

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the :
Review of Youngstown :
Thermal, LLC and : Case No. 17-1534-HC-UNC
Youngstown Thermal :
Cooling, LLC. :

- - -

PROCEEDINGS

before Gregory Price and Patricia Schabo, Hearing
Examiners, at the Public Utilities Commission of
Ohio, 180 East Broad Street, Room 11-D, Columbus,
Ohio, called at 10:00 a.m. on Monday, November 20,
2017.

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APPEARANCES:

Thomas M. Gacse
17 North Champion Street
Youngstown, Ohio 44503
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On behalf of the YMCA of Youngstown,
Ohio.

Strip, Hoppers, Leithart, McGrath & Terlecky,
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By Kenneth R. Goldberg
575 South Third Street
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On behalf of Reg Martin, Receiver.

Mike DeWine, Ohio Attorney General
By Thomas W. McNamee
Principal assistant Attorney General
Public Utilities
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Columbus, Ohio 43215
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On behalf of the Staff of the Public
Utilities Commission of Ohio.

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1 Monday Morning Session,
2 November 20, 2017.

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4 EXAMINER PRICE: Good morning. The
5 Public Utilities Commission is set for hearing at
6 this time and place, Case No. 17-1534-HC-UNC, being
7 In the matter of the Review of Youngstown Thermal,
8 LLC and Youngstown Thermal Cooling, LLC.

9 My name is Gregory Price. With me is
10 Patricia Schabo. We are the Attorney Examiners to
11 preside over today's hearing. Let's begin by taking
12 appearances from the parties starting with the Staff.

13 MR. McNAMEE: On behalf of the Staff of
14 the Public Utilities Commission of Ohio, I'm Thomas
15 W. McNamee, M-C-N-A-M-E-E. The address is 30 East
16 Broad Street, 16th floor, Columbus, Ohio, 43215.

17 EXAMINER PRICE: Receiver?

18 MR. GOLDBERG: Thank you, Ken Goldberg.
19 I'm attorney for the Receiver, Court Receiver Reg
20 Martin who is seated to my right. My Supreme Court
21 number is 0059724. My address is 575 South Third
22 Street, Columbus, 43215.

23 EXAMINER PRICE: Thank you.

24 YMCA?

25 MR. GACSE: Attorney Tom Gacse, last name

1 G-A-C-S-E. You need the address for the Y?

2 EXAMINER PRICE: Yes, please.

3 MR. GACSE: 17 North Champion Street,
4 Youngstown, Ohio, 45503. And the YMCA is a ratepayer
5 and customer of Youngstown Thermal.

6 EXAMINER PRICE: Before we take our first
7 witness, I believe we had one preliminary issue,
8 Mr. Gacse.

9 MR. GACSE: I would like to make one
10 argument before we get started, and that is I think
11 that it's clear from everything that's filed that the
12 emergency surcharge was just a summer surcharge, and
13 I can document that with what's been filed.

14 If we look at the Staff findings both
15 from July 28th and July 31st, the last sentence of
16 the Staff findings says below is Staff's recommended
17 summer emergency surcharge by customer. So the
18 listing on the next page is the summer emergency
19 surcharge by customer recommended by Staff. And then
20 we'll look at the Staff recommendation. Both
21 July 28th and July 31st are both identical
22 recommendations, and it's after the listing of the
23 surcharge.

24 Staff recommendation: Staff recommends
25 that the fixed emergency surcharge to recover

1 120 percent of the essential payroll and healthcare
2 expenses identified in the table above be adopted for
3 the months of July, August and September.
4 Additionally, Staff recommends that fall emergency
5 rates may need to be reassessed through a separate
6 filing in September.

7 Let's look at the Order that this
8 Commission put on. The very first sentence in the
9 summary in this third Finding and Order, the
10 Commission adopts the recommendation for an emergency
11 rate surcharge contained in the Staff report filed on
12 July 28th, 2017.

