 EXAMINER WALSTRA: Thank you.

3 Q. (By Mr. Parsons) Since the time your  
4 testimony was filed, was there anything that you  
5 would like to supplement your testimony with?

6 A. Yes. On Thursday, September 1st, I had  
7 two what we call farm taps, they're off a high  
8 pressure system, we had those nondestructive tested  
9 as per the deficiencies that were listed in the Staff  
10 Report, and I would have had those two done sooner,  
11 but the company we contract with called Jan-X,  
12 J-A-N-hyphen-X, were unable to come out until this  
13 past Thursday.

14 MR. PARSONS: And may I approach, your  
15 Honor?

16 EXAMINER WALSTRA: You may.

17 Q. (By Mr. Parsons) Do you recognize those  
18 two documents I just gave you?

19 A. Yes, I do.

20 Q. What are they?

21 A. They are the nondestructive reports from,  
22 again, from Jan-X Company with regards to our two  
23 locations that they tested.

24 Q. And what do those reports show?

25 A. They did what they call a Magnetic

1 Particle Technique and that showed no abnormalities  
2 in the welds on the steel.

3 EXAMINER FARKAS: I'm sorry, what did you  
4 say?

5 THE WITNESS: They didn't show any  
6 abnormalities on the steel, any defects on the  
7 welding. I'm sorry.

8 MR. PARSONS: Your Honors, I would ask  
9 that this be actually marked as Attachment 33 to  
10 Mr. Knight's testimony.

11 (EXHIBIT MARKED FOR IDENTIFICATION.)

12 MR. PARSONS: And would move that into  
13 evidence as well. No further questions.

14 EXAMINER WALSTRA: Thank you.

15 Mr. Margard.

16 MR. MARGARD: Thank you, your Honor.

17 - - -

18 CROSS-EXAMINATION

19 By Mr. Margard:

20 Q. Good morning, Mr. Knight.

21 A. Good morning.

22 Q. You indicate in your testimony that you  
23 are the General Manager of Ohio Rural Natural Gas.  
24 Are there other officers in this company?

25 A. Yes. There is the -- we have Lauren

1 Tristano, and she's our Compliance Manager. And then  
2 on the Board of Directors, we have Richard M.  
3 Osborne, Sr. as Vice President and that is the extent  
4 of that.

5 Q. Okay. Can you spell Tristano?

6 A. Tristano, that's T-R-I-S-T-A-N-O.

7 Q. Very good. Thank you. How long has  
8 Miss Tristano been the Compliance Manager?

9 A. Approximately six weeks.

10 Q. Are the two of you the only two employees  
11 of the company?

12 A. We have employees that are field  
13 technicians.

14 Q. How many employees?

15 A. That would be, let me use my fingers, I  
16 apologize, let's see, that would be six employees.

17 Q. Thank you. Now, you mentioned that  
18 Richard Osborne, Sr. is the Vice President of the  
19 Board, and earlier you indicated that you're the  
20 President of the Board?

21 A. That's correct.

22 Q. How many Board members are there?

23 A. Presently there are two Board members.  
24 We are in the process of having  
25 shareholder/stakeholder meetings.

1           Q.    When did you assume your duties as  
2   General Manager for Ohio Rural?

3           A.    Well, initially, I was there during the  
4   formation of Ohio Rural Natural Gas Co-op in February  
5   of 2015. I left their employment on August 21st of  
6   2015 and Mr. Osborne asked me to come back to work  
7   for him, and I assumed those responsibilities on  
8   March 28th of 2016.

9           Q.    Was your title at the time that you were  
10   employed during your first tour of duty, if I can use  
11   that phrase, the General Manager throughout that time  
12   period?

13          A.    That's correct.

14          Q.    And did you have Compliance Officers  
15   throughout that period as well?

16          A.    I did. His name was Michael Panzarella.

17          Q.    Was he the only Compliance Officer who  
18   worked for you during your first tour?

19          A.    That's correct.

20          Q.    You're a high school graduate?

21          A.    Correct.

22          Q.    Did you attend college?

23          A.    No.

24          Q.    Have you taken any training or any  
25   courses that have earned you any professional



1       certifications?

2               A.     No.

3               Q.     I want to talk a little bit about your  
4       background, your work background, please.

5               A.     Sure.

6               Q.     You indicated from December of 1988  
7       through December of 1996, you were the Operations  
8       Manager for Osair; is that correct?

9               A.     That's correct.

10              Q.     And Osair is owner controlled by  
11       Mr. Richard Osborne and/or the Osborne Trust; is that  
12       correct?

13              A.     That's correct.

14              Q.     Does Osair have pipelines?

15              A.     Osair has nitrogen pipelines.

16              Q.     Did you have any responsibility for  
17       constructing or maintaining the pipelines during your  
18       tenure there?

19              A.     No, I didn't.

20                   EXAMINER FARKAS:   Before you leave that,  
21       could I just ask a question directly related to  
22       Osair?   On Page 1, you spell Osair O-S-A-I-R, Inc.  
23       On Page 20, it's O-S-space-A-I-R.   Are those one and  
24       the same?

25                   THE WITNESS:   They are.

1 EXAMINER FARKAS: Thank you.

2 THE WITNESS: You're welcome.

3 Q. (By Mr. Margard) From December of 1996  
4 through June of 2002, you were the Operations Manager  
5 for Liberty Self Store?

6 A. That's correct.

7 Q. And Liberty Self Store was owned or  
8 controlled by Richard Osborne and/or the Osborne  
9 Trust; is that correct?

10 A. That's correct.

11 Q. And that had no pipelines; is that right?

12 A. That's correct.

13 Q. And from June of 2002 through May of 2008  
14 you were the Operations Manager for Orwell Natural  
15 Gas?

16 A. That's correct.

17 Q. And at that time, Orwell Natural Gas was  
18 owned or controlled by Richard Osborne and/or the  
19 Osborne Trust; is that correct?

20 A. That's correct.

21 Q. And Mr. Osborne was then the Chairman of  
22 the Board of Orwell Natural Gas; was he not?

23 A. That's correct. He was the CEO of Gas  
24 Natural. And if I may, as it gets a little confusing  
25 here, the Ohio companies, and that would be Orwell

1 Natural Gas and Northeast Ohio Natural Gas, they  
2 merged with the companies that fell under the Energy  
3 West umbrella. Energy West was based out of Great  
4 Falls, Montana, and Energy West had operations in  
5 Montana and Wyoming.

6 And they also had underneath their  
7 umbrella Bangor Natural Gas in Bangor, Maine and  
8 Frontier Natural Gas which is located in Elkin,  
9 North Carolina. In January 2010, those companies,  
10 the two Ohio gas companies and actually we had two  
11 small LDCs in Pennsylvania, they merged with Energy  
12 West and that formed Gas Natural.

13 Q. Thank you.

14 A. You're welcome. It just gets confusing.

15 Q. It is. Fortunately the Commission has a  
16 fairly extensive record on the history of Orwell  
17 Natural Gas, but I appreciate the clarification.

18 A. Okay.

19 Q. During your time at Orwell Natural Gas,  
20 did you have any responsibility for the construction  
21 or maintenance of its pipelines?

22 A. I did.

23 Q. And what were those responsibilities,  
24 please?

25 A. Well, I would oversee the day-to-day

1 operations of pipeline construction, and I would make  
2 arrangements for the material to be delivered and  
3 worked on the budgets of same.

4 Q. Were you responsible for compliance with  
5 gas pipeline safety regulations?

6 A. I was not.

7 Q. Did you supervise anyone who was?

8 A. I supervised -- I had a couple different  
9 individuals during that time period.

10 Q. But you were not yourself responsible;  
11 your responsibilities were with the supervision of  
12 others; is that correct?

13 A. That's correct.

14 Q. Now, you mentioned earlier Energy West,  
15 and from May of 2008 through February of 2009, you  
16 were Vice President of Energy West Resources?

17 A. That's correct.

18 Q. And what is Energy West Resources or what  
19 was it?

20 A. That was the nonregulated arm of Energy  
21 West. That was the arm that dealt with the  
22 commodities and securing commodities for the  
23 regulated entities.

24 Q. And at the time you worked for Energy  
25 West, Mr. Richard Osborne was the Chief Executive

1 Officer of Gas Natural?

2 A. Correct.

3 Q. And also the Chairman of the Board for  
4 Gas Natural?

5 A. Correct.

6 Q. And you did not have any responsibility  
7 in that position for construction, maintenance of any  
8 pipelines?

9 A. No, I did not.

10 Q. From February of 2009 through October of  
11 2012, you were the Corporate Director of Purchasing  
12 for Gas Natural; is that correct?

13 A. That is correct.

14 Q. During this time, Mr. Osborne was again  
15 the Chief Executive and Chairman of the Board for Gas  
16 Natural?

17 A. Correct.

18 Q. Again, you had no responsibility for  
19 pipeline construction or maintenance during that  
20 period?

21 A. Correct.

22 Q. From October of 2012 through September of  
23 2014, you were President of Frontier Natural Gas?

24 A. That's correct.

25 Q. You earlier mentioned Frontier Natural

1 Gas and that it was a subsidiary of Gas Natural?

2 A. That's correct.

3 Q. Once again, Mr. Osborne was Chief  
4 Executive Officer and Chairman of the Board at least  
5 until his removal in May of 2014?

6 A. That's correct.

7 Q. Did you have responsibilities of  
8 construction or maintenance of pipelines while you  
9 were President of Frontier Natural Gas?

10 A. I oversaw the day-to-day activities of  
11 same.

12 Q. In a similar fashion that you did at  
13 Orwell, you supervised someone who had those  
14 responsibilities?

15 A. That's correct.

16 Q. But you didn't have any responsibility  
17 yourself for compliance with gas pipeline safety?

18 A. No, at Frontier we had a Compliance  
19 Department. We had two individuals.

20 Q. Thank you. At the same time from the  
21 period of December through 2012 through November of  
22 2013, you were President of something called  
23 Independence Oil?

24 A. That's correct.

25 Q. And that's also a subsidiary of Gas

1 Natural or was at the time?

2 A. It was at the time.

3 Q. And that fuel oil company, it did not  
4 have or maintain any pipelines; is that correct?

5 A. That's correct. They had fuel oil, but  
6 their actual main business model was the propane.  
7 And what we did is we purchased Independence Oil and  
8 Gas in August 2011 and we used that, their customer  
9 base, and then Frontier would run natural gas mains  
10 to those areas where we had a high concentration of  
11 propane customers and then convert them over to  
12 natural gas.

