

In the Matter of the Application of Foxfire Utility Company

Hearing before:

Judge Ross Keeling

October 24, 2022

Vol 1

PHIPPS REPORTING

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BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS

Evidentiary Hearing

October 24, 2022

Remote, via WebEx

Volume 1

In the Matter of the Application)
of Foxfire Utility Company for) File No. WM-2022-0186
Authority to Transfer Certain)
Water and Sewer Assets Located)
in Stone County, Missouri to)
Ozark Clean Water Company, and)
in Connection Therewith, Certain)
Other Related Transactions)

ROSS KEELING, Presiding
REGULATORY LAW JUDGE

RYAN A. SILVEY, Chairman,
MAIDA J. COLEMAN,
JASON R. HOLSMAN,
GLEN KOLKMEYER,
COMMISSIONERS

REPORTED VIA WEBEX BY:
Tracy Taylor, CCR No. 939

Job No.: 276948

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A P P E A R A N C E S

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1 JUDGE KEELING: Okay. Let's bring this
2 proceeding to order. Good morning. Today is October
3 24th, 2022, the time is 9:00 a.m. The Commission has
4 set this time -- set aside this time for an
5 evidentiary hearing in the case captioned as In the
6 Matter of the Application of Foxfire Utility Company
7 for Authority to Transfer Certain Water and Sewer
8 Assets Located in Stone County, Missouri to Ozark
9 Clean Water Company, and in Connection Therewith,
10 Certain Other Related Transactions, File Number
11 WM-2022-0186.

12 My name is Ross Keeling and I'm the
13 Regulatory Law Judge presiding over this hearing. The
14 hearing is taking place in the Public Service
15 Commission, Hearing Room 310 of the Governor Office
16 Building in Jefferson City, Missouri. However, there
17 are some attendees that are also participating over
18 the internet via Cisco WebEx.

19 Okay. Let's have counsel for the parties
20 make their entries of appearance and please speak into
21 the microphone.

22 MR. COOPER: Judge this is Dean Cooper
23 for Brydon, Swearngen and England, PC, PO Box 456,
24 Jefferson City, Missouri 65102. Along with Jesse
25 Craig, I represent both Foxfire Utility Company and

1 Ozarks Clean Water Company.

2 MR. STACEY: Scott Stacey for Staff
3 counsel, 200 Madison Street, Jefferson City, Missouri
4 65101.

5 MR. POSTON: Marc Poston for the Office
6 of the Public Counsel.

7 JUDGE KEELING: Thank you very much. For
8 those in the hearing room, I'll ask everyone to
9 silence all their cell phones and mobile devices. And
10 if you're in the hearing room and also log onto WebEx,
11 I ask that you log off of WebEx to avoid feedback and
12 other potential audio issues.

13 Also, for those in the hearing room,
14 please be aware of when your microphones are on,
15 indicated by a green light, and when they are off.
16 For those connected via WebEx, I ask that you mute
17 your microphone when not speaking.

18 Also, the court reporter today is not
19 present in the hearing room, but in -- is
20 participating via WebEx. Therefore, it's important
21 that you speak into the hearing room microphones so
22 that she can hear all the proceedings. Since we don't
23 have a court reporter to handle exhibits, if you have
24 any additional exhibits that haven't been filed,
25 please bring them up to me and I'll mark them.

1 Also, because of that, if you have an
2 objection at any time, please identify yourself to --
3 so the transcriptionist won't have any problems
4 knowing who the speaker is.

5 Also, I'd like to welcome Commissioners
6 here who are present this morning. We have
7 Commissioners Silvey and Commissioner Holsman. Good
8 morning, gentlemen.

9 CHAIRMAN SILVEY: Good morning, Judge.

10 COMMISSIONER HOLSMAN: Good morning,
11 Judge.

12 CHAIRMAN SILVEY: I think some other
13 Commissioners may have joined as well.

14 COMMISSIONER KOLKMEYER: Yes, Comm- --
15 Judge, this is Commissioner Kolkmeier. I'm also on
16 here.

17 JUDGE KEELING: Good morning,
18 Commissioner Kolkmeier.

19 COMMISSIONER KOLKMEYER: Good morning.

20 COMMISSIONER COLEMAN: And Commissioner
21 Coleman. Commissioner Coleman is in attendance.

22 JUDGE KEELING: Good morning,
23 Commissioner.

24 COMMISSIONER COLEMAN: Good morning.

25 JUDGE KEELING: Do we have any

1 preliminary matters before we -- before we actually
2 get started? None? Are there any changes to the
3 joint witnesses and cross-examination filed on
4 Wednesday, October 12th? Okay. Are all exhibits
5 premarked and ready to go?

6 MR. STACEY: Yes, Your Honor.

7 JUDGE KEELING: Okay. We'll have opening
8 statements. And we'll begin with Foxfire and Ozark.

9 MR. COOPER: Thank you, Judge. Dean
10 Cooper appearing on behalf of both Foxfire and what I
11 will refer to as OCWC.

12 As you're probably aware, the Missouri
13 Supreme Court's assessment of appropriate standard for
14 transactions involving the sale of public utility
15 property begins with a constitutional concept of
16 property rights. The owners of property have a
17 constitutional right to determine whether to sell
18 their property or not.

19 The Missouri Supreme Court has stated
20 within the context of such public utility sales, that
21 to deny them that right would be to deny them an
22 incident important to ownership of property. A
23 property owner should be allowed to sell his property
24 unless it would be detrimental to the public. In this
25 case, OCWC's acquisition of Foxfire's assets will not

1 be detrimental to the public.

2 Foxfire currently provides both water and
3 sewer service to approximately 258 customers. And
4 known growth will add approximately 21 water and sewer
5 customers in the near future.

6 The Foxfire service area is a condominium
7 development. The company serves the condominium
8 units, three offices, four swimming pool/hot tub
9 areas, and two irrigation systems. The condominiums
10 typically represent second homes, investment
11 properties, or both for their owners. Foxfire has no
12 other water or -- or sewer systems.

13 The primary owner of Foxfire is now
14 70 years old, has been involved in the water and sewer
15 business for approximately 48 years and wishes to
16 fully retire. He has no intention to be involved in
17 any capacity with the operation, maintenance or
18 management of public drinking water systems or
19 wastewater collection and treatment systems in the
20 future.