13 Paragraph 39 of that same Order, working
14 my way through it, I guess it's on Page 14 towards
15 the end of the last sentence, the very last part
16 says, The four factor test for implementing rates has
17 been satisfied. Staff's recommendation should be
18 adopted by the Commission. I read what the
19 recommendation was previously in the Staff report.
20 The Order on paragraph 42 was the Order that Staff's
21 July 28th, 2017 report be adopted.

22 So those are all the -- that's all that
23 it says. There are no limiting or conditional
24 language in this Order saying that we're adopting a
25 recommendation; however, we're not going to adopt the

1 part where it says it's a summer surcharge or that
2 it's only for three months.

3 I would grant that it doesn't mention
4 anything about a summer surcharge, but with all the
5 references to the report, it doesn't have to because
6 the report clearly discusses a summer surcharge. It
7 even lists those rates that are to be charged to the
8 customers and summer emergency surcharges.

9 So I feel that the surcharges for I think
10 it's July, August and September are done and they
11 need to be addressed again as to going forward. I
12 think that's fair and equitable due to my arguments
13 to get to this hearing in that the data and the path
14 that the Commission took to get to the surcharge is
15 flawed due to the fact that they took employee
16 payroll, they used Youngstown Thermal rates. Also in
17 support, the Receiver filed a report --

18 EXAMINER PRICE: I think you just need to
19 wait for the prefiled on the arguments to the
20 hearing.

21 MR. GACSE: I agree. So that's my
22 argument, is that the Order and the reports strictly
23 talk about a summer surcharge. They don't address
24 anything that it's going to continue past that, and,
25 therefore, we have to have a hearing as to the fall

1 surcharge.

2 EXAMINER PRICE: Thank you. The
3 Commissioners will take that under advisement.

4 Mr. McNamee, would you like to call your
5 first witness.

6 MR. GOLDBERG: Yes, your Honor. Staff
7 would call Patrick Donlon.

8 (Witness placed under oath.)

9 EXAMINER PRICE: Please be seated and
10 state your business name and business address for the
11 record.

12 THE WITNESS: Patrick Donlon, 180 East
13 Broad, Columbus, Ohio, 43215.

14 EXAMINER PRICE: Please proceed,
15 Mr. McNamee.

16 - - -

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

20 DIRECT EXAMINATION

21 By Mr. McNamee:

22 Q. Mr. Donlon, by whom are you employed and
23 in what capacity?

24 A. Public Utility Commission of Ohio. I'm
25 the Director of Rates and Analysis.

1 MR. McNAMEE: Your Honor, at this time, I
2 would ask to have marked for identification three
3 documents, the first being -- and I distributed
4 copies to the Bench and the reporter and also
5 Mr. Donlon. I ask to have marked for identification
6 Staff Exhibit 1, Prepared Testimony of Patrick
7 Donlon.

8 EXAMINER PRICE: It will be so marked.

9 (EXHIBIT MARKED FOR IDENTIFICATION.)

10 MR. McNAMEE: Staff Exhibit 2, a document
11 entitled "Report by the Staff of the Public Utilities
12 Commission of Ohio."

13 EXAMINER PRICE: Also will be so marked.

14 (EXHIBIT MARKED FOR IDENTIFICATION.)

15 MR. McINTYRE: And I'd also ask to have
16 marked for identification as Staff Exhibit 3, a
17 document unhelpfully entitled "Report by the Staff of
18 the Public Utilities Commission of Ohio." That is
19 the Revised version of what's been marked as Staff
20 Exhibit 2.

21 Just for clarity's sake, I put a little R
22 up above the staple on each of those copies so we
23 don't confuse them hopefully. I apologize for not
24 indicating that it's a Revised version on the cover
25 where it would be helpful. Instead it's buried in

1 the body.

2 EXAMINER PRICE: It will be so marked.

3 Thank you.

4 (EXHIBIT MARKED FOR IDENTIFICATION.)

5 Q. (By Mr. McNamee) Mr. Donlon, you have
6 before you what's been marked for identification as
7 Staff Exhibits 1, 2 and 3.

