

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Regulation of the :
Purchased Gas Adjustment :
Clause Contained Within : Case No. 15-204-GA-GCR
the Rate Schedules of :
Foraker Gas Company, Inc. :
and Related Matters. :

- - -

PROCEEDINGS

before Ms. Sarah Parrot, Hearing Examiner, at the
Public Utilities Commission of Ohio, 180 East Broad
Street, Room 11-C, Columbus, Ohio, called at
10:00 a.m. on Monday, December 21, 2015.

- - -

ARMSTRONG & OKEY, INC.
222 East Town Street, 2nd Floor
Columbus, Ohio 43215-5201
(614) 224-9481 - (800) 223-9481
Fax - (614) 224-5724

- - -

APPEARANCES:

Mike DeWine, Ohio Attorney General
Public Utilities Section
By Mr. Thomas W. McNamee
Ms. Natalia Messenger
Assistant Attorneys General
180 East Broad Street, 6th Floor
Columbus, Ohio 43215

On behalf of the Staff of the Public
Utilities Commission of Ohio.

Barth E. Royer, LLC
By Mr. Barth E. Royer
2740 East Main Street
Bexley, Ohio 43209

On behalf of Foraker Gas Company.

- - -

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

INDEX

- - -

WITNESS

PAGE

Roger L. Sarver

Direct Examination by Mr. McNamee

7

- - -

COMMISSION-ORDERED EXHIBIT

IDENTIFIED ADMITTED

1 - A report by the Staff of the
Public Utilities Commission of
Ohio; Foraker Gas Company, Inc.
Case No. 15-204-GA-GCR

6

11

- - -

JOINT EXHIBIT

IDENTIFIED ADMITTED

1 - Stipulation and Recommendation

6

11

- - -

FORAKER GAS COMPANY EXHIBIT

IDENTIFIED ADMITTED

1 - Proof of Publication

6

11

- - -

1 Monday Morning Session,
2 December 21, 2015.

3 - - -

4 EXAMINER PARROT: The Public Utilities
5 Commission of Ohio has called for hearing at this
6 time and place Case No. 15-204-GA-GCR, being in the
7 Matter of the Regulation of the Purchased Gas
8 Adjustment Clause Contained Within the Rate Schedules
9 of Foraker Gas Company and Related Matters.

10 Good morning. My name is Sarah Parrot. I
11 am the Attorney Examiner assigned by the Commission
12 to hear this case.

13 At this time I would like to take
14 appearances of the parties and we will start with the
15 Company.

16 MR. ROYER: Thank you, your Honor. On
17 behalf of Foraker Gas Company, Barth E. Royer, Barth
18 E. Royer, LLC, 2740 East Main Street, Bexley, Ohio
19 43209.

20 EXAMINER PARROT: Thank you.

21 And on behalf of the Commission staff.

22 MR. McNAMEE: On behalf of the staff of
23 the Public Utilities Commission of Ohio, Natalie
24 Messenger, and I am Thomas McNamee. The address is
25 180 East Broad Street, Columbus, Ohio.

1 EXAMINER PARROT: Thank you.

2 At this time I would just note for the
3 record that there are no members of the general
4 public present today at this hearing.

5 Are there any preliminary matters from the
6 parties?

7 MR. McNAMEE: Nothing, your Honor, other
8 than we do have a stipulation in the case that
9 resolves all issues.

10 EXAMINER PARROT: All right. Go ahead,
11 Mr. McNamee.

12 MR. McNAMEE: I believe Mr. Royer needs to
13 mark his --

14 EXAMINER PARROT: We can start with
15 whatever.

16 MR. ROYER: Okay. I'd like to have marked
17 as Foraker -- or, I have marked as Foraker Exhibit 1,
18 this is the original, I think, proof of publication
19 published in the "Perry County Tribune" on
20 December 2nd.

21 MR. McNAMEE: I didn't even know they had
22 a newspaper.

23 EXAMINER PARROT: So marked.

24 (EXHIBIT MARKED FOR IDENTIFICATION.)

25 EXAMINER PARROT: All right.

1 Now, Mr. McNamee, further exhibits?

2 MR. McNAMEE: Yeah. Let me mark for
3 identification as Commission-Ordered Exhibit 1, a
4 document filed in this case on October 21st,
5 denominated "A report by the Staff of the Public
6 Utilities Commission of Ohio, Foraker Gas Company,
7 Inc., Case No. 15-204-GA-GCR."

8 EXAMINER PARROT: All right. So marked.
9 (EXHIBIT MARKED FOR IDENTIFICATION.)

10 MR. McNAMEE: And as Joint Exhibit 1, a
11 document filed in this case sometime or another, last
12 week we'll say, denominated "Stipulation and
13 Recommendation."

14 EXAMINER PARROT: All right. So marked.
15 (EXHIBIT MARKED FOR IDENTIFICATION.)

16 EXAMINER PARROT: And it was, I believe,
17 filed December 16th, 2015.

18 MR. McNAMEE: Okay. With that, your
19 Honor, the staff would like to call Roger Sarver to
20 the stand.

21 EXAMINER PARROT: Please raise your right
22 hand.

23 (Witness sworn.)

24 EXAMINER PARROT: Please have a seat.

25 - - -

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

ROGER L. SARVER

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

DIRECT EXAMINATION

By Mr. McNamee:

Q. Mr. Sarver, could you state and spell your
name for the record, please?

A. Roger L. Sarver. Last name is
S-a-r-v-e-r. And I work with the Public Utilities
Commission of Ohio as an energy specialist.