21 Ozarks Clean Water Company is a
22 non-profit sewer company under the Missouri statutes
23 and a non-profit water company under the Missouri
24 statutes. OCWC currently provides water and sewer
25 service to approximately 2,380 locations consisting of

1 1,860 sewer connections, 300 water-only connections,
2 and 220 water and sewer connections at the same
3 property, all provided through 13 water systems,
4 19 permitted sewer systems, 1 sewer treatment system,
5 2 sewer collection systems, and 1 interceptor system
6 that does not require permits.

7 OCWC enjoys a positive working
8 relationship with the Missouri Department of Natural
9 Resources, which has relayed to Staff that there are
10 no outstanding concerns with service issues with any
11 OCWC system.

12 OCWC's financial structure is designed to
13 address multiple improvement and maintenance plans for
14 all of its properties. OCWC rates include operation,
15 maintenance, administration, overhead, and reserve for
16 repair.

17 Currently OCWC's Board of Directors has
18 established a reserve account funded at 75 percent of
19 its annual operation and maintenance budget. OCWC
20 proposes to use the existing rates for Foxfire
21 customers for at least one year following the
22 acquisition. Further, customers will receive several
23 conveniences associated with OCWC ownership that are
24 not currently available with Foxfire. These benefits
25 include ACH auto payment, e-mail billing, online

1 payment and account histories, and text alerts.

2 OCWC has economies of scale, experience,
3 technical ability and financial wherewithal that will
4 enable it to provide water and sewer service to
5 Foxfire customers and is in all ways qualified to own
6 and operate the Foxfire water and sewer assets.

7 The only party position in opposition is
8 from the Office of the Public Counsel, whose stated
9 opposition concerns the amount of what it called
10 acquisition premium, something that has no meaning and
11 no import in the world of a non-profit water and sewer
12 company such as OCWC.

13 Mr. Casaletto has testified both as to
14 the reasonableness of the purchase price agreed to in
15 this case and his analysis of the sufficiency of
16 existing rates in regard to maintaining safe and
17 adequate service to include a reserve for future
18 maintenance and repair needs.

19 It will -- it will not surprise me if
20 Mr. Poston mentions the case State Ex Rel. AG
21 Processing, Inc. v. PSC later in his opening or in the
22 briefs when we get around to that part of this
23 process.

24 While we should have plenty of
25 opportunity to discuss this case, if necessary, in the

1 briefs, I'd like to take a minute to touch on it here.
2 The AG Processing case concerned UtiliCorp's attempt
3 to purchase St. Joseph Light & Power. The Court sent
4 the case back for additional findings as the
5 Commission did not initially address acquisition
6 premium and, instead, said it could be addressed in a
7 future case.

8 Of course, because UtiliCorp was a
9 regulated company, as was St. Joseph Light & Power,
10 whether UtiliCorp would be allowed recovery on and of
11 any acquisition premium arguably would have had an
12 impact on future rates.

13 That is not the case with OCWC, as OCWC
14 is a non-profit water and sewer company, not regulated
15 by the Commission and does not set rates within a
16 regulated utility format calling for return on and of
17 investments.

18 As I said before, and I'll expand it a
19 little bit here, the terms "rate-base, acquisition
20 premium, net original cost" and "rate of return"
21 really have no import or meaning within the operations
22 of OCWC.

23 The Commission recognized in its Lake
24 Region Water and Sewer Company case from 2015 -- or
25 2017, which was cited in the Staff recommendation,

1 that the water district purchaser in that case of
2 regulated pro- -- properties had no motive for seeking
3 profits. Similarly, in this case there's no
4 motivation for OCWC, as a non-profit water and sewer
5 company, to seek profits.

6 In addressing the comparison that is
7 important for the not-detrimental-to-the-public
8 standard, I think the comparison is between the
9 ownership by OCWC under the terms proposed and
10 continued ownership by Foxfire.

11 I think it's significant that OCWC is
12 different from many small regulated companies. First,
13 as a 501(c)(3) charitable non-profit and as mentioned
14 before, there is no profit motive. As a non-profit,
15 OCWC serves the public by protecting water quality and
16 the public health.

17 Second, a small stand-alone company such
18 as Foxfire has a much higher cost per customer because
19 it does not have the large number -- larger number of
20 customers over which to spread its cost that OCWC
21 does. OCWC with over 30 water and wastewater systems
22 and just under 2,400 customers can spread these costs
23 and have a much lower cost per customer on a
24 going-forward basis.

25 The proposed transaction is not

1 detrimental to the public and is likely of benefit to
2 the public when one takes into account the larger
3 nature of OCWC, the benefits to be available to the
4 Foxfire customers, and the long-term stability of the
5 provider of services for those Foxfire customers.

6 The Commission should authorize the
7 transfer of assets from Foxfire to OCWC subject to the
8 five conditions proposed by Staff in its
9 recommendation that was filed on June 28th of 2022.

10 That's all I have, Your Honor.

11 JUDGE KEELING: Thank you very much.

12 Are there any Commissioners who have any
13 questions for Mr. Cooper?

14 Hearing none, we'll proceed.

15 MR. COOPER: Thank you.

16 JUDGE KEELING: Mr. Stacey.

17 MR. STACEY: Good morning, Your Honor and
18 Commission. May it please the Commission.

19 My name is Scott Stacey, I'm counsel for
20 Staff. Mr. Jarrod Robertson and Keith Foster are here
21 today on behalf of Staff and available to answer any
22 questions you may have.

23 There are two issues before the
24 Commission and they are: Should the Commission find
25 that the sale or transfer of Fox Utility Company's

1 water and wastewater assets to Ozark Clean Water
2 Company is not detrimental to the public interest and
3 approve the transaction; and if so, what conditions,
4 if any, should the Commission impose on such approval.

5 The Commission should find the sale or
6 transfer is not detrimental to the public interest and
7 approve the transaction. The facts will show that
8 Staff did an investigation, reviewed corporation
9 documents, and found that Ozarks Clean Water Company,
10 OCC, Board of Directors properly created a non-profit
11 water and sewer utility under the provisions of
12 Chapter 335 and organized originally as a non-profit
13 sewer utility within the parameters of Sections
14 393.825 through 393.861 of the Revised Statutes of
15 Missouri.

16 Under the provisions of Section 393.829,
17 subparagraph 15, non-profit sewer utilities may also
18 provide util- -- services and assume responsibilities
19 of non-profit water utilities.