8 A. I do.

9 Q. Do you know what those are?

10 A. I do.

11 Q. Could you tell me what they are?

12 A. Exhibit 1 is my Prefiled Testimony.
13 Exhibit 2 is the original Staff report. And Exhibit
14 3 is the Revised Staff report.

15 Q. Okay. Were what's been marked for
16 identification as Staff Exhibits 1, 2 and 3 prepared
17 by you or under your direction?

18 A. They were.

19 Q. Are the content of those three exhibits,
20 three items that have been marked for identification
21 as 1, 2 and 3, true to the best of your knowledge and
22 belief?

23 A. They are.

24 Q. Do you have any corrections to make to
25 what's been marked for identification as Staff

1 Exhibits 1, 2 or 3?

2 A. Not at this time.

3 Q. And do you adopt the contents of what's
4 been marked for identification as Staff Exhibits 1, 2
5 and 3 as your Direct Testimony in this case?

6 A. I do.

7 MR. McNAMEE: With that, your Honor, the
8 witness is available.

9 EXAMINER PRICE: Thank you.

10 Mr. Goldberg, cross?

11 MR. GOLDBERG: No questions, thank you.

12 EXAMINER PRICE: Thank you.

13 Mr. Gacse, cross?

14 MR. GACSE: Yes, thank you.

15 - - -

16 CROSS-EXAMINATION

17 By Mr. Gacse:

18 Q. Mr. Donlon, the recommendation made was
19 for a summer surcharge. That's what your Staff came
20 up with; is that correct? The recommendation I
21 believe is the next page, it's after the surcharge
22 listing.

23 A. Yes, the Staff recommendation was for a
24 three-month surcharge.

25 Q. All right. Thank you. Take a look at

1 the unrevised Staff findings from July 28th, the
2 first one.

3 MR. McNAMEE: That's Staff 2.

4 Q. Staff 2, Staff 2 for the Court. Look at
5 the Attachment 1.

6 A. Okay.

7 Q. As you have that open, I want to ask some
8 questions to you in general. How did your Staff come
9 up with what the payroll amount was for Youngstown
10 Thermal?

11 A. This was provided by Youngstown Thermal,
12 specifically John Rambo.

13 Q. And do you know how he provided it? Did
14 he have documentation or what?

15 A. For this, I don't know how he came up
16 with it. I have seen -- actually at that time... I
17 don't know how he came up with that.

18 Q. Okay. The number is 70,000 for payroll;
19 is that correct?

20 A. That is what he has marked here, yes.

21 Q. That's what you utilized for the
22 surcharge?

23 A. Yes, because when we ran the analysis at
24 roughly 200,000, we viewed it as even in these
25 emergency situations, that was too extreme for the

1 customers. So our goal was to just try and keep the
2 employees actually on and working.

3 Q. All right. Look at Attachment 1 under
4 Urgent Needs and read to the Hearing Commissioners,
5 read what No. 1 says.

6 A. Payroll current and past.

7 Q. What's the amount for the payroll current
8 and past?

9 A. 53,900.

10 Q. Okay. So the current payroll and any
11 past payroll for an urgent need that was necessary
12 was 53,900, correct?

13 A. That does not -- that's what's listed
14 there. That doesn't include health insurance.

15 Q. Okay. And health insurance is listed
16 there at 27,5?

17 A. Correct.

18 Q. So adding those up, you get a little over
19 80,000 for --

20 A. Correct.

21 Q. -- for health insurance?

22 A. Sorry.

23 Q. That's all right. There was a
24 determination made in the Staff Report of 120 percent
25 of the monthly payroll to be collected as a surcharge

1 and 20 percent was added on. How did you come up
2 with that number?

3 A. It was really a -- it was evaluating some
4 of the uncollectibles. There's a lot of Youngstown
5 Thermal's customers that actually don't pay anything
6 during the summer. Youngstown Thermal was in an
7 emergency cash flow deficiency. They didn't have
8 enough cash flow to pay their employees. If their
9 employees walked, they would have to shut down the
10 plant, and the City would not have heat or steam for
11 heat or cooling.

