BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the ; Application of One Source : Case No. Energy, LLC for Approval to : 16-1181-GA-ACE Operate as an Ohio Natural : Gas Company. :

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## PROCEEDINGS

Before Anna Sanyal and Sarah Parrot, Attorney Examiners, held at the Public Utilities Commission of Ohio, 180 East Broad Street, Hearing Room 11-D, Columbus, Ohio, on Monday, April 8, 2019, at 11:00 A.M.

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Armstrong & Okey, Inc. 222 East Town Street, 2nd Floor Columbus, Ohio 43215 (614) 224-9481 - (800) 223-9481

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APPEARANCES: Mr. Thomas G. Lindgren Assistant Attorney General 30 East Broad Street, 16 Floor Columbus, Ohio 43215 On behalf of the Staff of the Public Utilities Commission of Ohio. 

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1	Monday Morning,	
2	April 8, 2019.	
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4	ATTORNEY EXAMINER SANYAL: The	
5	Public Utilities Commission of Ohio has called	
6	for hearing in Case No. 16-1181-GA-ACE which is	
7	captioned In the Matter of the Application of	
8	One Source Energy, LLC for Authority to Operate	
9	as an Ohio Natural Gas Company.	
10	My name is Anna Sanyal, and along	
11	with Sarah Parrot we are the Attorney Examiners	
12	assigned to this case.	
13	For the record I would like to note	
14	that representatives from One Source Energy are	
15	not here at the moment. So I will let staff	
16	make appearances.	
17	MR. LINDGREN: Thank you, your	
18	Honor. On behalf of the Commission's Staff Ohio	
19	Attorney General Dave Yost by Thomas G.	
20	Lindgren, Assistant Attorney General, 30 East	
21	Broad Street, 16th Floor, Columbus Ohio, 43215.	
22	ATTORNEY EXAMINER SANYAL: Thank	
23	you, Mr. Lindgren. And seeing that	
24	representatives from One Source are not here	
25	yet, I will be going off the record for about 10	

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6 1 minutes or so just to see if they arrive. And 2 then we will go back on the record around 11:17. Let's go off the record. 3 4 (RECESS TAKEN) 5 ATTORNEY EXAMINER SANYAL: So we 6 have waited about ten minutes and 7 representatives for One Source are not here, so at this time I will let Staff proceed with their 8 9 case. 10 MR. LINDGREN: Thank you. Your 11 Honor, as a preliminary matter I would ask to 12 have certain exhibits marked, please. 13 ATTORNEY EXAMINER SANYAL: Sure. 14 MR. LINDGREN: Thank you. Staff 15 Exhibit 1 will be the prefiled testimony of 16 Craig Smith filed on April 1, 2019. 17 Staff Exhibit 2 will be a report by 18 the Staff of the Public Utilities Commission of Ohio concerning One Source energy, LLC, filed on 19 20 March 25th, 2019. 21 Staff Exhibit 3 will be the prefiled 22 testimony of Peter A. Chace filed on April 1st, 23 2019. 24 And Staff Exhibit 4 will be the 25 Prefiled testimony of James Zell also filed on

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April 1st, 2019. 1 2 ATTORNEY EXAMINER SANYAL: They 3 shall so marked. (EXHIBITS HEREBY MARKED FOR 4 5 IDENTIFICATION PURPOSES) MR. LINDGREN: Thank you. The Staff 6 7 then would like to call Craig Smith to the 8 stand. 9 (WITNESS SWORN) 10 11 CRAIG SMITH 12 called as a witness, being first duly sworn, testified as follows: 13 14 DIRECT EXAMINATION 15 By Mr. Lindgren: 16 Good morning, Mr. Smith. Q. 17 Α. Good morning. Would you please give your full 18 Ο. 19 name? 20 Α. Craig Edward Smith. 21 Ο. And what is your business address? 22 Α. 180 East Broad Street, Columbus, Ohio. 23 24 Thank you. Do you have with you Ο. 25 your prefiled testimony that has been marked as

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Staff Exhibit 1? 1 2 Α. Yes, I do. 3 Q. Thank you. And did you prepare that testimony yourself? 4 5 Α. Yes, I did. 6 Ο. Do you have any changes or 7 corrections to that testimony? The only change I have is the 8 Α. 9 heading on the title page before the Ohio Power 10 Siting Board, should be before the Public 11 Utilities Commission of Ohio. 12 Thank you. With that change if I Q. 13 were to ask you all these questions on the stand 14 would your answers be the same? 15 Α. Yes, they would. Thank you. Also were you involved 16 Ο. 17 in the preparation of the Staff Report? 18 Α. Yes, I was. 19 MR. LINDGREN: Thank you. May I 20 approach the witness? 21 ATTORNEY EXAMINER SANYAL: You may 22 do so freely during this proceeding. 23 MR. LINDGREN: Thank you. 24 Mr. Smith, I am handing you a Ο. 25 document that I have marked as Staff Exhibit 2.