20 While OCWC is not subject to the
21 jurisdiction of the Commission, OCWC is led by a Board
22 of Directors elected by the customers who oversee and
23 control the operations of OCWC and preside over any
24 customer issues. And OCWC will remain under the
25 regulatory authority of the Department of Natural

1 Resources.

2 OCWC currently maintain multiple water
3 and sewer systems in the area and has kept these
4 systems in compliance with DNR requirements. OCWC
5 appears to have the technical and financial
6 wherewithal to operate and maintain the Foxfire system
7 as well.

8 OCWC received an offer from Foxfire,
9 which was voted on by majority of the Board of
10 Directors and was accepted. Owner of Foxfire, Rick
11 Helms, abstained from the vote. OCWC has indicated
12 that it will not raise rates upon Foxfire customers
13 for at least a year following the acquisition.

14 Staff takes the position that the
15 proposed transfer and sale of assets from Foxfire to
16 OCWC is not detrimental to the public interest and,
17 therefore, recommends approval.

18 If so, what conditions, if any, should
19 the Commission approve on such approval? Staff
20 recommends approval of the sale of the transfer and
21 the assets with the following conditions: Require
22 Foxfire to notify the Commission of closing on the
23 transfer of water and sewer assets to OCWC within five
24 days after closing; authorize Foxfire to cease
25 providing service immediately after closing on assets;

1 if closing on Firefox -- Foxfire's assets does not
2 take place within 30 days following the effective date
3 of the Commission's order, require Foxfire to submit a
4 status report in File Number WM-2022-0186 within five
5 days after the 30-day period regarding the status of
6 closing and additional status reports within five days
7 after each additional 30-day period until closing
8 takes place or until Foxfire determines that the
9 transfer of the assets will not occur.

10 If Foxfire determines that a transfer of
11 assets will not occur, require Foxfire to notify the
12 Commission of such, and after the above notice of
13 transfer of assets to OCWC is received from Foxfire,
14 cancel the CCN applying to Foxfire Village of Indian
15 Point service area. Thank you.

16 JUDGE KEELING: Thank you, Counselor. Is
17 there -- are there any -- are there any questions from
18 the Commissioners for Mr. Stacey?

19 COMMISSIONER HOLSMAN: No questions,
20 Judge. Commissioner Holsman.

21 JUDGE KEELING: Are there any others?
22 Hearing none, I -- we will proceed.

23 Thank you very much, Mr. Stacey.

24 MR. POSTON: Good morning. May it please
25 the Commission. My name is Marc Poston. I'm here on

1 behalf of the Office of the Public Counsel and the
2 public.

3 When the Commission granted a certificate
4 to Foxfire in 1995, it determined that it was in the
5 public interest for this system to be regulated by the
6 Commission. Now the applicants bear the burden of
7 proving that the transfer of these customers outside
8 of the Commission's jurisdiction, outside of the
9 Commission's protection, under the terms proposed will
10 not be a detriment to the public interest.

11 I believe the applicants will not be able
12 to establish that this transfer as proposed would not
13 be a detriment to Foxfire's 258 customers. I believe
14 the evidence necessary to deny the application can be
15 accomplished through cross-examination and the
16 existing testimony from the Staff and the applicants.
17 So I know some of the Commissioners were wondering why
18 the OPC has no witness, and that is why.

19 And the first relevant fact the evidence
20 will demonstrate will be the existence of a very large
21 acquisition premium should the Commission allow the
22 transfer at the price proposed. The Staff's
23 recommendation states that the purchase price includes
24 an almost 1.2 million dollar acquisition premium,
25 which is 13 times larger than the approximate --

1 approximate \$90,000 in rate-base.

2 Such a large acquisition premium
3 certainly distinguishes this case from the past cases
4 that have been cited by Staff and the applicants. The
5 long-standing practice of the Commission in cases
6 where assets are transferred between two regulated
7 entities is to not allow recovery of an acquisition
8 premium.

9 I ask that the Commission apply the same
10 rationale regardless of where the assets are going.
11 Meaning regardless of whether the transfer is to a
12 regulated or an unregulated entity.

13 And the basis for this is that the
14 ultimate impact on the public that you're protecting
15 is the same. The premium will likely at some point in
16 time result in increased rates to cover the pay- --
17 the premium.

18 When transfer -- when transferring assets
19 to regulated entities, the Commission rejects attempts
20 to recover the premium, and that's based on the
21 long-standing net original cost rule.

22 To quote -- quote the Commission from the
23 2004 St. Power merger with UtiliCorp that Mr. Cooper
24 mentioned before, that's Case EM-2000-292, the
25 Commission explains, quote, As a general rule, only

1 the original cost of utility plant to the first owner
2 devoting the property to public service, adjusted for
3 depreciation, should be included in rate-base, end
4 quote.

5 The Commission stated that the purpose of
6 the net original cost rule is, quote, to protect
7 ratepayers from having to pay higher rates simply
8 because the ownership of utility plant has changed
9 without any actual change in the usefulness of the
10 plant, end quote.

11 The Commission goes onto explain that
12 this artificially inflates rate-base.

13 The Commission also states that the net
14 original cost rule works to the utility's advantage if
15 assets are acquired for a price below their book
16 value, which is common. When that happens, the
17 utility is still allowed to include the undepreciated
18 plant in rates. So the net original cost rule
19 provides a balance between ratepayer and company.

20 The Staff states in its recommendation
21 that absent previous -- previous Commission guidance,
22 Staff would not recommend approval of this proposed
23 transfer. And the Staff cited to two past Commission
24 decisions that form the basis for its decision not to
25 oppose the asset transfer.

1 And I'll address the most recent first,
2 which is Case WM-2017-0186. This was a transfer of
3 assets from Lake Region Water and Sewer to Camden
4 County Public Water Supply District. The purchase
5 price more than doubled the value of rate-base.

6 In that -- in that case, the Staff also
7 questioned the close relationship between the buyer
8 and the seller. The Staff recommended the Commission
9 reject the transfer.

10 But the Commission approved the transfer
11 anyway. The Commission said Camden Water District is
12 a political subdivision that has no motive to seek --
13 for seeking profits, it's answerable to voters, and
14 it's obligated by statute to set reasonable rates.

15 However, future attempts to seek profits
16 are not the concern. The concern is the huge
17 \$1.2 million debt that Foxfire customers will carry
18 for the next 20 years. Profit motivation is
19 irrelevant to this point. And sure, OCWC members vote
20 on their directors, but they can't vote to expunge
21 this huge debt burden.