12 So we really were trying to look at how
13 to solve the cash flow problem. Part of using and
14 stating in the Staff report that it was employees was
15 also a message to the employees that we were hoping
16 they'd stay and work through.

17 The bigger issue and the larger costs
18 where I've actually seen some of the invoices were
19 fuel which was anywhere from, depending on the month,
20 80,000 for a natural gas to 120,000, so we wanted
21 to -- we assumed that some of the employees -- or
22 some of the customers wouldn't be paying.

23 Looking at average uncollectibles, ten
24 percent is probably a norm, but this is an unusual
25 circumstance so we raised it to 120 percent to try

1 and cover those, but it was a ballpark number, but it
2 was well below the total essential expenses.

3 Q. Probably in your thinking it's a ballpark
4 number, and as you said in summer some customers
5 don't pay, that this would be addressed after the
6 three months. Since it was a summer surcharge, you
7 could always look at it at a later date; does that go
8 into your thinking? The 20 percent I'm saying. You
9 said ten percent is probably the better number but
10 you put it up to 20?

11 A. No, actually what I meant by that is
12 10 percent is more of an industry standard
13 uncollectible roughly. 20 percent I think for the
14 Youngstown area, the customers that are there was
15 higher.

16 As for reassessing in the winter months,
17 the reassessment in the winter months was really with
18 the increased usage to actually try and get the
19 surcharge to cover all of the expenses and seeing if
20 that would be an opportunity to cover all of the
21 expenses rather than just roughly a little under
22 half.

23 Q. Does it say that anywhere in your Staff
24 Report?

25 A. It does not.

1 Q. Okay. Also the way that the surcharge
2 was determined was based on, and correct me if I'm
3 wrong in reading your report, it's based on one
4 month's usage in January of 2016. That was kind of
5 the baseline for it. Whatever a customer used in
6 that month, that number was used to determine the
7 surcharge -- emergency surcharge; is that correct?

8 The number was used, you could add on to
9 it or take percentages, but that's the number that
10 was used, correct?

11 A. So just to clarify, what we did was we
12 attributed the peak demand of each customer and then
13 got a percentage of their peak demand contribution.
14 So the peak demand for the heating for 2016 was
15 January of -- was January, so what their percentage
16 of usage on the system was for that peak demand was
17 then applied to the 120 percent of payroll.

18 Q. When did you make that assessment to come
19 up with the number? Approximately it was 2017
20 sometime. Was it when it was filed, so it would be
21 July of 2017?

22 A. It was Saturday. I was doing it on a
23 Saturday. When was the filed report?

24 Q. July 28th and July 21st.

25 A. The week before was when I finalized

1 that.

2 Q. So you looked back 18 months or prior to
3 January 2016 to find a peak usage. What about
4 January 2017?

5 A. So industry standard and what's common is
6 you can -- an option would be using a rolling 12
7 months, but we wanted to make sure particularly with
8 heating, your largest load is going to be during the
9 winter, so we wanted to look at a 12-month period,
10 and that's going to be January through December.

11 Taking that in '16, we didn't have all of
12 '17, so we didn't have December of '17, so picking a
13 full year is common. It's actually how PJM does
14 their peak load contributions, and then the next year
15 you would reassess it looking back to the prior year.
16 It's very common in the industry.

17 Q. So if you're looking at a full year, that
18 would make sense to me if you're looking at all the
19 numbers from January through December, but you didn't
20 do that, you just looked at January 2016?

21 A. No, I looked at the entire year and
22 looked at what was the peak month for that year. So
23 that would be January. Then you would take --
24 because what peak demand is looking at is you have to
25 build your system to cover the highest load because

1 if on electric, steam, natural gas, whatever that is,
2 you're building to that highest capacity that you're
3 ever going to have to serve.

4 So that becomes what's called a demand
5 charge or peak demand. And if whoever's the highest
6 user even on that peak demand, you've got to bill it
7 to them. So that's why you use peak demand and
8 associate that on those costs.

9 Q. Peak demand usually -- have you ever seen
10 it not be the winter months, say, November, December,
11 January, February?