13 Q. As a way of growing your territory?

14 A. Yeah, growing our footprint.

15 Q. Thank you.

16 A. You're welcome.

17 Q. You indicated you began the formation of  
18 Ohio Rural Co-op in January of 2015?

19 A. That's correct.

20 Q. For whom were you working at the time you  
21 began the formation of the Co-op?

22 A. Richard M. Osborne, Sr.

23 Q. You were working for him directly and  
24 personally?

25 A. That's correct.

1 Q. In what capacity?

2 A. I was the Operations Manager, and then we  
3 formed Ohio Rural Natural Gas, LLC. And that our  
4 intentions were at that time, we had a community in  
5 the western part of the State of Ohio called  
6 Waynesfield, and Waynesfield was in desire of  
7 receiving natural gas for its community.

8 And we were going to do that, we were  
9 going to get a tap off the Columbia Transmission  
10 system and provide the community and the surrounding  
11 villages with natural gas, but unfortunately it was  
12 just too far away from our base of operations in  
13 Mentor, Ohio, so we had to back out of that.

14 Q. You left Ohio Rural you indicated on  
15 August 21st of 2015?

16 A. Correct.

17 Q. What was the reason for your leaving that  
18 position?

19 A. The reason I left was, to be quite frank  
20 with you, I wasn't -- I was frustrated with the  
21 progress that we were making or lack thereof and  
22 that's why I left.

23 Q. Progress in what respect, please, sir?

24 A. Progress in establishing the company and  
25 getting -- working with the PUCO.



1           Q.    Were there issues other than the gas  
2 pipeline safety compliance issues?

3           A.    No.

4           Q.    From the time you left until the time you  
5 returned, who was responsible for operating Ohio  
6 Rural Natural Gas?

7           A.    That would have been Richard M. Osborne  
8 and he had a gentleman who worked for one of his  
9 companies called Cobra Pipeline. His name was Dale  
10 Strickland, and Mr. Strickland was assisting in the  
11 day-to-day operations of same.

12          Q.    Would Mr. Strickland have had essentially  
13 your title as General Manager or would you say that  
14 Mr. Osborne was functioning as the General Manager at  
15 that time?

16          A.    I would say Mr. Osborne did, yes.

17          Q.    In your testimony, you indicate that  
18 there are 72 members of Ohio Rural Natural Gas. Is  
19 that close or about right?

20          A.    That's a good -- those are 72 members  
21 that actually have gas going to them. Now, we do  
22 have a backlog of customers who have signed up for  
23 natural gas. And if I may, the reason that I wanted  
24 to do a natural gas cooperative is I was always  
25 intrigued by President Roosevelt and his New Deal

1 program back in the 1930s.

2 And if you're aware of this,  
3 Mr. Roosevelt was a proponent of at that time  
4 electric cooperatives. And electric co-ops were kind  
5 of the broadband high speed Internet of the day, and  
6 a lot of large utilities did not want to go in those  
7 areas to provide service to the rural customers. And  
8 through the use of the cooperatives, they were able  
9 to do that to a great extent.

10 And I thought we're in kind of a paradox  
11 here in the State of Ohio, especially in the south,  
12 southeastern part of the state, because we have this  
13 natural gas that we're sitting on, but the customers,  
14 the consumers, the end consumers are using propane or  
15 electricity which during recent years, as everybody's  
16 well aware of, have had higher costs. So I thought  
17 it would be something -- it would be a great legacy  
18 to have a cooperative and to get natural gas to these  
19 end consumers.

20 Q. Thank you, sir, for that background. I  
21 appreciate that. And I appreciate the distinction  
22 between customers receiving and not currently  
23 receiving service, so I want to explore that a little  
24 bit.

25 A. Sure.

1           Q.    72 customers who are currently receiving  
2    service, and this harkens back to the question asked  
3    by the Bench earlier, do you know how many of those  
4    members are residential?

5           A.    I would say out of those, there are  
6    probably 17 roughly that are residential.

7           Q.    And do you know how many of those  
8    customers are Tin Man Storage customers?

9           A.    I believe there are around 50, 54.

10          Q.    Would it be the balance or are there  
11   other customers other than residential and Tin Man  
12   customers who are served by Ohio Rural?

13          A.    The only actual commercial customers we  
14   have besides -- I guess you could deem the Tin Man  
15   customers as commercial since they -- and the Tin Man  
16   Storage, just for your reference, it's a storage  
17   facility but unlike a traditional storage facility  
18   where somebody leases the space, that person actually  
19   owns their space. So some of them store their RVs  
20   and such, some of them operate small businesses out  
21   of there. So, again, they would probably be deemed  
22   commercial.

23                   The only other two customers that we have  
24   that are commercial is Osair, O-S-A-I-R, and Great  
25   Plains Exploration, and that's on East Avenue in

1 Mentor.

2 Q. And Great Plains Exploration, just so  
3 we're clear, is a company that is also owned or  
4 controlled by Mr. Richard Osborne and/or the Osborne  
5 Trust; is that correct?

6 A. That's correct.

7 Q. Mr. Osborne is a member of the Co-op; is  
8 he not?

9 A. He is.

10 Q. Do you know, by the way, is anyone living  
11 in any of those storage units in Tin Man?

12 A. No, they're not allowed to.

13 Q. Not allowed to, but as far as you know,  
14 there's no one actually living in those units?

15 A. Not that I'm aware of.

16 Q. Now, you indicated also in your testimony  
17 that there are 68 members who have yet to receive  
18 service. Does that sound about right?

19 A. That's -- Yeah, yeah.

20 Q. I'm not looking for exact --

21 A. Yeah.

22 Q. That's fine. Do you know how many of  
23 those 68 are residential?

24 A. They're all residential.

25 Q. They're all residential?

1           A.    Yes.  And the majority of those, again,  
2   for your reference, are in Mahoning and Trumbull  
3   Counties, and we have a satellite office that is in  
4   Newton Falls, Ohio and that's the area that we have  
5   the Duck Creek system, the Hallock Young/Lyntz,  
6   L-Y-N-T-Z, Road systems and the Ellsworth,  
7   E-L-L-S-W-O-R-T-H, systems.

8           Q.    Thank you.

9           A.    You're welcome.

10          Q.    In your testimony, you are describing the  
11   nature of Ohio Rural Natural Gas, LLC and its  
12   relationship or lack thereof --

13               EXAMINER FARKAS:  Before you get into  
14   that line of questioning, I have one more follow-up  
15   here.

16               THE WITNESS:  Sure.

17               EXAMINER FARKAS:  There are 17  
18   residential customers that you say are served by the  
19   Co-op currently?

20               THE WITNESS:  That's correct.

21               EXAMINER FARKAS:  Did they ever receive  
22   natural gas prior to the service of the Co-op?

23               THE WITNESS:  No, the majority of them  
24   were propane customers.

25               EXAMINER FARKAS:  Thank you.

1 THE WITNESS: You're welcome.

2 Q. (By Mr. Margard) Along those lines, the  
3 Tin Man customers, however, were receiving service  
4 from Orwell Natural Gas; were they not?

5 A. That's correct.

6 Q. Now, the relationship between the LLC and  
7 the Co-op or the lack thereof, it is correct, is it  
8 not, that the LLC never registered with the PUCO?

9 A. That's correct.

10 Q. Neither has the Co-op registered with the  
11 PUCO or has it?

12 A. It has. We registered -- We obtained our  
13 operator ID in the late spring of 2015.

14 Q. The LLC, you were an employee of the LLC  
15 beginning in about November of --

16 A. 2014.

17 Q. -- 2014; is that correct?

18 A. That's correct.

19 Q. Were you the only employee?

20 A. Yes.

21 Q. You had no other employees?

22 A. No.

23 Q. During the entire life of the LLC?

24 A. We had one individual that was a  
25 salesperson that we hired, but she actually went on

1 our payroll when it was formed as a Co-op.

2 Q. So she was working, I presume, for the  
3 LLC without being paid until the Co-op was formed?

4 A. She was actually -- I believe she was  
5 being paid under Osair temporarily until we got  
6 everything in order because we had it set up with the  
7 federal ID and all that stuff. You know what, I  
8 apologize, actually Michael Panzarella was an  
9 employee and he was the Compliance Manager.

10 Q. For the LLC?

11 A. The LLC and the Co-op.

12 Q. Did the LLC have an office, have any  
13 equipment, have any assets?

14 A. Not to speak of, no. We had an office at  
15 7001 Center Street, and we utilized -- we shared  
16 office space with Cobra Pipeline at 2412 Newton Falls  
17 Road in Newton Falls, Ohio.

18 Q. Now, you indicated that the LLC ceased  
19 operations and, in fact, on Page 4, Line 21 of your  
20 testimony --

21 A. I'm sorry, go ahead.

22 Q. You say at that point in time, ORNG  
23 ceased operations. Do you see that reference?

24 A. That's correct.

25 Q. At what point in time? Can you tell me

1 when the LLC ceased operations?

2 A. That would have been late January of 2015  
3 going on -- well, actually February of 2015. I think  
4 it was the first week of February 2015.

5 Q. So it ceased operations in the first week  
6 of February 2015?

7 A. Yes, and then we were in the process of  
8 forming Ohio Rural Natural Gas Co-op.

9 Q. And the LLC -- I'm trying to use LLC and  
10 Co-op to distinguish it.

11 A. Sure.

12 Q. The LLC performed no activities after  
13 that date?

14 A. No, that would have been -- that would  
15 have been the Co-op that would have been performing.  
16 We actually had pipeline mainline being installed  
17 commencing around January 17th to 19th of 2015.

18 Q. About January 17th?

19 A. 17th to 19th.

20 Q. Now, you are aware, sir, that the  
21 Commission Gas Pipeline Safety Staff initiated an  
22 investigation following a complaint on February 11th  
23 of 2015, correct?

24 A. That's correct.

25 Q. And that the investigation concerned the



1 installation of plastic pipe in Newton Falls, Ohio?

2 A. That's correct.

3 Q. And a pipe had already been installed by  
4 employees of D&M Excavating?

5 A. Yes, D&M Excavating.

6 Q. Is that that installation you had  
7 indicated began on January 17th to 19th?

8 A. That's correct.

9 Q. In fact, you met with the Staff  
10 investigator in Newton Falls the following day on  
11 February 12th; is that correct?

12 A. That's correct, Mr. Topovski.

13 Q. And that investigation also involved a  
14 tap into this Cobra Pipeline?

15 A. That's correct.

16 Q. And Cobra Pipeline is owned or controlled  
17 by Richard Osborne and/or the Osborne Trust?

18 A. That's correct, it's the six degrees of  
19 Richard Osborne, they're all related.

20 Q. They are indeed. Do you know who or what  
21 company made that tap into Cobra?

22 A. Well, they were employees of Cobra  
23 Pipeline that we were utilizing to do that tap.

24 Q. Was the tap actually performed by Big  
25 Oats Oil Field Supply Company?

1           A.    We had one individual, the welder, who  
2   was employed by Big Oats Oil Field Supply.

3           Q.    Just for the sake of our six degrees, Big  
4   Oats is also controlled and owned by Richard Osborne  
5   and/or the Osborne Trust?