22 If you approve the sale at a price that
23 includes the premium, the damage is already done. The
24 burden will plague these customers for two decades.

25 Also distinguishing the Foxfire case from

1 the Lake Region case is that the Lake Region premium
2 was 1.6 times rate-base; whereas, here the Foxfire
3 price is 13 times rate-base. The Commission also
4 indicated that -- in the Lake Region case, that an
5 independent valuation of the system supported the
6 price. In the present case, he have no independent
7 valuation. We do have a close relationship between
8 the buyer and the seller.

9 In the other case referenced by the
10 Staff, WM-2015-0321, Ozark Shores Water sought to
11 transfer assets also to Camden Water District. And
12 the Staff's reasons for recommending a rejection of
13 the transfer was a concern over self-dealing among
14 leadership of the applicants.

15 To overcome this concern, the Commission
16 held that the company did not participate in the
17 valuation analysis and did not attempt to influence
18 the price of the assets. The evidence in this case
19 will demonstrate the exact opposite is true for the
20 proposal before you.

21 My post-hearing brief will explain all of
22 this in greater detail that will distinguish this case
23 from the past decisions and will explain exactly how
24 the transfer would be a detriment.

25 And the last point I'd like to make is to

1 briefly discuss customer impact. And I include some
2 math in a footnote in my position statement that I'm
3 going to revise here because I understated the harmful
4 impact.

5 According to the promissory note attached
6 to Mr. Casaletto's testimony, OCWC will be obligated
7 to pay Mr. Helms \$6,599.41 per month starting in 2023
8 and ending 20 years later in 2043. If we divide that
9 monthly obligation by the 258 customers on the system,
10 that equals \$25.57 per month per customer.

11 That's a very large and extremely
12 unreasonable burden and clearly a detriment to these
13 customers. That amounts to approximately 80,000 per
14 year to Mr. Helms for a system that brings in
15 approximately \$200,000 per year, meaning 40 percent of
16 the revenue coming in will be used to pay this debt.

17 And it doesn't matter if present rates
18 can cover that \$25 burden because that 20-year
19 obligation removes the cushion that would otherwise be
20 able to absorb future investments. Present rates are
21 set such that if the company needed to make a large
22 investment in plant, it could likely do so without
23 needing to raise rates. But not if this transfer is
24 allowed with a premium. Rates would have to go up.

25 These customers in this system are

1 currently under the Commission's protection and we ask
2 that you simply protect them as intended. We ask that
3 you deny the transfer until they come back with a sale
4 price that does not include the premium.

5 JUDGE KEELING: Are there any questions
6 for Mr. Poston from the Commissioners?

7 CHAIRMAN SILVEY: Judge, this is
8 Commissioner Silvey. I have a question.

9 JUDGE KEELING: Okay.

10 CHAIRMAN SILVEY: Mr. Poston, did I hear
11 you correctly? You said you didn't put on witnesses
12 or offer testimony because you're going to build a
13 case completely on cross-examination?

14 MR. POSTON: Well, and on the pre-filed
15 testimony of Staff and the company. And I will do a
16 little cross, not a whole lot of cross. But I think
17 for the most part, the testimony will be able to rely
18 on existing testimony.

19 CHAIRMAN SILVEY: Okay. I just find that
20 highly unusual.

21 Thank you, Judge.

22 JUDGE KEELING: Thank you. Are there any
23 other questions from the Commissioners? Hearing none,
24 thank you very much, Mr. Poston.

25 Mr. Cooper, would you like to call your

1 first witness?

2 MR. COOPER: We would. We would call
3 Mister -- Mr. Helms. Judge, do you need to swear in
4 Mr. Helms before we move forward?

5 JUDGE KEELING: Do you swear or affirm to
6 tell the truth, the whole truth, and nothing but the
7 truth in your testimony, so help you God?

8 MR. HELMS: I do.

9 JUDGE KEELING: Thank you. You may
10 proceed.

11 MR. COOPER: Thank you, Judge.

12 GARAH F. (RICK) HELMS,
13 having been duly sworn by Judge Keeling, testified as
14 follows:

15 DIRECT EXAMINATION BY MR. COOPER:

16 Q. Mr. Helms, would you state your full name
17 for us?

18 A. My full name is Garah Fred Helms. I go
19 by the nickname of Rick.

20 Q. What is your position with Foxfire
21 Utility Company?

22 A. I'm the president of Foxfire Utility
23 Company and I'm also a trustee of the Rick and Janet
24 Helms Revocable Trust that owns all of the outstanding
25 shares of Foxfire Utility Company.

1 Q. Have you caused to be prepared for the
2 purposes of this proceeding certain direct and
3 surrebuttal testimony in question and answer form?

4 A. I have.

5 Q. Is it your understanding that that
6 testimony has been marked as Exhibits 1 and 2 for
7 identification?

8 A. It is.

9 Q. I think based upon our prior
10 conversations, there's a couple of things that we
11 probably need to correct in your direct testimony. Is
12 that consistent with your -- your understanding?

13 A. Yes, it is.

14 Q. Okay. In your direct testimony on page 7
15 and then line 20, there's a reference to a December
16 31, 2019 vote by the Board of OCWC to purchase
17 Foxfire's assets. Is it your -- or should that date
18 instead be December 9th of 2019?

19 A. Yes. That was a -- a typographical error
20 on my part.

21 Q. And then also on that same page, lines 7
22 through 12, there's a question and an answer
23 concerning rate-base. Is it your understanding
24 that -- that when we -- when I offer testimony, I will
25 not offer that question and answer?

1 A. That is my understanding, yes.

2 Q. Okay. If I were to ask you the questions
3 which are contained in Exhibits 1 and 2 today, would
4 your answers, with the adjustments we've just
5 discussed, be the same?

6 A. Would be the same.

7 Q. Are those answers true and correct to the
8 best of your information, knowledge and belief?

9 A. They are.

10 MR. COOPER: Your Honor, at this time I
11 would offer Exhibits 1 and 2 into evidence. And
12 again, as to Exhibit 1, that would be with the
13 exception of direct testimony page 7, lines 7 to 12.
14 I would offer with that -- with that change,
15 Exhibits 1 and 2 into evidence and then tender the
16 witness for cross-examination.