12 A. For the electric industry, it's usually
13 for our area in August.

14 Q. Is that what you were measuring, electric
15 here?

16 A. No.

17 Q. Okay.

18 A. But you said ever.

19 Q. We're talking about Youngstown Thermal.
20 You're talking about the rolling number. Has peak
21 demand ever been anything but, say, November,
22 December, January, February?

23 A. I can't speak to ever.

24 Q. Did you have numbers for January 2017 for
25 Youngstown Thermal?

1 A. I don't remember if I did or not. I
2 think we probably did.

3 Q. How about January and February of 2017?

4 A. We probably did, but I don't remember.

5 Q. Okay. So do you think things could
6 happen to companies in 18 months as far as their
7 usage and as far as things going on at their various
8 places of business?

9 A. Yes.

10 Q. Okay. So wouldn't it be more accurate --
11 you're looking to get an accurate number, I assume,
12 correct, for the surcharge, you want to get what's
13 fair for all the companies and the customers and get
14 the most accurate, is that correct, most accurate
15 high usage?

16 A. Well, you have to pick a philosophy and a
17 methodology and then stick with that. So, you know,
18 rolling 12-month is an option, but so is using a
19 12-month calendar, and we chose to go with the
20 12-month calendar.

21 Q. But you didn't use any other month but
22 January in that 12-month for your surcharge, correct,
23 numbers? Yes or no. It's a simple answer.

24 EXAMINER PRICE: Let's not be
25 argumentative.

1 MR. GACSE: But it's just a question.

2 EXAMINER PRICE: Let's not be
3 argumentative, thank you.

4 MR. GACSE: I'm not argumentative. I'm
5 asking --

6 EXAMINER PRICE: You're being
7 argumentative with me now, so I don't want you to be
8 argumentative with the witness, thank you.

9 THE WITNESS: Can you repeat the
10 question, please?

11 Q. (By Mr. Gacse) I'll strike the question.
12 I'll replace it with a new one. Did you look at any
13 other revenue -- strike that. Did you look at any
14 other amount of usage or payment by the customer to
15 use for the surcharge that was used in determining
16 that surcharge?

17 So if I use this amount in June or this
18 amount in July, this was put into that surcharge that
19 was determined. Did you use any other date other
20 than January 2016?

21 A. The problem I'm having with the question
22 is the analysis to determine the peak demand, the
23 answer is yes. Once you determine the peak demand
24 month, then that's what it is, but you have to look
25 at everything to determine that peak demand month.

1 So the answer is yes, but once you do the
2 analysis, that is the peak demand month, so then that
3 becomes the percentage. So does that answer your
4 question?

5 Q. I'll ask the questions. So in order to
6 determine the 70,000 or whatever the amount of
7 payroll that was used, you said for the surcharge you
8 used healthcare and payroll expenses, did you have
9 any itemization or listing as to how many employees
10 were working at Youngstown Thermal at the time you
11 did the surcharge?

12 A. So we had seen the actual -- a two-week
13 whoever their billing -- I can't remember their
14 billing company, we had seen that breakdown from who
15 does their payroll.

16 Q. Did you utilize that in your calculation?

17 A. It was rough -- it equated to around
18 \$80,000.

19 Q. Did you include that as an exhibit?

20 A. No.

21 MR. GACSE: That's all I have for now.

22 EXAMINER PRICE: Thank you.

23 Mr. McNamee, redirect?

24 MR. McNAMEE: Perhaps, your Honor, if I
25 could take a moment.

1 EXAMINER PRICE: You may. Let's go off
2 the record.

3 (Off the record.)

4 EXAMINER PRICE: Let's go back on the
5 record. Mr. McNamee.

6 MR. McNAMEE: No questions, your Honor.
7 Staff would move for admission of Staff Exhibits 1,
8 2, 3.

9 EXAMINER PRICE: I don't have any
10 questions. Miss Schabo?

11 EXAMINER SCHABO: I do not.

12 EXAMINER PRICE: You're excused.

13 THE WITNESS: Oh, I thought you said you
14 had a question.

15 EXAMINER PRICE: Before moving to admit,
16 I wanted to make sure I reserved our right.

17 Mr. McNamee, do you move to admit Staff
18 Exhibits 1, 2 and 3?

19 MR. McNAMEE: Yes.

20 EXAMINER PRICE: Any objections?

21 MR. GACSE: No objection.

22 MR. GOLDBERG: No objection.

23 EXAMINER PRICE: Those documents will be
24 admitted.

25 (EXHIBITS ADMITTED INTO EVIDENCE.)