6           A.    That's correct.

7           Q.    Who ordered this work be done?

8           A.    Richard M. Osborne.

9           Q.    That was true for both the tap and for  
10  the pipe?

11          A.    That's correct.

12          Q.    And for whom was that work being  
13  performed? On behalf of what entity?

14          A.    Well, that would have been performed for  
15  initially Ohio Rural Natural Gas, LLC and then that  
16  became Ohio Rural Natural Gas Co-op.

17          Q.    So the pipe was and the tap was initially  
18  being done on behalf of the LLC?

19          A.    Well, we didn't have the Co-op formed at  
20  the time.

21          Q.    Okay, thank you.

22          A.    Uh-huh.

23          Q.    And now the individual that you said was  
24  working as your sales representative, Sabrina Urick,  
25  is that name familiar?

1 A. That's correct, U-R-I-C-K.

2 Q. Thank you. Is that the individual to  
3 whom you were referring earlier?

4 A. That's correct.

5 Q. And was Miss Urick present at the time  
6 that Staff was conducting its investigation in Newton  
7 Falls?

8 A. That's correct.

9 Q. And do you know whether Miss Urick  
10 provided any identification for the Staff that  
11 identified her as an employee of the LLC?

12 A. I wasn't privy to that. She may have.

13 MR. MARGARD: Your Honor, may I approach?

14 EXAMINER WALSTRA: You may.

15 (EXHIBIT MARKED FOR IDENTIFICATION.)

16 Q. (By Mr. Margard) Mr. Knight, I hand you a  
17 one-page document marked as Staff Exhibit 4. Do you  
18 recognize this document?

19 A. I do.

20 Q. What is it, please?

21 A. That is a business card from Miss Urick.

22 Q. And it identifies her as the Business  
23 Development Manager?

24 A. That's correct.

25 Q. For Ohio Rural Natural Gas, LLC; is that

1 correct?

2 A. That is correct.

3 Q. Now, when you met with Staff on the 12th  
4 of February, did you also provide a business card to  
5 the Staff Investigator?

6 A. I believe I did, yes.

7 Q. And did that business card identify you  
8 as an employee of the LLC?

9 A. That's correct.

10 Q. It identified you as President of the  
11 LLC; is that correct?

12 A. That's correct.

13 Q. Thank you. Now, do you remember being  
14 given a series of written questions by the Staff  
15 Investigator?

16 A. Yes.

17 Q. And did you respond to those questions in  
18 writing?

19 A. I believe I did, yes.

20 MR. MARGARD: May I approach, your Honor?

21 EXAMINER WALSTRA: You may.

22 (EXHIBIT MARKED FOR IDENTIFICATION.)

23 Q. (By Mr. Margard) Mr. Knight, I hand you a  
24 multi-page document marked for purposes of  
25 identification as Staff Exhibit 5. Sir, is this the

1 list of written questions that you were provided?

2 A. Yes, it is.

3 Q. And are the handwritten portion here your  
4 responses?

5 A. That's correct.

6 Q. This is your handwriting?

7 A. That's correct.

8 Q. And in response to Question No. 3, "Is  
9 Ohio Rural Natural Gas a Co-op, municipal or  
10 private?", you see your response that says, "Private  
11 (LLC) "?

12 A. That's correct. We were in the  
13 process -- if I may elaborate on that. As of that  
14 date, we were in the process, and I believe it was  
15 within a day or within a few days after that, that we  
16 actually were granted the -- we filed with the State,  
17 Secretary of State as a Co-op.

18 Q. Do you know on what date you filed with  
19 the Secretary of State?

20 A. Excuse me, Mr. Parsons, do you have that?  
21 I believe it was February -- I think it took 72 hours  
22 in order for them to....

23 MR. PARSONS: It's Exhibit 3 of  
24 Mr. Knight's testimony, Exhibit 3 to your testimony.

25 THE WITNESS: Okay, thank you.

1           Q.     (By Mr. Margard) If you refer to Exhibit  
2     3, it indicates that the effective date was  
3     February 12th, 2015.

4           A.     That's correct, February 12th.

5           Q.     Which is the same day you met with the  
6     Staff Investigator regarding this incident?

7           A.     Yes. Now, as you can see, you know,  
8     unless -- unless magic happened that day, it is very  
9     hard to get a certificate dated February 12th on the  
10    same day I met Mr. Topovski. So this was the actual  
11    forming the Co-op, was in the works, so to speak.

12          Q.     Thank you, but the actual corporation was  
13    not registered with the State of Ohio until the 12th  
14    of February?

15          A.     That's correct.

16          Q.     But it's your testimony that the LLC had  
17    ceased operations by that date?

18          A.     Yes, for all intents and purposes, the  
19    LLC, we were going to use the LLC to provide natural  
20    gas to the communities in the rural areas, and I  
21    decided to form a co-op as I mentioned before.

22                 MR. MARGARD: May I approach, your Honor?

23                 EXAMINER WALSTRA: You may.

24                 (EXHIBIT MARKED FOR IDENTIFICATION.)

25          Q.     (By Mr. Margard) Mr. Knight, I've handed

1 you a multi-page document marked for purposes of  
2 identification as Staff Exhibit No. 6. Do you know  
3 what these are?

4 A. Yes, they are applications for natural  
5 gas service.

6 Q. These would have been solicited from  
7 customers to provide service?

8 A. That's correct.

9 Q. And at least a couple of these appear to  
10 bear the signature of Miss Urick?

11 A. That's correct.

12 Q. Would you agree with me that the dates on  
13 these range from a time in January to a time in the  
14 beginning of March of 2015?

15 A. That's correct, we were using our old  
16 stock of applications. I paid \$72 for the  
17 applications and I wanted to utilize them.

18 Q. But these applications anyway indicate  
19 that the customers were signing up with the LLC?

20 A. It does say the LLC, you are correct in  
21 that, but, again, we would have notified them of the  
22 changeover for the co-op.

23 Q. How would you have done that, sir?

24 A. We would have sent a letter with contact  
25 information to them.

1           Q.   And is that contained anywhere in your  
2 testimony?

3           A.   No.

4           Q.   Now, with respect to DK-3, this  
5 certificate indicates directors who would serve until  
6 an election was held, and you list three different  
7 directors here including Mr. Strickland whom you  
8 spoke of earlier.

9           A.   Correct.

10          Q.   Were any of these members of the Co-op?

11          A.   No.

12          Q.   None of them are currently serving in any  
13 capacity for the Co-op?

14          A.   No.

15          Q.   Are all of these gentlemen or were all of  
16 these gentlemen at the time employees of Richard  
17 Osborne or Richard Osborne companies?

18          A.   That would be just Mr. Strickland.

19          Q.   Let's turn to Page 6 of your testimony.  
20 Refers to the March 10, 2015 Notice of Probable  
21 Noncompliance, and you indicate beginning on Line 15  
22 that the Co-op lacked the institutional knowledge to  
23 be in compliance. Do you see that reference?

24          A.   Yes, I do.

25          Q.   And by institutional knowledge, do you



1 mean knowledge of Gas Pipeline Safety Regulations?

2 A. Actually for -- I was referring to the  
3 formalities of registering and/or being compliant in  
4 the aspects of our paperwork because at the time when  
5 I worked for the former companies that we talked  
6 about at the beginning of your examination, those  
7 were all entities that were up and running when we  
8 acquired Orwell, for instance, in 2002 and the other  
9 gas companies.

10 Q. When you're talking about paperwork,  
11 you're talking about the various manuals and so forth  
12 that you were required to have in order to provide  
13 service?

14 A. That's correct.

15 Q. And you were not aware that you needed  
16 those things in order to provide service from this  
17 company?

18 A. I was under the impression that we were  
19 able to work on this at the same time as we were  
20 formatting the company and such and it ended up being  
21 a longer process than originally anticipated.

22 Q. What gave you the impression that you  
23 could function without having satisfied all of the  
24 regulations?

25 A. That was my mistake.

1 Q. Thank you.

2 A. You're welcome.

3 Q. And in the succeeding sentence, you refer  
4 to your haste in we are getting ahead of ourselves.  
5 And by "we," to whom are you referring there?

6 A. We as the Co-op.

7 Q. Are there individuals other than  
8 yourself?

9 A. I would say probably Mr. Richard M.  
10 Osborne, Sr.

11 Q. You already indicated he was the one who  
12 was directing you to perform this work, correct?

13 A. That is correct.

14 Q. Now, you mentioned that you have complied  
15 and you have secured a number of these different  
16 manuals and so forth, so I want to take a look at  
17 these real quickly.

18 A. Sure.

19 Q. On DK-4, you have an Operation and  
20 Maintenance Plan.

21 A. Correct.

22 Q. Can you tell me when the company  
23 purchased this manual?

24 A. That was purchased on May 6th of 2015.

25 Q. So it's your position that the dates here

1 reflects the date that you secured this particular  
2 manual?

3 A. Yes, this is when the manual was -- when  
4 we paid UTI, which is located in Groveport, Ohio, to  
5 put together our own manual.

6 Q. Thank you.

7 A. You're welcome.

8 Q. On Tab DK-5 is your Operator  
9 Qualification Manual, and when did you purchase this  
10 manual?

11 A. The original Operator Qualification  
12 Manual was at approximately the same time as the ONM.  
13 I think that might have been -- it came within about  
14 two weeks of each other, and then we've had an  
15 updated version.

16 Q. Thank you.

17 A. You're welcome.

18 Q. Tab 6 is the Distribution Integrity  
19 Management Plan. Does the date here, June 1st, 2015  
20 reflect the date that you purchased this plan, this  
21 document?

22 A. I believe so, yes.

23 Q. Tab DK-7, which you refer to as the  
24 PHMSA, do you know what PHMSA means?

25 A. The PHMSA.

1           Q.    Pipeline and Hazard Materials Safety  
2 Administration?

3           A.    Oh, did you want me to --

4           Q.    That's fine.

5           A.    I apologize.

6           Q.    I just wanted to be clear for the record  
7 what we were talking about.

8           A.    Okay.

9           Q.    This indicates that it was printed in  
10 March 2015. Is that when you first secured a copy of  
11 these regulations?

12          A.    That might have been. I think I might  
13 have actually -- I think Mr. Topovski may have given  
14 me a manual, one of his extras before that.