Q. Okay. And what is your business address?

A. My business address is 180 East Broad
Street, Columbus, Ohio 43215.

Q. Okay. Mr. Sarver, before you are two
documents that have just been marked. Let me draw
your attention to what's been marked for
identification as Commission-Ordered Exhibit No. 1, a
report by the staff of the Public Utilities
Commission of Ohio. Do you have that in front of
you?

A. Yes, sir.

Q. Good. What is it?

A. This is the financial audit of Foraker's
gas cost recovery mechanism for the period of
February '14 through January '15.

1 Q. Was that prepared by you or under your
2 direction?

3 A. Yes.

4 Q. Okay. And to the best of your knowledge
5 is that document correct? Do you have any changes or
6 alterations you need to make to that document this
7 morning?

8 A. No, sir.

9 Q. Okay. Let's turn to what's been marked
10 for identification as Joint Exhibit 1, the
11 Stipulation and Recommendation. Do you have that in
12 front of you?

13 A. Yes.

14 Q. Good. Can you describe that document for
15 me?

16 A. This is a stipulation between the Company
17 and staff as to the resolution of the audit report
18 recommendations.

19 Q. Okay. And it accepts the audit
20 recommendations, correct?

21 A. Yes, sir.

22 Q. Okay. Let's talk about the Stipulation
23 and Recommendation a bit. Was it the result of
24 discussions between knowledgeable parties?

25 A. Yes, sir.

1 Q. Specifically, you've known Mr. Royer for
2 many years, have you not?

3 A. Yes, sir.

4 Q. And he is certainly an extremely
5 well-informed individual in these matters, is he not?

6 A. In regulatory matters, yes, sir.

7 Q. Okay. And --

8 MR. ROYER: Don't stop now.

9 (Laughter.)

10 MR. McNAMEE: I thought you might like
11 this.

12 (Laughter.)

13 Q. And, Roger, for your own part, you are the
14 Commission's resident expert in these matters, are
15 you not?

16 A. Yes, sir.

17 Q. Okay. And this Stipulation and
18 Recommendation was the result of discussions between
19 yourself and Mr. Royer on behalf of the Company?

20 A. Yes, sir.

21 Q. Okay. Does this Stipulation and
22 Recommendation violate any important regulatory
23 principle?

24 A. No, sir.

25 Q. Does it benefit the public?

1 A. It benefits the public. It benefits
2 Foraker's ratepayers along with Foraker. It
3 addresses some issues that were found by staff in the
4 course of its audit and it looks to, on a
5 going-forward basis, increase the accuracy of the
6 Company's filings.

7 MR. McNAMEE: Okay. With that, your
8 Honor, I have no further questions for Mr. Sarver.

9 EXAMINER PARROT: Were there any
10 adjustments, Mr. Sarver, that would benefit the
11 customers of the company?

12 THE WITNESS: Yeah. There was an
13 adjustment in the customers' favor. I want to say
14 \$431 that's going to be included in rates that will
15 actually reduce the customers' rates slightly in
16 2016.

17 EXAMINER PARROT: Thank you very much.
18 Mr. Royer, any questions for the witness?

19 MR. ROYER: No questions, your Honor.

20 EXAMINER PARROT: All right.

21 MR. ROYER: I would like to state on the
22 record, though, my thanks to Mr. Sarver. This was
23 the first audit, GCR audit for this company, and his
24 assistance in working through some of this stuff was
25 invaluable and it's always a pleasure to deal with

1 him. Thank you.

2 EXAMINER PARROT: You are excused. Thank
3 you.

4 THE WITNESS: Thank you.

5 MR. McNAMEE: Your Honor, at this time the
6 staff would move for admission of Joint Exhibit 1 and
7 Commission-Ordered Exhibit 1.

8 EXAMINER PARROT: No objections, I assume,
9 Mr. Royer?

10 MR. ROYER: No objection.

11 EXAMINER PARROT: All right. With that,
12 Joint Exhibit No. 1 and Commission-Ordered Exhibit
13 No. 1 are admitted into the record.

14 (EXHIBITS ADMITTED INTO EVIDENCE.)

15 MR. ROYER: And I would move the admission
16 of Foraker Exhibit 1 which is the proof of
17 publication in this matter.

18 EXAMINER PARROT: Any objections from the
19 staff on that?

20 MR. McNAMEE: No objections at all.

21 EXAMINER PARROT: All right. With that,
22 Foraker Exhibit No. 1 is admitted into the record.

23 (EXHIBIT ADMITTED INTO EVIDENCE.)

24 EXAMINER PARROT: Is there anything else
25 to come before us this morning?

1 MR. McNAMEE: No, your Honor. I believe
2 the Stipulation and Recommendation resolves all
3 issues in this case.

4 EXAMINER PARROT: All right. Very good.
5 Thank you, everyone. We are adjourned.

6 (Thereupon, the hearing concluded at 10:09
7 a.m.)

8 - - -

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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, December 21, 2015, and carefully compared with my original stenographic notes.

Carolyn M. Burke, Registered
Professional Reporter, and
Notary Public in and for the
State of Ohio.

My commission expires July 17, 2018.

- - -

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

1/4/2016 11:02:11 AM

in

Case No(s). 15-0204-GA-GCR

Summary: Transcript in the matter of the Foraker Gas Company, Inc. hearing held on 12/21/15 electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Burke, Carolyn