1 MR. McNAMEE: Thank you, your Honor.
2 Staff has nothing further.

3 EXAMINER PRICE: Mr. Gacse, would you
4 like to call a witness?

5 MR. GACSE: Reg Martin.

6 (Witness placed under oath.)

7 EXAMINER PRICE: Please be seated and
8 state your name and business address for the record.

9 THE WITNESS: Reg Martin, 575 Copeland
10 Mill Road, Westerville, 43082.

11 EXAMINER PRICE: Mr. Martin, we will ask
12 that you keep your voice up so everyone can hear you.
13 Proceed.

14 - - -

15 REG MARTIN

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

18 DIRECT EXAMINATION

19 By Mr. Gacse:

20 Q. Mr. Martin, do you know what the
21 payroll -- monthly payroll and healthcare expenses
22 were for Youngstown Thermal?

23 A. When I came in, monthly payroll ranged
24 from in the 35- to 36-, 37,000 range every two weeks.
25 So, it was one month, that would be upcoming, that

1 would have been three payrolls, so my payroll for
2 that period would have been approximately 120,000 in
3 a month. The health insurance was about 10,000 a
4 month.

5 Q. When you came on board as Receiver, did
6 you cut Staff?

7 A. Yes, I cut Staff over a period of time,
8 yes.

9 Q. What's the current payroll situation?

10 A. We're running right around 30,000 every
11 two weeks approximately and our health insurance is
12 about 6,000 a month.

13 Q. So currently it's about 66,000 a month
14 payroll?

15 A. 66 depending on the situation. Like this
16 last month, we had more overtime. We've had to hire
17 some employees for employees that have left. A
18 couple of those employees had left before I came on
19 board, but we had to hire temps, but we're right in
20 that range.

21 Q. When did that start, would you say, this
22 30,000 bi-weekly? When would that have began, what
23 month?

24 A. I don't remember. Sometime between
25 August 1st and now.

1 Q. Okay, very good. The surcharge, you've
2 collected a surcharge for June, July, August -- I'm
3 sorry, for July, August and September and October?

4 A. We billed out three surcharges, and we've
5 collected and we're in the process of collecting
6 those surcharges for the last billing. All the
7 surcharges for the previous two surcharges I believe
8 are paid in full except for the YMCA.

9 Q. How about Home Loan Savings, have they
10 paid?

11 A. I would have to go back and look. I
12 believe to date they were paid also.

13 Q. With the surcharge and what you've been
14 collecting for state usage, that has covered payroll,
15 correct, and healthcare expenses?

16 A. It's covered -- yes, if you just look at
17 payroll and healthcare, yes, but if you look at
18 overall expenses, it hasn't. It hasn't come to close
19 to covering everything.

20 Q. But you're also collecting steam usage
21 for operational purposes?

22 A. Steam usage. When I came on for the
23 first two or three months, it was a warmer than usual
24 year. The year before, it was warmer. Our steam
25 usage, our primary steam usage for heat went down.

1 Our revenue for steam usage for heat went down, did
2 not start as early as it would on a normal basis if
3 we look back for years.

4 And our steam usage for cooling, I don't
5 know the history to know whether it was deficient,
6 but I know that heating and cooling are steam usage
7 billing during those months. If I can recollect, and
8 I'm going off memory here, it was probably somewhere
9 in the 30-, 30,000 a month range. Without the
10 surcharge we would have been unable to meet our
11 obligations.

12 Q. Correct. I notice in your receivership
13 report that you had a surplus at least of 89,000 that
14 you have in an account. You reported that to the
15 Court?