17 JUDGE KEELING: Okay. As to Exhibit 1
18 and Exhibit 2, are there any objections? Mr. Stacey?

19 MR. STACEY: No objections, Your Honor.

20 JUDGE KEELING: Mr. Poston?

21 MR. POSTON: No objections.

22 JUDGE KEELING: Okay then. Exhibits 1
23 and Exhibits 2 are admitted on the record.

24 (Exhibit 1 and Exhibit 2 were received
25 into evidence.)

1 JUDGE KEELING: Proceed.

2 MR. COOPER: I believe -- nothing more
3 from me and I would turn it over to cross-examination,
4 Your Honor.

5 JUDGE KEELING: Mr. Stacey, do you have
6 any cross-examination for Mr. Helms?

7 MR. STACEY: Just a couple, Judge.

8 CROSS-EXAMINATION BY MR. STACEY:

9 Q. Good morning. How are you today?

10 A. I'm good. Thank you.

11 Q. Now, you're the owner of Foxfire; is that
12 correct?

13 A. That's correct.

14 Q. And previously your -- years ago, you
15 were a member of OCWC Board of Directors; is that
16 right?

17 A. That's correct.

18 Q. And when the vote was taken to accept the
19 offer from Fox- -- or OCWC Board of Directors, when
20 they accepted the offer -- or voted on the offer, were
21 you a part of that vote?

22 A. I was not present at that board meeting,
23 no.

24 Q. Did you abstain from that vote?

25 A. I was not present so I did not need to

1 abstain, but I would have abstained, yes. So I guess
2 the answer is yes.

3 Q. Okay. Are you currently a member of the
4 Board of Directors for OCWC?

5 A. No, sir.

6 Q. When did you resign from that?

7 A. I'd have to check my records, but I
8 believe it was in August of 2019.

9 Q. Okay. Did you -- did you review the
10 Staff's recommend- -- or memorandum?

11 A. Yes.

12 Q. Did you review the part where it talked
13 about previous cases that the Commission granted
14 approval?

15 A. I'm sorry? I didn't understand your
16 question.

17 Q. There were two cases mentioned in
18 their -- in the Staff's memorandum --

19 A. Yes.

20 Q. -- that indicated from 2015 and a 2017
21 case. Do you remember those?

22 A. Yes, sir.

23 Q. Where the Commission approved the sale.

24 A. Yes, sir.

25 Q. One of them was WM-2015-2- -- 0231. The

1 purchase price there was 5.2 million.

2 A. Yes, sir.

3 Q. And the rate-base was 2.9 million.

4 A. Yes, sir.

5 Q. And the Commission -- the Commission
6 approved that sale; is that correct?

7 A. Yes, sir.

8 Q. In WM-2017-0186, the Staff recommended
9 disapproval for that one; is that correct?

10 A. Yes, sir.

11 Q. And the purchase price of that was
12 6 million, and it was 155 percent above the rate-base
13 of 2.4 million; is that right?

14 A. Yes, sir.

15 Q. And the Commission approved that purchase
16 and sale to the other company; is that correct?

17 A. Yes, sir.

18 Q. And in this case, yours is only 13 --
19 13 times?

20 A. Yes, sir.

21 MR. STACEY: All right. Nothing further,
22 Judge.

23 JUDGE KEELING: Any cross-examination,
24 Mr. Poston?

25 MR. POSTON: I have no questions. Thank

1 you.

2 JUDGE KEELING: Mr. Helms, you may be
3 excused.

4 THE WITNESS: Thank you.

5 JUDGE KEELING: Yes? Pardon me?

6 MR. STACEY: Commission have any
7 questions?

8 JUDGE KEELING: Oh, excuse me. I
9 apologize. Please sit down.

10 MR. STACEY: Sorry, Your Honor.

11 JUDGE KEELING: I apologize. Yeah. Do
12 the Commissioners have any questions for Mr. Helms?

13 COMMISSIONER HOLSMAN: No questions,
14 Judge.

15 JUDGE KEELING: Any others? Okay. Now,
16 Mr. Helms, you may be excused.

17 THE WITNESS: Thank you.

18 JUDGE KEELING: Mr. Cooper, do you have
19 any other witnesses?

20 MR. COOPER: We do. We would call
21 Mr. Casaletto to the stand, please.

22 JUDGE KEELING: Mr. Casaletto, do you
23 solemnly affirm the testimony you give in this hearing
24 shall be the truth, the whole truth and nothing but
25 the truth?

1 MR. CASALETTO: I do.

2 JUDGE KEELING: Thank you. You may
3 proceed.

4 DAVID CASALETTO,
5 having been duly sworn by Judge Keeling, testified as
6 follows:

7 DIRECT EXAMINATION BY MR. COOPER:

8 Q. Would you please state your -- your full
9 name?

10 A. David Louis Casaletto.

11 Q. Mr. Casaletto, what is your position with
12 Ozarks Clean Water Company?

13 A. I'm president of the Board of Directors.

14 Q. Have you caused to be prepared for the
15 purposes of this proceeding certain direct and
16 surrebuttal testimony in question and answer form?

17 A. I have.

18 Q. Is it your understanding that that
19 testimony has been marked as Exhibits 100 and 101 for
20 identification?

21 A. Yes.

22 Q. Do you have any changes that you would
23 like to make to that testimony at this time?

24 A. No.

25 Q. If I ask you the questions which are

1 contained in Exhibits 100 and 101 today, would your
2 answers be the same?

3 A. Yes, they would.

4 Q. Are those answers true and correct to the
5 best of your information, knowledge and belief?

6 A. Yes.

7 MR. COOPER: Your Honor, I would offer
8 Exhibits 100 and 101 at this time.

9 JUDGE KEELING: Are there any objections?

10 MR. STACEY: No objections for Staff,
11 Judge.

12 MR. POSTON: No objections.

13 JUDGE KEELING: Okay then. Exhibits 100
14 and 101 are received into evidence.

15 (Exhibit 100 and Exhibit 101 were
16 received into evidence.)

17 MR. COOPER: We would then tender
18 Mr. Casaletto for cross-examination.

19 JUDGE KEELING: Mr. Stacey?

20 MR. STACEY: No questions, Judge.

21 JUDGE KEELING: Mr. Poston.

22 CROSS-EXAMINATION BY MR. POSTON:

23 Q. Good morning, Mr. Casaletto.

24 A. Good morning.

25 Q. So your direct testimony identifies at

1 least three companies where you serve as president; is
2 that correct?