15          Q.    And Mr. Topovski is the Staff  
16 Investigator who investigated the February 10th  
17 complaint?

18          A.    That's correct.

19          Q.    You believe he would have given that to  
20 you at or about the time you met with him around  
21 February 12th, 2015?

22          A.    Not at that meeting, I think in a  
23 subsequent meeting.

24          Q.    In a subsequent meeting?

25          A.    Yeah.

1           Q.    Your welding manual appears at DK-8.  
2   That's in the other volume.

3           A.    That's correct.

4           Q.    And that has a September 25, 2015 date.  
5   Is that the date you secured this manual?

6           A.    To my knowledge. Now, I was not employed  
7   by Ohio Rural Natural Gas at that time.

8           Q.    You're aware that this manual was not  
9   available to the Staff at its May 2016 audit that's  
10   set forth in the Staff Report?

11          A.    I believe actually Mr. Topovski actually  
12   was -- helped us out in regards -- Bear in mind I  
13   came back on March 28th of 2016, okay. The audit  
14   concluded on May 12th of 2016. And during that time,  
15   I believe Mr. Topovski stated that "You should have a  
16   welding manual and actually, I believe, UTI should  
17   have furnished it." So UTI neglected to send us the  
18   welding manual, and we actually neglected to follow  
19   up on it. So thanks to Mr. Topovski, we were able to  
20   acquire it. They sent the manual to us.

21          Q.    Thank you. I'm asking you to turn to Tab  
22   DK-9 which is your Public Awareness Program. It has  
23   a May 5th, 2015 date. This is the date you would  
24   have secured or developed this manual; is that  
25   correct?

1           A.    That's correct.

2           Q.    The same on DK-10, the Emergency  
3 Procedures Manual, also May 5th?

4           A.    Yes.  As you can see with the dates, the  
5 majority of these manuals came into our possession in  
6 early May of 2015.

7           Q.    In response to the noncompliance letter,  
8 noncompliance notice?

9           A.    Well, that's correct, and we were working  
10 on those, but obviously the noncompliance letter was  
11 a motivator to make sure that we had everything.

12          Q.    And finally before you, Tab 12, and I  
13 realize this --

14          A.    Sure.

15          Q.    -- also bears a date of May 11, 2015, and  
16 that's when you would have secured this manual?

17          A.    That's correct.

18          Q.    I'm going to ask you to turn to Page 8 of  
19 your testimony, please.  The question beginning on  
20 Line 3 asks if there were any new issues.

21          A.    Just bear -- I'm sorry.

22          Q.    Let me know when you have the reference.

23          A.    I'm sorry, Page 8?

24          Q.    Page 8 of your testimony, please.

25          A.    All right.

1           Q.    You have that reference beginning on Line  
2    3?

3           A.    Yes.

4           Q.    And you indicate that the new issue was  
5    that this company had to conduct pressure testing to  
6    establish a MOAP for the pipeline?

7           A.    That's correct.

8           Q.    First of all, will you explain for us  
9    what a MOAP is.

10          A.    Maximum Allowable Operating Pressure.

11          Q.    And before the company is able to put a  
12   line into service, it must conduct pressure testing  
13   to establish MOAP and conduct a leak survey?

14          A.    That's correct.

15          Q.    Were you not aware of that at the time of  
16   the March 10, 2015 Notice of Noncompliance?

17          A.    Well, typically what we would do, we  
18   would test the system with nitrogen, with air, and  
19   establish a MOAP and then energize the system.

20          Q.    You were aware that that needed to be  
21   done before putting a line in service, is that  
22   correct, or were you unaware?

23          A.    I was aware of it, yes.

24          Q.    So this really isn't a new issue, it's  
25   just something that you were aware of?

1           A.    New issue in reference to the March -- or  
2   the --

3           Q.    July 24, 2015 letter.  You indicate that  
4   the company was informed that it was required to  
5   perform a leak survey to put a line in service?

6           A.    That's correct.

7           Q.    That was not news to you, was it?

8           A.    No, it was not news.  Now, let me step in  
9   and just say that when -- again, I left on  
10   August 21st.  Mr. Strickland on the July 24 letter,  
11   he interpreted that he could pressurize the system  
12   and then have Staff present to do a leak survey.

13          Q.    Okay.

14          A.    And obviously that's not what the Staff  
15   wanted.  The Staff wants to have the Staff present  
16   when it was pressurized and done the leak survey.

17          Q.    Did you understand that Staff wanted to  
18   be present when it was pressurized or only that a  
19   MOAP be established before it was pressurized?

20          A.    I took that Mr. Strickland took that we  
21   could pressurize the system and establish an MOAP and  
22   then have the Staff come to the location at their  
23   convenience to do a leak survey.

24          Q.    And when we're talking about pressurize,  
25   are we talking about the nitrogen pressurization or



1 are we talking about energizing?

2 A. Energizing.

3 Q. And, in fact, the line was energized  
4 before MOAPs were established, correct?

5 A. Again, I wasn't there at that time.

6 Q. I understand that you weren't, but that  
7 is correct; is it not?

8 A. If you say it is, then I will -- Again,  
9 you had Staff there on location, so I'm not going to  
10 deny that.

11 Q. I understand.

12 A. Okay.

13 Q. Your testimony indicates that the company  
14 records don't indicate why it was pressurized other  
15 than the surmise you made here today about  
16 Mr. Strickland's interpretation of the letter. Do  
17 you know when it was pressurized?

18 A. Again, I wasn't there. I'm under the  
19 impression that it was pressurized sometime in the  
20 course of August, mid to late August.

21 Q. But after you left the company on  
22 August 21st?

23 A. That's correct. Yes.

24 Q. Were any customers served by this line,  
25 by the way?

1           A.     Eventually they were, yes.

2           Q.     At the time it was pressurized, did they  
3 receive service?

4           A.     No, they did not receive service until  
5 after, I believe it was October of 2015 when Staff  
6 gave the go ahead that service can be established for  
7 the individuals.

8           Q.     Thank you.

9           A.     You're welcome.

10          Q.     Let me ask you to turn to your Operator  
11 Qualification Plan on DK-5. Do you have that with  
12 you?

13          A.     Yes, I do. I'm sorry....

14          Q.     No, that's fine. Just giving you time.  
15 An Operator Qualifying System is to list the various  
16 identified tasks for which operators are qualified to  
17 perform?

18          A.     Correct.

19          Q.     If I ask you to turn to Appendix A, which  
20 follows Page 20, about halfway through this document,  
21 we have Appendix A which is a list of the identified  
22 covered tasks.

23          A.     All right. I'm there.

24          Q.     You see that?

25          A.     Uh-huh.

1           Q.    There are a number of items here that are  
2 checked?

3           A.    Correct.

4           Q.    The check mark signifies the identified  
5 task for which your operators are to be qualified?

6           A.    That's correct.

7           Q.    Not all operators are going to be  
8 qualified for all tasks, but these were all of the  
9 tasks that are in the universe of tasks performed by  
10 the company for which operators need to be qualified;  
11 is that correct?

12          A.    That's correct.

13          Q.    And I'm not going to ask you to count  
14 them up. I did kind of a quick count and came up  
15 with about 75 of these tasks. Does that sound about  
16 right?

17          A.    Yeah, 72 to 75.

18          Q.    Exactitude isn't the important thing.

19          A.    Sure.

20          Q.    Following after a few pages, Appendix B,  
21 this is the covered task evaluation forms. Do you  
22 have that page, sir?

23          A.    I'm bringing that up. Just bear with me.

24          Q.    Let me know.

25          A.    All right.

1           Q.    Now, this page I'm looking at which says  
2 Covered Tasks CF-1.1.

3           A.    Just bear with me.

4           Q.    Following the Appendix B tab, there's a  
5 page that says -- it's a page left blank  
6 intentionally, and then the next page is CF-1.1.

7           A.    I think this may be out of -- what page  
8 number is that?

9           Q.    Well, I have it says V12 Appendix B  
10 without a page number.

11          A.    I believe I may be -- I apologize. I'm  
12 trying to get this.

13               MR. PARSONS: May I approach, your Honor?

14               EXAMINER WALSTRA: Yes.

15               THE WITNESS: Yeah, could you, please? I  
16 don't know if I'm missing a page.

17               MR. PARSONS: It's right there.

18               THE WITNESS: Thank you. I apologize.

19          Q.    (By Mr. Margard) No apology needed. As I  
20 indicated to your counsel, it's a lot of pages.  
21 Takes a bit of waiting. With respect to this item,  
22 it indicates the task and the task name and then it  
23 has Evaluation Committee Members and your name  
24 follows.

25          A.    Yes.

1           Q.    Were you the only Evaluation Committee  
2 Member?

3           A.    I am.  At the present time, yes.

4           Q.    Have you always been?

5           A.    Yes.

6           Q.    This reports to provide both the method  
7 of qualification and the documentation of the method  
8 for this particular task; is that correct?

9           A.    That's correct.

10          Q.    And this would be the method and the  
11 documentation for all of your employees or all of  
12 your operators, not necessarily employees, who were  
13 qualified to perform this task?

14          A.    That's correct.

15          Q.    I ask you to turn the page, and I have  
16 Covered Tasks CH-2, and it's a very similar document,  
17 correct?

18          A.    That's correct.

19          Q.    And both of these, the CF-1.1 and the  
20 CH-2, both of these are among the enumerated tasks in  
21 Appendix A?

22          A.    Correct.

23          Q.    Is the evaluation method and  
24 documentation of method provided for any of the other  
25 70-some odd covered tasks?

1           A.    They are covered.  They are all tasks  
2   that were performed.  All the modules were taken at  
3   UTI and the employees have the certification for the  
4   various modules.

5           Q.    But your manual does not contain either  
6   the method of evaluation or the documentation of that  
7   method?

8           A.    That's correct.  And just for your  
9   reference, in regards to the fusion, let's just talk  
10  about the butt fusion procedures, our employees were  
11  certified in May of 2015 for butt fusion procedures  
12  by UTI.  And then because of the letter of  
13  noncompliance dated April 5 of this year, it asked --  
14  Mr. Chace had required all employees to be  
15  recertified which they were going to have to anyhow  
16  because on the fusion, it's on a yearly basis and  
17  12-month cycle.  So instead of having it done by  
18  May 11th, 2016, we had it done in April of 2016 which  
19  was fine.  We just wanted to appease the Staff.

20          Q.    Let me ask you to turn to Page 9 of your  
21  testimony.

22          A.    I'm there.

23          Q.    Beginning with the question on Line 15,  
24  you state there are some inaccuracies in the December  
25  Noncompliance Notice.