9 Can you explain what it is? 1 2 Α. This is the Staff Report regarding 3 the application of One Source Energy to become an Ohio natural gas company. 4 5 Q. Thank you. And I believe you said 6 you were involved in the preparation of the 7 report; is that right? That is correct. 8 Α. 9 Q. And does this report accurately 10 reflect the results of Staff's investigation? 11 A. Yes, it does. 12 MR. LINDGREN: Thank you. I have no 13 further questions. 14 ATTORNEY EXAMINER SANYAL: You may 15 step down. 16 MR. LINDGREN: Staff next would call 17 Peter A. Chance to the stand. 18 (WITNESS SWORN) 19 20 ATTORNEY EXAMINER SANYAL: You may 21 be seated. 22 PETER A. CHACE 23 called as a witness, being first duly sworn, 24 testified as follows: 25 DIRECT EXAMINATION

10 By Mr. Lindgren: 1 2 Good morning, Mr. Chace. Ο. 3 Α. Good morning. Could you please state your full 4 Ο. name for the record? 5 My name is Peter Allen Chace. 6 Α. 7 And what is your business address? Q. 180 East Broad Street, Columbus, 8 Α. 9 Ohio. 10 Thank you. Do you have a copy of Ο. your prefiled testimony that has been marked as 11 12 Staff Exhibit 3? 13 Α. Yes, I do. 14 Was this testimony prepared by you Ο. 15 or at your direction? 16 Α. It was prepared by me, yes. 17 Thank you. And do you have any Ο. 18 changes or corrections to this testimony? 19 Α. Yes. On the cover page there are 20 two corrections. The first correction at the 21 top of the page it should say before the Public 2.2 Utilities Commission of Ohio. 23 And in addition, my work unit is the 24 Facility Operation and Field Department in the 25 Service Monitoring Enforcement Division.

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1	Q. Thank you. If I were ask you all	
2	these questions on the stand today would your	
3	answers be the same as in the written testimony?	
4	A. Yes, they would.	
5	MR. LINDGREN: Thank you. I have no	
6	further questions.	
7	ATTORNEY EXAMINER SANYAL: You may	
8	step down.	
9	MR. LINDGREN: And finally the Staff	
10	would call James Zell to the stand.	
11	(WITNESS SWORN)	
12		
13	JAMES ZELL	
14	called as a witness, being first duly sworn,	
15	testified as follows;	
16	DIRECT EXAMINATION	
17	By Mr. Lindgren:	
18	Q. Good morning, Mr. Zell.	
19	A. Good morning.	
20	Q. Would you please state your full	
21	name for the record?	
22	A. James Gordon Zell.	
23	Q. And what is your business address?	
24	A. 180 East Broad Street, Columbus, Ohio	
25	43215.	

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1	Q. Thank you. Do you have with you a	
2	copy of your testimony that has been marked as	
3	Staff Exhibit 4?	
4	A. Yes, I do.	
5	Q. Thank you. And did you prepare this	
6	testimony yourself?	
7	A. Yes, I did.	
8	Q. Do you have any changes or	
9	corrections to it?	
10	A. Yes, sir, just one correction there	
11	on the cover page. It should read before the	
12	Ohio Public Utilities Commission.	
13	Q. Thank you. If I were ask you all	
14	these questions on the stand today would your	
15	answers be the same as in the written testimony?	
16	A. Yes, they would.	
17	MR. LINDGREN: Thank you. I have no	
18	further questions.	
19	ATTORNEY EXAMINER SANYAL: You may	
20	step down.	
21	MR. LINDGREN: Your Honors, I would	
22	move for the admission of Staff Exhibits 1	
23	through 4.	
24	ATTORNEY EXAMINER SANYAL: They are	
25	so admitted.	

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1	(EXHIBITS ADMITTED INTO EVIDENCE)	
2	MR. LINDGREN: Thank you. Your	
3	Honor, that concludes Staff's case, and I would	
4	ask the Commission to follow the Staff's	
5	recommendation to order One Source to either	
6	relinquish or sell their distribution assets to	
7	another party that is capable of providing	
8	adequate service, or direct their customers to	
9	find alternative service and to cease and desist	
10	providing natural gas service to its customers.	
11	Thank you.	
12	ATTORNEY EXAMINER SANYAL: Thank	
13	you, Mr. Lindgren. Are there any other matters	
14	you wish to discuss before we go off the record?	
15	MR. LINDGREN: None, your Honor.	
16	ATTORNEY EXAMINER SANYAL: Okay.	
17	Hearing none, the case is now submitted to the	
18	record and the Commission will issue an Opinion	
19	in due course. Thank you very much.	
20	MR. LINDGREN: Thank you.	
21	(At 11:25 A.M. the hearing was	
22	concluded)	
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1	CERTIFICATE	
2	I do hereby certify that the foregoing	
3	is a true and correct transcript of the proceedings taken by me in this matter on April 8, 2019, and carefully compared with my original	
4	stenographic notes.	
5	Michael Q. Soprar.	
6	Michael Ö. Spencer, Registered Professional	
7	Reporter.	
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Case No(s). 16-1181-GA-ACE

Summary: Transcript In the matter of the Application of One Source Energy, LLC for Approval to Operate as an Ohio Natural Gas Company, hearing held on April 8th, 2019. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Spencer, Michael O. Mr.