3 A. Yes.

4 Q. And one of those, as you just mentioned
5 with Mr. Cooper, was OCWC?

6 A. Yes.

7 Q. And another one that you mention in your
8 testimony is H2Ozarks; is that correct?

9 A. Yes, it is.

10 Q. And do you receive compensation for your
11 work with H2Ozarks?

12 A. Not directly. I -- I -- my pay directly
13 comes from the third company.

14 Q. Okay. And which company is that?

15 A. Ozark Environmental Services.

16 Q. Okay. And you and Mr. Helms worked for
17 Ozark Environmental Services together in 2016,
18 correct?

19 A. Yes, we did.

20 Q. And Ozarks Environmental Services --
21 would you please explain what -- what does Ozarks
22 Environmental Services do for Foxfire?

23 A. They provide the operation and
24 maintenance, licensed and -- operation workers that go
25 to the plant, check it out, make sure it's running

1 properly. If something needs repaired, they fix it.
2 And just generally make sure it's meeting permit --
3 DNR permit requirements.

4 Q. And if the Commission were to approve
5 this transfer, the plan is to keep Ozarks
6 Environmental Services running the Foxfire system?

7 A. It is. We -- yes.

8 Q. So you first brought this proposed
9 transfer of the Foxfire system to the Ozarks Clean
10 Water Company board in a July 10th, 2019 19 e-mail; is
11 that correct?

12 A. I did.

13 MR. POSTON: Okay. Judge, I'd like to
14 have an exhibit marked. I believe this will be 300.
15 I think that's the number set I got.

16 JUDGE KEELING: Okay. Bring it on up.
17 What number did you say this was, Mr. Poston?

18 MR. POSTON: 300. Judge, I'm not sure
19 how we go about having an official copy that we give
20 to the court reporter. Do you just want me to take
21 the copy that I've given to him and give it to you
22 when I'm done?

23 JUDGE KEELING: I would like you to
24 e-mail a copy of that to Exhibits@PSC.mo.gov.

25 MR. POSTON: Okay. Thank you.

1 BY MR. POSTON:

2 Q. So Mr. Casaletto, I'm handing you what's
3 been marked as Exhibit 300. Have you had a chance to
4 look at that?

5 A. Yes.

6 Q. And is this the e-mail that you sent to
7 the Board of Directors explaining the proposed
8 transfer of assets?

9 A. Yes.

10 MR. POSTON: And Your Honor, I would like
11 to offer Exhibit 300.

12 JUDGE KEELING: Are there any objections?

13 MR. COOPER: No, Your Honor.

14 MR. STACEY: No, Your Honor.

15 JUDGE KEELING: Hearing none, Exhibit 300
16 is received into evidence.

17 (Exhibit 300 was received into evidence.)

18 MR. POSTON: I have another exhibit I'd
19 like to have marked as 301.

20 BY MR. POSTON:

21 Q. So in the e-mail that is Exhibit 300,
22 it's an attempt to set up a board meeting, correct?

23 A. Yes.

24 Q. And then on July 15th, 2019, the board
25 did meet to discuss the acquisition of --

1 A. Yes.

2 Q. -- of Foxfire, correct?

3 A. Yes.

4 Q. Is Exhibit 301 that I handed you, is this
5 an accurate copy of the Board of Directors meeting
6 minutes from that July 15th, 2019 meeting?

7 A. Yes, it is.

8 MR. POSTON: I'd offer Exhibit 301 into
9 the record.

10 JUDGE KEELING: Are there any objections?

11 MR. STACEY: No objections from Staff,
12 Judge.

13 JUDGE KEELING: Hearing none, Exhibit 301
14 is received into evidence.

15 (Exhibit 301 was received into evidence.)

16 MR. POSTON: That's all the cross I have,
17 Judge.

18 JUDGE KEELING: Thank you. Are there any
19 questions from the Commissioners? Hearing none, I'll
20 ask if there is any recross requested or does anybody
21 else --

22 MR. COOPER: I think I'm up for redirect
23 maybe, Judge.

24 JUDGE KEELING: Oh. Redirect. How about
25 redirect then?

1 REDIRECT EXAMINATION BY MR. COOPER:

2 Q. Mr. Casaletto, a couple of things. Do
3 you have that last exhibit, 301, in front of you that
4 Mr. Poston put into evidence?

5 A. I do.

6 Q. And that's the board minutes, correct?

7 A. It is.

8 Q. Okay. Two -- two questions. Well, I'm
9 not going to limit myself because it will be more than
10 two questions.

11 Did the board, subsequent to this
12 meeting, address this purchase with Foxfire? And what
13 I mean by that is, this price that's listed is one
14 million dollars financed and -- and \$55,000 down. And
15 we know that's not the -- the transaction that's
16 before the Commission today.

17 So I assume that the board addressed this
18 purchase later than the July 2019 meeting that's
19 represented here?

20 A. Yes. Yes. We -- the board came back
21 and -- and circumstances changed. And while the
22 payments didn't change over the 20-year period, the --
23 the terms of the purchase price did change.

24 Q. And when did that happen, approximately?

25 A. December of 2019.

1 **Q. And by that time, Mr. Helms had resigned**
2 **from the Board of Directors, correct?**

3 A. Yes. He resigned in August.

4 **Q. Okay. Subsequent to the December**
5 **meeting, did the board take up that -- the questions**
6 **from the December meeting more recently?**

7 A. Yes. There -- there was a question
8 raised and -- and we decided it would be best if we
9 would -- going to get my words -- approve --
10 re-approve by resolution what happened in 2019. And
11 that happened just lately, in 2022.

12 **Q. Okay. And -- and so the board ratified**
13 **that earlier decision at that time?**

14 A. It did. Yes, it did.

15 **Q. Now, looking at the -- the board minutes**
16 **in front of you, there's a reference to Director**
17 **Meyerkord has inquired about raising the current**
18 **rates.**

19 **Is there any plan to raise the current**
20 **rates for Foxfire?**

21 A. There's no plan to raise rates. We, as a
22 board, look at all rates and just see if there's --
23 equipment or chemicals or those type of things go up
24 each year. But other than that, there's no plan to
25 raise rates.

1 **Q. There's also a reference to profit**
2 **margin. Does OCWC have a profit?**

3 A. No, it doesn't. And our accounting
4 software, QuickBooks, by default calls that profit and
5 loss. And -- and in the non-profit world, which all
6 three companies that I'm president of are 501(c)(3)
7 charitable non-profits, that word should be surplus.