1           A.     That's correct.

2           Q.     And you say that it's inaccurate because  
3     it does not allege that the Co-op experienced any  
4     violations beyond those the Staff identified at Tin  
5     Man. You understand, do you not, that the  
6     regulations cited in the Noncompliance Notice don't  
7     just apply to the Tin Man location?

8           A.     Correct.

9           Q.     Those regulations apply to all of your  
10    service locations?

11          A.     That's correct.

12          Q.     And you understand, do you not, that the  
13    company whenever it lays pipe has an obligation to,  
14    for example, install emergency valves on M&R  
15    stations?

16          A.     That's correct.

17          Q.     And M&R stations is?

18          A.     Meter and regulation stations.

19          Q.     Thank you. That the company has an  
20    obligation to install pressure controls including  
21    sensing lines and locking devices?

22          A.     That's correct.

23          Q.     That the company has an obligation to  
24    perform pressure testing and leak surveys before  
25    putting a line in service?

1           A.     That's correct.

2           Q.     That it has an obligation to determine  
3     the MOAP on all of its pipeline segments before  
4     putting it in service?

5           A.     That's correct.

6           Q.     And to ensure that all of its operators  
7     are qualified to perform the identified tasks?

8           A.     That's correct.

9           Q.     And that's true at all locations, not  
10    just at Tin Man?

11          A.     That's correct.

12          Q.     And, in fact, you testify on the  
13    following page, do you not, that the Co-op did, in  
14    fact, not implement the December 2015 compliance  
15    orders with respect to other parts of the system, and  
16    there I draw your attention to Line 14.

17          A.     Line 14, "The report is accurate, however  
18    to the extent that it alleges ORNG Co-op did not  
19    implement the December 2015 compliance orders,  
20    directives to inspect other parts of its system,  
21    provide operator qualification records for employees  
22    and contractors, and implement its Public Awareness  
23    Program within the timeframes of December 2015  
24    compliance order required."

25          Q.     Thank you. Now, earlier in that response



1 and if I ask you to look at Line 11, you identify a  
2 Compliance Manager that I don't know that we  
3 referenced earlier in your testimony. Amy Caunter?

4 A. That's correct.

5 Q. Am I pronouncing the name correctly?

6 A. You are.

7 Q. Now, can you tell me when Miss Caunter  
8 was hired as Compliance Manager?

9 A. Again, I was not there. This is, I  
10 believe, how the timeline worked out. Michael  
11 Panzarella was the Compliance Manager which we talked  
12 about before.

13 Q. Right.

14 A. On November 20th of 2015, during this Tin  
15 Man situation, Mr. Panzarella resigned his position.  
16 Miss Caunter, from what I understand, was brought in  
17 sometime in mid -- early to mid-December of 2015.

18 Q. Do you know who hired her?

19 A. I believe Richard M. Osborne, Sr.

20 Q. Do you know what qualifications she had  
21 for the position?

22 A. Miss Caunter, I can't speak on her behalf  
23 as far as her qualifications. She did work as a land  
24 agent for one of Mr. Osborne's companies securing  
25 easements and such for pipelines.

1 Q. Did she go back to that company when her  
2 employment ended?

3 A. When her employment ended?

4 Q. Yes.

5 A. That, I don't know.

6 Q. Do you know when her employment ended?

7 A. I believe her employment ended on May --  
8 mid May of 2016.

9 Q. So she was working there at least part of  
10 the time that you were working there?

11 A. She worked there for roughly 45 days  
12 while I was there.

13 Q. Do you know whether she currently works  
14 for Cobra Pipeline?

15 A. No.

16 Q. You do not know?

17 A. I do not know. I don't believe she does,  
18 but I don't know if she's gainfully employed or not.

19 Q. Thank you. Let me ask you to turn to DK  
20 Tab 9. Before I ask you any questions, I want to  
21 confirm with counsel that Page 2 of this document is,  
22 in fact, not one of the pages that is protected by  
23 the --

24 MR. PARSONS: That's correct.

25 Q. Let me know when you have that reference,

1 sir.

2 A. 9?

3 Q. DK-9, Page 2.

4 A. Yes.

5 Q. This is a log, if you will, of the  
6 various notices that are signed pursuant to your  
7 public awareness?

8 A. Correct.

9 Q. The first line there is January 6th of  
10 2016, and do you recognize the signature on that?

11 A. Yes, I do.

12 Q. Whose signature is that?

13 A. That looks like Amy Caunter.

14 Q. Thank you. Let me ask you now to turn  
15 to --

16 A. Take your time. It took me a while.  
17 There's more paper than Watergate.

18 Q. I'm not going to draw any conclusions  
19 from your comparison, sir.

20 A. At least you're old enough to remember  
21 Watergate.

22 Q. Sadly, many older facts as well. Let me  
23 ask you to turn to DK-17.

24 A. I'm there.

25 Q. Now, these pages are not numbered, so I'm

1 going to ask you to count back to what I at least one  
2 time counted as the 13th sheet which would be the  
3 25th page face in this document. It is a MOAP  
4 calculation sheet for Sugarbush, if that helps you  
5 identify it.

6 A. Yes, I'm there.

7 Q. And do you see who approved that at the  
8 bottom of that page?

9 A. Yes, Amy Caunter.

10 Q. And you recognize that as her signature?

11 A. It looks similar to the signature that  
12 was with the Public Awareness mailings on January 6th  
13 of 2016.

14 Q. It does indeed, but specifically, sir, do  
15 you recognize this as being her signature?

16 A. I believe so. I did look at her  
17 signature a lot, so I -- I will say it is just for  
18 the sake of -- yeah.

19 Q. Okay, thank you. Let me ask you now to  
20 turn to Tab DK-13.

21 A. DK-13.

22 Q. And the third page in there.

23 A. Third page.

24 Q. Now, sir, this purports to be an  
25 affidavit of Amy Caunter. And I want to first

1 acknowledge, sir, you were not present, were you, at  
2 the time this document was purportedly signed?

3 A. That's correct.

4 Q. You would agree with me, sir, that this  
5 document is not a notarized document?

6 A. That's correct.

7 Q. And you would further agree with me, sir,  
8 that that signature is very much different than the  
9 other signatures we have seen from Miss Caunter and  
10 the documents that you have produced?

11 A. Well, let me look at this because I have  
12 my John Hancock signature, then I have my signature  
13 that I do when I'm checking out at Wal-Mart, and they  
14 are two totally different signatures. So I'm not a  
15 handwriting analyst. Let's just look at... the "A"  
16 is definitely different. The "C", let's look at the  
17 "C". The "C" looks similar. The "A" in Caunter  
18 definitely looks similar. Again, I'm not a  
19 handwriting analyst. I don't claim to be.

20 Q. I'm merely asking if they look at all  
21 similar to you.

22 A. They do.

23 Q. They do?

24 A. They do. Again, the "A" does not look  
25 that -- but I believe on the last portion of it, the

1 Caunter does look somewhat similar, the "C" and the  
2 "A". You must agree, do you use -- when you sign a  
3 stack of papers, do you have your speedy handwriting  
4 or do you do your "Warner..."

5 Q. Trust me, we don't want to put my  
6 handwriting at issue in this case.

7 A. Okay. It's just a question.

8 Q. And I appreciate it and I appreciate your  
9 observations, sir. Thank you. Let me ask you to  
10 turn to Page 11 of your testimony. We go through a  
11 number of bullet points relating to the December 2015  
12 compliance order.

13 A. I'm there.

14 Q. And let me direct your attention first to  
15 the first bullet point which is pressure testing  
16 records on Line 4.

17 A. Uh-huh.

18 Q. Staff performed an audit of the company  
19 in May of 2016, we already discussed that, correct?

20 A. Correct.

21 Q. Is it not true that Staff asked for the  
22 pressure records referred to at that time, the time  
23 of the audit?

24 A. Yes.

25 Q. It's true, is it not, the records that

1 you have produced as DK-14 are the first time that  
2 these records have been produced in response to that  
3 request in May of 2016?

4 A. That is correct.

5 Q. The next paragraph refers to the fourth  
6 bullet point relating to regulation station design  
7 installation deficiencies. You indicate that there  
8 are a couple of reports that indicate compliance.  
9 Can you please turn to DK-15. First of all, you  
10 understand that this point refers to the regulation  
11 stations?

12 A. That's correct.

13 Q. And you indicate that the reports in  
14 DK-15 demonstrate compliance. You tell me which of  
15 the documents in 15 relate to regulation stations.

16 A. Yes, that would be documented under  
17 cathodic protection. We have one that refers to the  
18 Hallock Young/Lyntz Road meter set and then we have  
19 the M&R station at Hallock Young, and I apologize, I  
20 don't have a page number.

21 Q. It's the fourth page in I think by my  
22 count. Does that sound right?

23 A. I believe you're right. Yeah, let's just  
24 double check. Yes, you're right.

25 Q. And that's the only M&R station that's

1 referenced in these reports?

2 A. It is, yes.

3 Q. How many M&R stations does the company  
4 have in its system?

5 A. We have -- presently we have actually  
6 three. We have the Hallock Young, we have the  
7 Ellsworth system which currently is not in operation,  
8 and then we also have the Tin Man M&R station.

9 Q. Thank you.

10 A. You're welcome.

11 Q. You also referred to the atmospheric  
12 corrosion inspection reports which are in DK-16. Let  
13 me ask you to turn to that tab.

14 A. I'm there.

15 Q. Let me ask you to do the same thing, if  
16 you would, please and indicate to me which one of  
17 these refers to an M&R station.

18 A. We have Page 3.

19 Q. The Ellsworth Road?

20 A. That's correct.

21 Q. Now, sir, with respect to the compliance  
22 that you say that the company has made, can you tell  
23 me what you understand the design and installation  
24 defects to be with these stations?

25 A. Well, there were several defects on that,



1 and I'm just going to give a list. I won't refer to  
2 any particular one, but we had leaking issues, we had  
3 a sensing line that was not in place, we had the  
4 station did not -- one of the stations I believe,  
5 that might have been actually the Tin Man, did not  
6 have a lock on there.

7 Q. Can you tell me, sir, how the documents  
8 that you produced in DK-15 and DK-16 show corrections  
9 to defects with respect to leaks, sensing lines,  
10 locks, et cetera, that were identified by the Staff  
11 as design and installation issues with the M&R  
12 stations?

13 A. In regards to that, for instance, the  
14 Hallock Young station that was leaking, that was  
15 replaced, okay, and that's why I encourage the staff  
16 to -- I know you're busy, but I would encourage them  
17 when convenience is there to come and do a follow-up  
18 visit to look at the corrections.

19 Q. But at least with respect to the  
20 documents that you produced here, the cathodic  
21 protection and atmospheric corrosion records really  
22 have nothing to do with the line defects that were  
23 identified in the noncompliance notice, were they?