16 A. That may have been the exact date. You
17 know, it could have been before payroll, but we're
18 going through all the money that we collect. And the
19 money could have been in the bank account, but that
20 was not a direct correlation to what our payables
21 were.

22 Q. Okay. Thank you. There still are
23 collectibles that your collections that you're trying
24 to get as it was in the initial report is around a
25 million dollars that you're lucky to collect from

1 people that haven't paid?

2 A. The million dollars which I heard about
3 when I came on was a -- the gentleman before me, his
4 name was Carl Eavers --

5 Q. Eavers, E-A-V-E-R-S.

6 A. Yes. Those invoices were not all on our
7 books as receivables. I call them receivables per
8 Carl, and I know 650,000 of it was associated with
9 the Youngstown State University, and we have no
10 support for that, and that is uncollectible.

11 And as we go through that, we're trying
12 to negotiate those figures, but that million dollars,
13 if we're fortunate, we'll probably end up in the
14 100,000, \$150,000 range of collection which we have
15 not collected at this time.

16 Q. Look at the reference of paragraph D. I
17 apologize, I don't have a copy.

18 MR. McNAMEE: No worries.

19 Q. I'll read it to you.

20 A. What is this?

21 Q. It says, "Receiver recognizes the
22 sensitivity of customers to the surcharge which is
23 recently billed to all customers. Due to the
24 seasonal slowdown experienced during the summer and
25 early fall period, the Receiver is working on

1 programs and alternatives to shorten the time period
2 and minimize the dollars acquired entering the peak
3 operational period." That's going on right now?

4 A. Yeah, I -- it's my understanding that the
5 surcharge could extend beyond the three months that
6 was mentioned earlier. We are -- we have just done
7 last month when we got our readings in for the
8 previous month, we billed the last month, the last
9 week of the month.

10 So if we had August and September and
11 October, those have already been billed. We're not
12 billing anymore. We've looked also during this
13 period that the impound's going up and new billings
14 are put out because we're trying to standardize
15 billings because the billings before were hit and
16 miss.

17 Carl had certain customers who were able
18 to be billed less and there was no rhyme or reason to
19 it, but we did not want to go through with a new
20 billing until we dealt with the surcharge because I
21 didn't want to have any duplicate increase in rates
22 and so forth that would put a hardship on people.

23 And when we did have people that had a
24 hardship based on the surcharge, we went out and sat
25 with them and reached agreements with them. They

1 were very, very minimal, though. So yes, as far as
2 we're concerned at this point, we're attempting to go
3 forward without having a surcharge because during --
4 as cold weather comes on to us, our billings should
5 go up and give us additional cash to enable us to
6 meet our obligations.

7 Q. Okay. I was there at the meeting of
8 customers when we first met when you first introduced
9 yourself.

10 A. Yes.

11 Q. I think at that time you talked about the
12 surcharge was three months, your understanding at
13 that time?

14 A. Yes, that was my understanding, and
15 that's what we've done is a three-month surcharge.

16 MR. GACSE: Nothing further.

17 EXAMINER PRICE: Mr. McNamee?

18 MR. McNAMEE: I have no questions.

19 EXAMINER PRICE: Mr. Goldberg?

20 MR. GOLDBERG: No questions, thank you.

21 EXAMINER PRICE: Mr. Martin, you're
22 excused.

23 THE WITNESS: Thank you.

24 EXAMINER PRICE: Let's go off the record.

25 (Off the record.)

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EXAMINER PRICE: Go back on the record.
Initial post hearing briefs will be due on
December 11, 2017. Reply briefs will be due on
December 21st, 2017. Any other matters before us?
We are adjourned. Thank you all.

(The hearing was concluded at 10:38 a.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 Monday, November 20, 2017, and carefully compared with my original stenographic notes.

Cynthia L. Cunningham
Cynthia L. Cunningham



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in

Case No(s). 17-1534-HC-UNC

Summary: Transcript In the Matter of the Review of Youngstown Thermal, LLC and Youngstown Thermal Cooling, LLC, hearing held on November 20, 2017. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Cunningham, Cindy