8 **Q. And what happens to surplus if you have**
9 **surplus at OCWC?**

10 A. It just goes to reserve for repair or
11 just used for the day-to-day activities of the
12 business. There's no profit, there's no dividends
13 paid. Just stays in the company.

14 **Q. Now, do you still have in front of you**
15 **Exhibit 300?**

16 A. I do.

17 **Q. Now, that's your calculation as of --**
18 **kind of a rough calculation of the financials related**
19 **to this purchase as of July 10 of 2019, correct?**

20 A. Yes, it is.

21 **Q. I see on there that at the time you were**
22 **assuming 252 units. If you were to do that**
23 **calculation today, would you use 255 units?**

24 A. No. In fact, the current number of
25 units, 258, but then if you add in the 30 under

1 construction or under planning -- there's an
2 additional amount of units being built. So we'd use a
3 little bit different number if we were going to
4 calculate today. Higher.

5 Q. There -- there would be more units,
6 more --

7 A. Yes.

8 Q. -- more customers essentially, correct?

9 A. That's right, yes.

10 MR. COOPER: All right. That's all the
11 questions I have, Your Honor.

12 JUDGE KEELING: Thank you.

13 MR. COOPER: I think you can step down,
14 Mr. Casaletto.

15 JUDGE KEELING: You can step down,
16 Mr. Casaletto. You're excused. Do you have any
17 recross? I'm sorry. Excuse me. Okay. Are there any
18 other witnesses?

19 MR. COOPER: No more witnesses for the
20 applicant or OCWC.

21 JUDGE KEELING: Mr. Stacey, does Staff
22 have any witnesses?

23 MR. STACEY: Yes, Your Honor. We have
24 two. Staff calls Jarrod Robertson.

25 JUDGE KEELING: Mr. Robertson, do you

1 solemnly swear or affirm that the testimony you give
2 in this hearing shall be the truth, the whole truth
3 and nothing but the truth?

4 MR. ROBERTSON: I do.

5 JUDGE KEELING: Thank you. You may
6 proceed, Mr. Stacey.

7 MR. STACEY: Thank you, Your Honor.

8 JARROD ROBERTSON,
9 having been duly sworn by Judge Keeling, testified as
10 follows:

11 DIRECT EXAMINATION BY MR. STACEY:

12 Q. Would you please state and spell your
13 name for the record.

14 A. Jarrod James Robertson, J-a-r-r-o-d,
15 J-a-m-e-s, last name Robertson, R-o-b-e-r-t-s-o-n.

16 Q. And by whom are you employed?

17 A. Missouri Public Service Commission.

18 Q. And what is your position there?

19 A. I'm a senior research data analyst with
20 the Water and Sewer and Steam Department.

21 Q. And have you prepared and filed testimony
22 in this proceeding?

23 A. Yes, I have.

24 Q. Specifically rebuttal testimony filed on
25 September 23rd, 2022 as set forth in Staff Exhibit

1 **Number 200?**

2 A. Yes.

3 Q. **Do you have any changes or corrections to**
4 **make to this document set forth in Staff Exhibit 200?**

5 A. Yes. We have outlined a few bullets that
6 could be edited at this time.

7 MR. STACEY: Permission to approach,
8 Judge, the witness.

9 JUDGE KEELING: Go ahead.

10 BY MR. STACEY:

11 Q. **And do you have those changes in front of**
12 **you?**

13 A. Yes, I do.

14 Q. **And what are those changes?**

15 A. As I said, these are written out in a
16 bullet form so they may not flow smoothly. But we
17 changed a pa- -- a date on Schedule JJR-2 from
18 December 32nd to December 31.

19 Page 12 of 20, in the "from" portion on
20 page 6, my title should be analyst not analyst --
21 excuse me, not analysis. It should be analyst. And
22 then for Keith Foster, his -- his title was reversed.
23 It should be Financial and Business Analysis Division.

24 Also, we have an edition of -- to a
25 repeating page 2 of 4 in each header on each page.

1 And then in Scott Stacey's line in the
2 form -- "from" portion on the first page we have no
3 space between June and 28. That concludes all edits.

4 **Q. Okay. I'd like to -- all right. Are**
5 **those -- or if I were to ask you those same questions**
6 **in those documents, with these changes, would your**
7 **answers be the same?**

8 A. Yes.

9 **Q. Are those questions and answers true and**
10 **correct, to the best of your knowledge and belief?**

11 A. Yes.

12 MR. STACEY: Your Honor, I offer
13 Exhibit 200 to be admitted into evidence, as well as
14 the changes/corrections document that I handed to the
15 parties as -- be admitted as Exhibit 203.

16 JUDGE KEELING: Are there any objections
17 to the admission of Exhibit Number 200 and Exhibit
18 Number 203 into evidence?

19 MR. POSTON: No, Judge.

20 MR. COOPER: No objection.

21 JUDGE KEELING: Hearing none, Exhibits
22 200 and 203 are received into evidence.

23 (Exhibit 200 and Exhibit 203 were
24 received into evidence.)

25 MR. STACEY: Staff tenders Mr. Robertson

1 for cross-examination.

2 JUDGE KEELING: Any cross-examination for
3 Mr. Robertson?

4 MR. COOPER: None from Foxfire or OCWC.

5 JUDGE KEELING: Mr. Poston?

6 MR. POSTON: Thank you. I do have a few.

7 CROSS-EXAMINATION BY MR. POSTON:

8 Q. Good morning, Mr. Robertson.

9 A. Good morning.

10 Q. First, I'll hand you a document. Give
11 you a minute to look at that.

12 MR. COOPER: Mr. Poston, do you have
13 copies of what you've handed the witness?

14 BY MR. POSTON:

15 Q. So in your memo in this case, I believe
16 you may have referenced the initial case that
17 Foxfire -- well, let -- let me scratch that.

18 The document I've handed you, would you
19 agree it's the Amended Application of Foxfire Utility
20 Company, Case Number WA-95-31 dated November 17th,
21 1994?

22 A. It does appear so.

23 Q. And I've flagged a line on page 3 of that
24 for you. And it's down towards the bottom, it's in
25 paragraph 8. I'm just going to read that and you tell

1 me if I've read that accurately. There's a sentence
2 that starts "when fully developed."

3 So the sentence is: When fully
4 developed, this 50-acre development will contain
5 89 buildings, having six units each for a total of 534
6 dwelling units.

7 Did I read that accurately?

8 A. Yes.

9 Q. I have another document.

10 MR. POSTON: I apologize. I don't have
11 additional copies, but I will show it to counsel
12 before I approach the witness.