24 A. You're correct on that.

25 Q. Page 12 of your testimony, I'll refer to

1 the sixth bullet point. I'm sorry, let's not do  
2 that. Let's go to the fifth bullet point. This is  
3 the Williams Road Steel Head Run system.

4 A. Correct.

5 Q. You indicate you could not perform a  
6 pressure test because there was no valve isolated  
7 from the Orwell-Trumbull system?

8 A. That's correct.

9 Q. And I think this is probably the first  
10 time we've mentioned Orwell-Trumbull Pipeline, so we  
11 probably ought to do our six degrees.

12 Orwell-Trumbull is, is it not, a pipeline that is  
13 owned and controlled by Richard Osborne and/or the  
14 Osborne Trust?

15 A. That is correct.

16 Q. The company could have installed a valve,  
17 couldn't it?

18 A. Well, we have to -- apparently this  
19 system was put in back in 2006, I believe, so it's  
20 been about ten years. And they did a farm tap to --  
21 we refer to as Steel Head Run. Just for your  
22 reference, that is Mr. Osborne's cabin that he has in  
23 Concord Township, Ohio, and for whatever reason, they  
24 didn't put a valve to isolate it from the  
25 Orwell-Trumbull high pressure system.

1           Q.    But since your company has obtained this  
2 line --

3           A.    From Orwell Natural Gas.

4           Q.    -- it has never tested it to establish a  
5 MOAP?

6           A.    That's correct.

7           Q.    All right.  Let's take a look at the  
8 Public Awareness Program.

9           A.    All right.

10          Q.    You indicate that the Co-op has now sent  
11 out the required notifications.  When were those  
12 notices sent?

13          A.    They were sent in the last two to three  
14 weeks.  If I may refer to my Compliance Manager.

15          Q.    Actually, I think you could probably  
16 refer to your exhibit.  I don't know which number it  
17 is.

18               MR. DORTCH:  Try 6 or 9.

19          Q.    Turn back to DK-9 on Page 2.

20          A.    Yes, I'm sorry.

21          Q.    And we discussed earlier the one that was  
22 perhaps signed by Miss Caunter on 1-6 of 2016.  Those  
23 notices were sent only to the Tin Man Storage  
24 customers; is that your understanding?

25          A.    It is.

1           Q.    And the subsequent notices, the ones on  
2   August 5th and August 11th, are the ones you're  
3   indicating in your testimony now comply with the  
4   public awareness?

5           A.    That's correct.

6           Q.    And those were sent out after the Staff  
7   Report was filed in this case; is that correct?

8           A.    That's correct.

9           Q.    I'm going to now refer to Page 14 of your  
10   testimony. This is Duck Creek Road and Ellsworth  
11   Road.

12          A.    Correct.

13          Q.    Now, you have agreed, have you not, that  
14   the Duck Creek Road joints were not compliant with  
15   the PUCO regulations?

16          A.    I am conceding that fact because due to  
17   their inspection, I believe on March 16th or  
18   thereabouts, Mr. Topovski and I believe Mr. Domonkos  
19   might have been there, they observed that the welds,  
20   the fusion welds were not done properly on the pipe,  
21   on the plastic PE pipe.

22          Q.    And when you say not properly, we're  
23   talking about the gas pipeline safety regulations,  
24   the manufacturer's specifications, and indeed the  
25   company's own procedures; is that correct?

1           A.     That's correct.

2           Q.     Now, we also acknowledge for you that  
3 with respect to the Duck Creek violation, that the  
4 operators did not then present their OQ, Operator  
5 Qualification, credentials to the Staff  
6 Investigators?

7           A.     Again, I wasn't there. I wasn't privy to  
8 it, but if the Staff alleges that, then I would have  
9 to... I don't see any reason that they would  
10 fabricate....

11          Q.     They were not subsequently provided to  
12 the inspector by the company following that  
13 inspection, were they?

14          A.     Well, we received from my understanding,  
15 again I wasn't there, but shortly thereafter, the  
16 letter came out, I believe that was the April 5th  
17 letter, again they were qualified for butt fusion  
18 techniques in May, May 11th of 2015. And this  
19 occurred on March 16th or thereabouts of 2016, so  
20 they would have been current. Now, whether they had  
21 the cards on them, I'm just going to have to go by  
22 the word of the Staff.

23          Q.     To the best of your knowledge, the  
24 company did not produce even those qualification  
25 cards until the filing of your testimony to the

1 Staff; is that right?

2 A. No, we had the employees, the operators  
3 requalified in April. I sent a letter to -- e-mail  
4 to Mr. Chace stating such. Mr. Topovski was in the  
5 process of finishing up his audit, and I showed them.  
6 And I also showed them all the -- I asked in my  
7 e-mail if now that they're qualified, our operators,  
8 if they could fuse pipe.

9 And Mr. Chace stated they could if they  
10 were requalified and there was a competent person  
11 there and/or measure and/or take pictures of the  
12 beads, the rollback on the fused pipe. And if I'm  
13 not mistaken, I did state in my e-mail that they  
14 would have copies, printouts of them passing the  
15 tests with them in their trucks until the cards  
16 arrived, the operator cards.

17 Q. Thank you, sir.

18 A. You're welcome.

19 Q. The question I have, though, however, is  
20 were those printouts, were those qualifications, the  
21 documentation of the qualifications provided to the  
22 Staff prior to the filing of your testimony?

23 A. I would say no because there came a point  
24 when Mr. Chace informed me that they would have no  
25 more contact with us, it would only be via our

1 attorneys, legal counsel.

2 Q. Getting back to the Duck Creek Road  
3 inspection, is it true that the manuals that the  
4 operators had on site were missing pages and indeed  
5 were missing the critical pages for the tasks that  
6 they were performing?

7 A. Again, I wasn't there. My understanding  
8 is there were two pages missing, and those may have  
9 been very well the critical pages.

10 Q. Understanding that you weren't there, but  
11 do you dispute the other findings of the staff with  
12 respect to, for example, the damage done to the face  
13 plates of the heating element?

14 A. I do not deny that. I wasn't there. I  
15 know when Mr. Osborne asked me to come back, it was  
16 with the understanding that we would purchase new  
17 equipment and material which I have provided in my  
18 testimony in my evidence.

19 Q. Do I see, sir, that your response is the  
20 same with respect to the absence of the nonuse of  
21 lint free cloths to clean the end of pipes, the  
22 damage done to the alignment device, to the improper  
23 temperatures for heating the ends prior to fusing, to  
24 the lack of windshields and to the improper heater  
25 removal time? You weren't there but you don't

1 dispute the Staff's conclusions?

2 A. I don't dispute it.

3 Q. It's true, is it not, sir, that the same  
4 operators that installed the Ellsworth lines  
5 installed the Duck Creek lines?

6 A. That's correct.

7 Q. And they did use the same manuals?

8 A. That could have been.

9 Q. And using the same equipment?

10 A. Again, I wasn't there. They could have  
11 been.

12 Q. Now, has the Duck Creek line been placed  
13 in service?

14 A. No.

15 Q. And the company has not yet complied with  
16 respect to the April 2016 Noncompliance Notice with  
17 respect to the Duck Creek line; is that correct?

18 A. That is correct.

19 Q. And the Ellsworth line, has it been  
20 placed in service?

21 A. It has been energized, pressurized with  
22 natural gas at about 40 percent, and that was done, I  
23 believe, in late December of 2015, maybe the first  
24 few days of 2016, but there are no customers being  
25 serviced.



1 Q. No customers?

2 A. No. I have approximately 14 customers  
3 that are wanting gas but obviously we can't do it  
4 until we get this resolved.

5 Q. And, in fact, the company has not yet  
6 complied with the compliance order with respect to  
7 the Ellsworth order either?

8 A. That's correct, we made a counterproposal  
9 on April 19th, and the Staff never responded to that.  
10 And I take it in Mr. Chace's testimony that they were  
11 in receipt of that counterproposal and they did not  
12 accept it.

13 EXAMINER FARKAS: Could I just ask a  
14 question here on that? On Page 4 -- I'm sorry, 14 in  
15 your testimony, Line 4 through 6 on the Ellsworth  
16 system, you indicate Staff speculated that 5,400 feet  
17 of pipe but offered no evidence to substantiate its  
18 belief. Do you have any reason to doubt that what  
19 they're saying is accurate?

20 THE WITNESS: I would....

21 EXAMINER FARKAS: Do you have any  
22 evidence to show that it's not accurate?

23 THE WITNESS: I do not have evidence to  
24 show it's not accurate.

25 EXAMINER FARKAS: Okay, thank you.

1           Q.     (By Mr. Margard) I want to talk a little  
2 bit about joint fusions, and can you tell me why  
3 joint fusions are important, proper joint fusion?

4           A.     Well, yes, I mean, you're taking medium  
5 density or high density plastic PE pipe and you're  
6 joining them with a heating technique, in this case  
7 butt fusion, and that is to hold the natural gas in  
8 there when it's at 60 pounds or thereabouts, and  
9 obviously you don't want that leaking.

10          Q.     Are leaks the only potential problem with  
11 joints that are not properly fused?

12          A.     Well, with leaks, obviously with natural  
13 gas or any commodity like that such as propane or  
14 anything that's flammable, you have the possibility  
15 of having a fire, explosion.

16          Q.     Thank you.

17          A.     And that's -- Yeah.

18          Q.     Is it possible, do you know if it's  
19 possible for a defective joint to function without  
20 issue when pressurized perhaps even for years?

21          A.     That's been a well known fact with a  
22 defective joint. All you have to do is look in the  
23 news and every few months, that happens. Also rail  
24 cars go off the tracks, too.

25          Q.     Just make sure I'm understanding your

1 answer. Yes, they can function and accidents can  
2 occur later in time indicating perhaps there was an  
3 undetected earlier problem?

4 A. Well, we had a case in California where a  
5 transmission line was put in back in the '50s, and  
6 50, 60 years later, a subdivision was on it and we  
7 know the results of that, so I'm preaching to the  
8 choir.

9 Q. And that's true that these defective  
10 joints could function even though no leaks were  
11 detected?

12 A. That's true. I mean, there could be --  
13 anybody could put a defective joint in, any operator  
14 for that matter, and it can operate months, years,  
15 decades.

16 Q. Now, you indicated that the Ellsworth  
17 line is pressurized but at I think you said  
18 40 percent?

19 A. I believe about 40 percent.

20 Q. When you say 40 percent, you mean  
21 40 percent of MOAP?

22 A. That's correct.

23 Q. Now, we can also agree, can't we, that  
24 external factors can negatively affect defective  
25 joints?

1           A.    That's correct.

2           Q.    Temperature can affect those joints?

3           A.    Temperature, ground conditions, soil  
4 conditions.

5           Q.    For example, soil conditions, what do you  
6 mean?

7           A.    Well, if you had soil conditions where  
8 there was rocks and such in there or you had a  
9 disruption, yeah.

10          Q.    Lateral forces, things pressing against  
11 it?

12          A.    That, yes, is a possibility.

13          Q.    If we had a proper fusion of the joint  
14 and we had some of those conditions, whether it be  
15 soil shifting or lateral forces or whatnot, isn't the  
16 expectation that the pipe itself would rupture before  
17 the joint would?

18          A.    Yes.

19          Q.    Now, these lines, the Ellsworth and Duck  
20 Creek lines, these are in Berlin Center in Mahoning  
21 County?

22          A.    That's correct.

23          Q.    And that's mostly rural area?

24          A.    That's correct.

25          Q.    Farms?

1           A.    Correct.

2           Q.    Do you know if these farms are crop or  
3   livestock?

4           A.    They're mostly crop from what I've seen.

5           Q.    And we would expect soil disturbances and  
6   lateral forces from farm equipment and so forth in  
7   farm areas, wouldn't we?

8           A.    We would. We would also have  
9   construction equipment in urban areas.

10          Q.    Now, your testimony, you say that you  
11   think if there had been a problem, that the system  
12   would have failed by now?

13          A.    Uh-huh.

14          Q.    But you're not an engineer, right?

15          A.    I don't claim to be, no.

16          Q.    What experience do you have, personal  
17   experience do you have with defective joints,  
18   defective fusions?

19          A.    Well, in my case, I haven't run into too  
20   many defective joints failing. I've had situations  
21   where the pipe was improperly placed in the ground  
22   and/or accidents happened where they put future pipe  
23   in, they do a directional bore, everything looks fine  
24   and then there's a defect in the plastic and a hole  
25   appears. And obviously sometimes that can go on for

1 days, weeks and months and then eventually you'll  
2 have a failure of the system.

3 Q. Let's talk about welding procedures.  
4 Staff Report indicates that the lack of welding  
5 procedures was first communicated to the company back  
6 at the time of the initial investigation in February  
7 of 2015. Can you explain why the company still had  
8 no such procedures almost a year later?

9 A. That, I can't.

10 Q. Now, in your testimony, you indicated  
11 that the company was still in the process of testing  
12 welds and I presume, I believe it is DK-33 that you  
13 produced today, was in part designed to address where  
14 the company is in the process. I don't need you to  
15 refer to those pages. Those were the two pages that  
16 your counsel had you identify at the beginning of  
17 your testimony. So is the company now done with its  
18 process?

19 A. To my knowledge, yes.

20 Q. Do you know when the welds were made  
21 into -- for example, we've identified three different  
22 welds: Correct the wells into the Cobra Pipeline,  
23 the Hallock Young and the Ellsworth Road station. Do  
24 you know when the Cobra Pipeline welds were made?

25 A. The Cobra Pipeline welds were made -- if

1 you're referring to the Ellsworth Road, that was done  
2 in February of 2015.

3 Q. And when were those welds tested?

4 A. Those welds were tested on September 1 of  
5 this year -- or I'm sorry, August 31st.

6 Q. And why were those welds not tested  
7 before they were put into service?

8 A. Well, actually, that station was not in  
9 the public right-of-way. It was on private property,  
10 and we were under the impression that we did not have  
11 to test those, but as a gesture of goodwill, we had  
12 them tested.

13 Q. To your belief, the welds only needed to  
14 be tested if they're in the public right-of-way?

15 A. That was our impression, but it may have  
16 been wrong.

17 Q. It may have been wrong, is wrong, or do  
18 you know?

19 A. Not applicable. I don't know.

20 EXAMINER FARKAS: I'm sorry, you said  
21 what?

22 THE WITNESS: Not applicable. I do not  
23 know.

24 Q. (By Mr. Margard) Inlet risers, what's the  
25 purpose of a riser?

1           A.    Well, the riser is coming up from the  
2 ground, transporting the gas into the farm cap and/or  
3 M&R station.

4           Q.    What is the purpose of the riser or the  
5 function of it?

6           A.    One of the functions is it supports the  
7 farm tap and/or M&R station.

8           Q.    What other functions does it perform?

9           A.    Well, on the inlet, you have the pressure  
10 that comes in at a higher pressure. Typically on a  
11 high pressure system, then it goes through the M&R  
12 and farm tap and then the outlet is -- obviously once  
13 it goes through the regulators, it knocks it down to  
14 whatever psi.

15          Q.    Now, you indicate that the company has  
16 complied with the Staff's order hereby essentially  
17 burying the risers; is that correct?

18          A.    Yes, the risers had the plastic conduit  
19 which they were in and the Staff expressed concern  
20 that the plastic was being exposed to the sunlight,  
21 the UV rays, which we covered up the risers to  
22 prevent the degrading of the plastic.

23          Q.    Haven't those risers previously been  
24 buried?

25          A.    Yes.



1 Q. And yet the ground settled?

2 A. Yes, that happens. That happens quite  
3 frequently through the years. We've put farm taps in  
4 and/or risers for the farm taps and M&R stations and  
5 you have to go out, and as the ground settles, just  
6 as anybody knows doing yardwork of any type, you're  
7 always going to have settling of the soil.

8 Q. What measures is the company taking to  
9 ensure that that new burial also doesn't settle?

10 A. You have to do inspections on a quarterly  
11 basis and check that out. And then once you  
12 determine that the plastic is exposed, then you go  
13 back and you fill it in. And that's true, we did  
14 that at Frontier Natural Gas and Orwell Natural Gas  
15 and Energy West.

16 Q. Let me ask you to turn to Page 20 of your  
17 testimony.

18 A. All right. I'm there.

19 Q. Beginning at Line 14, "The company has  
20 indicated it's been unable to locate cathodic  
21 protection monitoring records in 2015." Can you  
22 explain what efforts has been made to locate these  
23 records?

24 A. Yes, after Miss Caunter left our  
25 employment, we went through the paperwork and her

1 office and other areas trying to locate the records  
2 to no avail.

3 Q. And she was the individual that you refer  
4 to here, the custodian of those records?

5 A. She was, although in all fairness,  
6 Mr. Panzarella was also responsible for those  
7 records.

8 Q. Let's talk about the -- is it Fracci?

9 A. That's correct.

10 Q. F-R-A-C-C-I, Fracci Court system.

11 A. That's correct.

12 Q. There's an allegation that that system  
13 was not properly protected from corrosion. You  
14 indicate by attachment of some pictures that that  
15 demonstrates that that protection has now been  
16 provided?

17 A. That system, we installed an anode bag on  
18 there, 17-pound anode bag.

19 Q. Can you tell me where that is or how  
20 these pictures demonstrate that? This is on DK-27.

21 A. I apologize. I'm getting there.

22 Q. Take your time.

23 A. They do not show that. The only thing  
24 that -- again, the Staff would like to do an  
25 inspection. I would dig it up so they could inspect

1 the anode bag for the cathodic protection.

2 Q. You're suggesting that an anode has now  
3 been placed?

4 A. That's correct.

5 Q. So just so we're clear, can you explain  
6 what that means? Can you explain what cathodic  
7 protection entails and why the presence of an anode  
8 is important.

9 A. Yes. The anode bag, A-N-O-D-E, is a bag  
10 with magnesium, and it has a wire that goes from the  
11 bag and it's closed. It looks like a bag of flour,  
12 if you will, and goes on to the farm tap or the M&R  
13 station. What that does, that acts as the  
14 sacrificial lamb and it draws all the corrosion and  
15 rusting that you would normally have and draws it  
16 away from your M&R and/or farm tap.

17 Q. How do we test to ensure that the pipe is  
18 adequately protected?

19 A. Well, we would use an apparatus that  
20 would give us -- it would sense the -- I apologize,  
21 the name slips me, but it would test out the --

22 Q. The electric potential difference --

23 A. Yeah, uh-huh.

24 Q. -- between the soil and pipe?

25 A. Yeah.

1           Q.    Has the company provided any of those  
2   cathodic protection results?

3           A.    Not to my knowledge.

4           Q.    Now, you indicate in your testimony that  
5   the cathodic protection is demonstrated by a number  
6   of different reports that you have provided, and the  
7   first is, for example, your continuing surveillance  
8   reports?

9           A.    Uh-huh.

10          Q.    Go to the next tab, DK-28.  These are a  
11   variety of different systems.  Let me ask you, first  
12   of all, if these represent all the cathodically  
13   protected pipe in the company system.

14          A.    Just one moment, please.  I believe it  
15   does, yes.

16          Q.    Item No. 4 on these various surveillance  
17   reports asks if there's any apparent corrosion or  
18   corrosion control.  And Item No. 5 refers to  
19   substantial changes in cathodic protection  
20   requirements.  Can you tell me how these  
21   determinations were made based on surveillance?

22          A.    They seem to be all done, and this looks  
23   like it was done in February of 2016.  It was done, a  
24   visual inspection.

25          Q.    How do we note particularly whether there

1 have been any substantial changes in the cathodic  
2 protection requirements based on a visual inspection?

3 A. That is a good question.

4 Q. But these reports contain no cathodic  
5 testing results; is that correct? These are just  
6 observations visually?

7 A. Yes.

8 Q. Okay. Thank you.

9 A. You're welcome.

10 EXAMINER FARKAS: Can I ask a quick  
11 question on the farm taps. A farm tap for the record  
12 is a tap allowing gas to flow to a former landowner?

13 THE WITNESS: They use -- Yeah, that's a  
14 good question. I'm glad you brought that up. The  
15 farm tap is typically used in rural areas and hence  
16 the name farm, but it's not just for farms. It's for  
17 anybody that's off a high pressure transmission  
18 system and then that is steel and that, say, is  
19 running 200 to 400 or more psi.

20 Well, what that does is you put the farm  
21 tap on there, and it stands about two feet tall.  
22 Actually, those pictures of the Fracci Court is a  
23 good example of a farm tap. And that takes the  
24 pressure and knocks it down to several pounds per psi  
25 or up to, say, 60 pounds or 30 pounds, whatever the

1 case may be. Then that line goes to the structure  
2 via residential or commercial.