13 JUDGE KEELING: Okay.

14 BY MR. POSTON:

15 Q. If you could take a moment to get
16 familiar with that document. And my question's going
17 to be pretty quick. Would you agree that the document
18 I handed you is the Staff memorandum in Case Number
19 WR-2000 -- or 2002-1162 dated October 15th, 2002?

20 A. It does appear to be Staff's memorandum
21 for that case, yes.

22 Q. And I flagged a sentence on page 2. Can
23 you please turn there? Well, actually if I can get
24 you to turn back actually to the start. Just down at
25 the bottom "background," it talks about Foxfire

1 Utility Company. And this identifies this case as a
2 small company rate increase request to Foxfire; is
3 that correct?

4 A. Yes.

5 Q. Okay. And then on the page 2 what I've
6 flagged is in the second full paragraph, the very last
7 sentence. I'm just going to read a portion of that.
8 It says: The company provides water service to
9 approximately 184 customers in Stone County.

10 Did I read that correctly?

11 A. Yes.

12 Q. And currently the company has 258
13 customers; is that correct?

14 A. That is correct.

15 Q. So would you agree that in the past
16 20 years, the company has added only 74 customers?

17 A. The math seems correct, yes.

18 Q. And that's roughly 3.7 customers per
19 year; is that correct?

20 A. I'd have to use a calculator for that.

21 Q. Okay. Do you have a calculator?

22 A. Sure. I didn't even see it at first.
23 Could I have those figures again, please?

24 Q. Yeah. It's -- I guess it would be the
25 difference between 258 customers and 184 customers.

1 Which do you get 74?

2 A. Yes.

3 Q. Okay. And then you divide that by the
4 20 years since they -- the company was at 184
5 customers. That would be roughly 3.7 customers per
6 year; is that correct?

7 A. Yes.

8 MR. POSTON: Thank you, Judge. I don't
9 intend to offer these. These are Commission records,
10 but I have no more questions.

11 JUDGE KEELING: Any redirect? Hearing
12 none, are there any questions from the Commissioners?
13 Okay. No other needs, Mr. Robertson, you're excused.
14 Thank you.

15 Mr. Stacey, do you have any other
16 witnesses?

17 MR. STACEY: Yes, Your Honor. Staff
18 calls Keith Foster.

19 JUDGE KEELING: Do you solemnly swear or
20 affirm that the testimony you give in this hearing
21 shall be the truth, the whole truth and nothing but
22 the truth?

23 MR. FOSTER: I do.

24 JUDGE KEELING: Proceed.

25 MR. STACEY: Thank you, Judge.

1 KEITH FOSTER,
2 having been first duly sworn by Judge Keeling,
3 testified as follows:

4 DIRECT EXAMINATION BY MR. STACEY:

5 Q. Would you please state and spell your
6 name for the record.

7 A. Keith Foster, K-e-i-t-h F-o-s-t-e-r.

8 Q. And by whom are you employed?

9 A. Public Service Commission.

10 Q. And what is your position there?

11 A. I am the -- a utility regulatory auditor
12 supervisor.

13 Q. Okay. And have you prepared and filed
14 testimony in this proceeding?

15 A. Yes, I did.

16 Q. Specifically rebuttal testimony filed on
17 September 23, 2022 as set forth in Staff Exhibit 201?

18 A. Yes, I did.

19 Q. Do you have any changes or corrections to
20 make to this document set forth in Exhibit 201?

21 A. No, I do not.

22 Q. If I were to ask you the same questions
23 in that document today, would your answers be the
24 same?

25 A. Yes, they would.

1 Q. Are those questions and answers true and
2 correct to the best of your knowledge and belief?

3 A. Yes, they are.

4 MR. STACEY: Your Honor, I offer Exhibit
5 201 into evidence.

6 JUDGE KEELING: Are there any objections
7 to the admission of 200 -- Exhibit Number 201 into
8 evidence?

9 MR. COOPER: No, Your Honor.

10 JUDGE KEELING: Exhibit Number 201 is
11 received into evidence.

12 (Exhibit 201 was received into evidence.)

13 MR. STACEY: Staff tenders Mr. Foster for
14 cross-examination.

15 JUDGE KEELING: Proceed.

16 MR. COOPER: I have no questions, Your
17 Honor.

18 JUDGE KEELING: Mr. Poston?

19 MR. POSTON: No questions.

20 JUDGE KEELING: Are there any questions
21 for Mr. Foster from the Commissioners? Well, hearing
22 none, I have no questions. Are there any other
23 questions for Mr. Foster?

24 MR. STACEY: No, Your Honor.

25 JUDGE KEELING: Okay. That --

1 Mr. Foster, you're excused.

2 MR. STACEY: And the Staff has no further
3 witnesses, Judge.

4 JUDGE KEELING: Thank you. Mr. Poston?

5 MR. POSTON: I have no witnesses.

6 JUDGE KEELING: Mr. Poston -- okay.

7 Are there any final matters that we need
8 to discuss?

9 MR. STACEY: No, Your Honor.

10 JUDGE KEELING: Mr. Stacey, before you
11 leave, could you bring me up another copy of Exhibit
12 203?

13 Okay. There are no late filing of
14 exhibits and the schedule for briefing is in the order
15 setting procedural schedule issued -- order setting
16 the procedural schedule issued on August 17th of this
17 year. Initial briefs are to be filed simultaneously
18 no later than November 16th, 2022. And reply briefs
19 are to be filed simultaneously no later than November
20 30th, 2022.

21 Are there any other matters that need to
22 be addressed before we adjourn?

23 MR. POSTON: Quick question, Judge. I
24 just want to make sure I got the e-mail address
25 correct for sending those two exhibits. It's

1 Exhibits, plural, at PSC.mo.gov?

2 JUDGE KEELING: That's correct.

3 MR. POSTON: Okay. Thank you.

4 JUDGE KEELING: If there are no other
5 matters that need to be addressed, then the proceeding
6 is adjourned. We are off the record.

7 (Whereupon, the proceedings concluded at
8 10:04 a.m.)

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CERTIFICATE OF REPORTER

I, Tracy Thorpe Taylor, CCR No. 939, within the State of Missouri, do hereby certify that the testimony appearing in the foregoing matter was duly sworn by me, via WebEx; that the testimony of said witnesses was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this matter was taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

Tracy J Taylor

Tracy Thorpe Taylor, CCR

| | | | |
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