3 EXAMINER FARKAS: So they're used to  
4 provide service to a landowner?

5 THE WITNESS: Correct.

6 EXAMINER FARKAS: Or somebody else?

7 Are the end users of gas that comes from  
8 all the farm taps that the Co-op has members of the  
9 Co-op?

10 THE WITNESS: That's correct.

11 EXAMINER FARKAS: Thank you.

12 THE WITNESS: You're welcome.

13 EXAMINER FARKAS: Do you know how many  
14 there are?

15 THE WITNESS: As far as the farm taps?

16 EXAMINER FARKAS: Yes.

17 THE WITNESS: I would say there's  
18 probably about nine or ten farm taps.

19 EXAMINER FARKAS: Are they all  
20 residential in nature?

21 THE WITNESS: For the most part, yes.

22 EXAMINER FARKAS: Thank you.

23 THE WITNESS: You're welcome.

24 Q. (By Mr. Margard) Mr. Knight, the second  
25 set of reports that you refer to as you demonstrate

1 cathodic protection are the Atmospheric Corrosion  
2 Inspection Reports that appear at DK-16. I'll ask  
3 you to turn to that report, please.

4 EXAMINER WALSTRA: What number was that?

5 MR. MARGARD: DK-16.

6 THE WITNESS: All right, I'm there.

7 Q. (By Mr. Margard) I'll ask you the same  
8 question I asked with the previous set of reports.  
9 Does this represent all of the cathodically protected  
10 pipe in the company's system?

11 A. I believe it does as of that date.

12 Q. As of that date, meaning the date that  
13 you filed your testimony?

14 A. Just one moment, please. I just want  
15 to -- I apologize. Yes.

16 Q. This refers to atmospheric corrosion and  
17 the question is whether any corrosion was discovered.  
18 How was this inspection conducted? Is this another  
19 visual inspection?

20 A. That's correct.

21 Q. In DK-16, I do find one Cathodic  
22 Protection Report dated April of 2016 for Fracchi  
23 Court. That's the fifth sheet.

24 A. Yes.

25 Q. Aside from that report, are there any

1 other cathodic testing results in this exhibit?

2 A. Not to my knowledge.

3 Q. And you would agree with me, would you  
4 not, that this atmospheric inspection does not  
5 document cathodic protection?

6 A. That's correct.

7 Q. The last document that you indicated that  
8 was supplied as compliance are the Leak Survey  
9 Reports that appear at DK-19. I'll ask if you'd turn  
10 there, please.

11 A. Yes, I'm sorry.

12 Q. That same question as before, does this  
13 represent all of the cathodically protected pipe in  
14 the company system?

15 A. Yes, it does.

16 Q. But, again, there's no mention of  
17 corrosion or cathodic protection in any of these  
18 reports, is there?

19 A. I believe you're correct.

20 Q. So other than the one page that we saw  
21 for the Fracci Court, does the company have cathodic  
22 testing reports for any of this cathodically  
23 protected pipe?

24 A. I don't believe so at the present time.

25 Q. Thank you. I'd ask you to turn to Page



1 22 of your testimony, Item 16 beginning on Line 8.

2 Do you have the reference, sir?

3 A. Yes, Line 8.

4 Q. Thank you. Refers to failure to sustain  
5 MOAPs for a variety of different systems. Your  
6 testimony says that the company has now rectified  
7 noncompliance as demonstrated in DK-17; is that your  
8 testimony?

9 A. Uh-huh.

10 Q. Let me ask you to turn to DK-17, please.

11 A. All right. All right.

12 Q. And I would ask, sir, if you would take a  
13 moment to review this tab, and then I'm going to ask  
14 you to show me where in this section the MOAP is  
15 established for a variety of these systems. We'll  
16 begin with Reynolds, if you can show me where the  
17 MOAP is documented.

18 A. I'm sorry, what one?

19 Q. The Reynolds.

20 A. Reynolds, all right. I apologize. I  
21 don't want to keep you waiting. On this was a test  
22 report on the farm taps, and they had the pressure  
23 start and stop, and they had the gauge, the recorder  
24 that was utilized in this. I do not see the MOAP on  
25 that.

1 Q. How about for Williams?

2 A. Williams?

3 Q. Yes, sir.

4 A. There is none.

5 Q. How about Steel Head?

6 A. No.

7 Q. Osair?

8 A. No.

9 Q. Oak?

10 A. No.

11 Q. Muzic? Am I pronouncing that correctly?

12 A. Yes. No.

13 Q. Williams Road Barn?

14 A. No.

15 Q. Williams Road Steel Head Run?

16 A. No.

17 Q. And incidentally, Williams Road Steel  
18 Head Run was the one you couldn't test because there  
19 wasn't a valve, right?

20 A. Yes, the Williams Road, yeah, the Steel  
21 Head, yeah, that's the one that does not have a valve  
22 to isolate it.

23 Q. Let's talk about operator qualifications  
24 very briefly.

25 A. Sure.

1 Q. DK-30, you have a number of certificates?

2 A. Uh-huh.

3 Q. And I'm sorry to correct you, uh-huh  
4 meaning yes?

5 A. Yes.

6 Q. In being cognizant of our court reporter,  
7 I just want to make sure.

8 A. No, I'm sorry.

9 Q. It's been a long morning, and it's easy  
10 to fall into that. These certificates are all dated  
11 May 11, 2015?

12 A. Correct.

13 Q. Are these the first OP certifications for  
14 these individuals for Ohio Rural Natural Gas?

15 A. Actually, there were some in April of  
16 2015, but they didn't refer to the fusion. They were  
17 other various modules that they took.

18 Q. But you will admit, will you not, sir,  
19 that various of these individuals did install pipe  
20 for the Co-op prior to having Co-op certification in  
21 May or perhaps in an instance in April of 2015?

22 A. These individuals did not install any  
23 pipe before they were certified in May of 2015. That  
24 was all performed by D&M Excavating.

25 Q. Those individuals who were performing --

1     thank you for that clarification.

2             A.     You're welcome.

3             Q.     Those individuals were performing on  
4     behalf of the Co-op without having Co-op  
5     qualifications, correct?

6             A.     That's correct.

7             Q.     Just a couple more questions, sir. I  
8     thank you for your patience. With respect to the  
9     Hallock Young station, and these were served there in  
10    November of 2015, you will acknowledge, will you not,  
11    sir, that those leases were still present in April of  
12    2016?

13            A.     That's correct.

14            Q.     And has the company made any effort to  
15    determine whether it ever made any evaluation during  
16    those five months to determine whether those leaks  
17    were hazardous?

18            A.     Not to my knowledge. I wasn't there.

19            Q.     Sir, let me ask you to turn just to help  
20    clarify the record to Tab 31. This is the ballot  
21    sheet for the company.

22            A.     Correct.

23            Q.     I want to direct your attention to the  
24    long-term liabilities.

25            A.     I'm there.

1           Q.   And there you note notes payable to three  
2 different entities.

3           A.   Correct.

4           Q.   And am I correct in understanding, sir,  
5 that RMO is Richard M. Osborne?

6           A.   That's correct.

7           Q.   All of those long-term liabilities are  
8 notes payable to Mr. Osborne and/or his companies; is  
9 that correct?

10          A.   That's correct.

11               MR. MARGARD:  Your Honors, I believe I  
12 may be finished, but if I could have a few minutes to  
13 confer with my clients, this might be a good time for  
14 a break.

15               EXAMINER WALSTRA:  Let's just take a  
16 ten-minute recess.

17               MR. MARGARD:  Thank you.

18               (Recess taken.)

19               EXAMINER WALSTRA:  Whenever you're ready.

20               MR. MARGARD:  Thank you, your Honors, I  
21 have no further questions.  That concludes my  
22 cross-examination.

23               EXAMINER WALSTRA:  Mr. Parsons, any  
24 redirect?

25               MR. PARSONS:  No, thank you, your Honor.

1 EXAMINER WALSTRA: Do you have any  
2 questions?

3 EXAMINER FARKAS: I have no questions.

4 EXAMINER WALSTRA: Thank you, sir.

5 THE WITNESS: Thank you.

6 EXAMINER WALSTRA: Do you have anything  
7 else, Mr. Parsons?

8 MR. PARSONS: No, simply to move  
9 Mr. Knight's testimony and exhibits into evidence, so  
10 Exhibits 1, his testimony, and then Attachments 1  
11 through now 33 with those two Jan-X reports.

12 EXAMINER WALSTRA: Any objections?

13 MR. MARGARD: My only objection, your  
14 Honor, is going to be to the affidavit contained in  
15 DK-13 inasmuch as it is not attested to before a  
16 notary, and I don't believe we can conclusively  
17 establish that this is from the individual who it  
18 claims to be from. I don't think this is  
19 sufficiently reliable to include in this record.

20 EXAMINER WALSTRA: Mr. Parsons.

21 MR. PARSONS: While it is not  
22 acknowledged by a notary, it's still identified as a  
23 business record of the company of its regularly  
24 conducted activities.

25 MR. MARGARD: If I may respond, your

1 Honor. The fact it is a business record means that  
2 it could be authenticated, does not necessarily mean  
3 that it passes the admissibility test.

4 EXAMINER WALSTRA: Thank you. We will  
5 admit the testimony as well as the attachments over  
6 objection. We'll allow the affidavit in, but we'll  
7 give it the proper weight it deserves upon review.

8 (EXHIBITS ADMITTED INTO EVIDENCE.)

9 MR. MARGARD: Your Honor, I would also  
10 move for Staff Exhibits 4, 5 and 6.

11 EXAMINER WALSTRA: Any objection?

12 MR. PARSONS: No objection.

13 EXAMINER WALSTRA: Those will be  
14 admitted.

15 (EXHIBITS ADMITTED INTO EVIDENCE.)

16 EXAMINER WALSTRA: Anything further?

17 MR. PARSONS: Not from Ohio Rural.

18 MR. MARGARD: Nothing further, your  
19 Honor.

20 EXAMINER WALSTRA: Let's discuss a  
21 briefing schedule.

22 MR. MARGARD: Do you want to go off the  
23 record?

24 EXAMINER WALSTRA: Yes, we can have a  
25 quick discussion off the record.

1 (Off the record.)

2 EXAMINER WALSTRA: Briefly back on the  
3 record. After discussion, we'll have initial briefs  
4 due September 23rd and reply briefs will be due  
5 October 4th. Anything else?

6 MR. MARGARD: Nothing further.

7 MR. PARSONS: No, your Honor.

8 EXAMINER WALSTRA: Hearing that, we are  
9 adjourned. Thank you.

10 (The hearing was concluded at 12:40 p.m.)

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CERTIFICATE

I do hereby certify that the foregoing is  
a true and correct transcript of the proceedings  
taken by me in this matter on Tuesday, September 6,  
2016, and carefully compared with my original  
stenographic notes.

\_\_\_\_\_  
Cynthia L. Cunningham

- - -

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Summary: Transcript in the matter of Ohio Rural Natural Gas Co-Op hearing held on 09/06/16 electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Cunningham, Cindy