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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO **PUCO**

In the Matter of the Regulation of the Purchased)
Gas Adjustment Clauses Contained Within the) Case No. 08-221-GA-GCR
Rate Schedules of Columbia Gas of Ohio, Inc.,)
and Related Matters.)

In the Matter of the Long-Term Forecast Report)
of Columbia Gas of Ohio, Inc., and Related Mat-) Case No. 07-121-GA-GCR
ters.)

PREPARED DIRECT TESTIMONY
OF DANIEL A. CREEKMUR
ON BEHALF OF COLUMBIA GAS OF OHIO, INC.

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February 10, 2010

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**PREPARED DIRECT TESTIMONY
OF DANIEL A. CREEKMUR
ON BEHALF OF COLUMBIA GAS OF OHIO, INC.**

1 INTRODUCTION

2 Q: Please state your name and business address.

3 A: My name is Daniel A. Creekmur and my business address is 200 Civic Center Drive, Co-
4 lumbus, Ohio 43215.

5

6 Q: By whom are you employed and in what capacity?

7 A: I am employed by Columbia Gas of Ohio, Inc. ("Columbia") as Director, Strategic Affairs.

8

9 Q: What are your responsibilities as Director, Strategic Affairs?

10 A: As Director, Strategic Affairs, I am generally responsible for regulatory matters involving
11 Columbia, the Public Utilities Commission of Ohio, and other regulatory stakeholders. I am
12 also generally responsible for Columbia's regulatory planning. Since 2007, I have been di-
13 rectly involved in negotiating a series of complex and integrated settlements regarding Co-
14 lumbia's base rates, the resolution of issues in Columbia's GCR audit cases, the establish-
15 ment of Columbia's Demand Side Management program and Infrastructure Replacement
16 Program.

17

18 Q: What is your educational background?

19 A: I received a Bachelor's of Science in Management Information Systems from Miami Uni-
20 versity in 2002. In 2006, I received a Juris Doctor Degree from Capital University Law
21 School.

1
2 **Q. Briefly describe your professional experience.**

3 A. I have held my current position as Director, Strategic Affairs for Columbia since July of
4 2009. From 2007 through that period, I was employed as Counsel in Columbia's Legal De-
5 partment. Prior to that I was employed as Counsel at The Union Central Life Insurance
6 Company in Cincinnati, Ohio.

7
8 **Q. What is the purpose of your Testimony in this proceeding?**

9 A. I am supporting the Joint Stipulation and Recommendation ("Stipulation") filed in these
10 proceedings on July 20, 2009. In my opinion, the Stipulation represents a fair and reasonable
11 compromise of the issues in these proceedings. It is my recommendation that it should be
12 adopted and approved by the Public Utilities Commission of Ohio ("Commission").
13

14 **THE STIPULATION**

15 **Q. Please describe the Stipulation.**

16 A. The Stipulation is a comprehensive settlement of all issues in Case No. 07-121-GA-FOR
17 and Case No. 08-221-GA-GCR. In the Stipulation, Columbia has agreed to implement many
18 of the recommendations made by the Final Report Management/Performance Audit Colum-
19 bia Gas of Ohio, Inc. ("Audit Report") prepared by The Liberty Consulting Group in Case
20 No. 08-221-GA-GCR. As specified in the Audit Report, Columbia has agreed to prepare
21 various studies and to develop policies and procedures intended to strengthen and enhance
22 the Company's gas supply planning and procurements activities. Those studies, policies and
23 procedures will be made available to the management/performance auditor in Columbia's

1 next management/performance GCR case, or in any other audit procedure ordered by the
2 Commission.

3
4 **Q. Does the Stipulation satisfy the Commission's criteria for evaluating the reasonable-**
5 **ness of a stipulation?**

6 A. Yes. I believe that the Stipulation satisfies each of the Commission's criteria for evaluating
7 the reasonableness of a stipulation: the Stipulation is the result of serious bargaining among
8 capable, knowledgeable parties; the Stipulation benefits ratepayers and the public interest;
9 and, the Stipulation does not violate any important regulatory principle or practice.

10
11 **THE STIPULATION IS A PRODUCT OF SERIOUS BARGAINING AMONG CAPABLE,**
12 **KNOWLEDGEABLE PARTIES**

13
14 **Q. Do you believe the Stipulation filed in this case is the product of serious bargaining**
15 **among knowledgeable parties?**

16 A. Yes. The Stipulation is the product of an open process in which all parties were repre-
17 sented by able counsel and technical experts. There were extensive negotiations among
18 the parties and the Stipulation represents a comprehensive compromise of the issues
19 raised by parties with diverse interests. All parties have either signed or do not oppose the
20 stipulation and adopted it as a reasonable resolution of all issues.

21
22 **Q. Were all parties to this case included in the negotiations that resulted in the Stipula-**
23 **tion?**

1 A. Yes. All parties were sent notice of every meeting and/or conference call and all parties
2 were present either in person or by phone, or they chose not to be present. All parties had
3 an opportunity to participate in the negotiation of the settlement agreement.
4

5 **Q. Which parties have signed the Stipulation?**

6 A. In addition to Columbia, the following parties have signed the Stipulation: the Staff of the
7 Public Utilities Commission of Ohio and Stand Energy Corporation. Interstate Gas Supply,
8 Inc. and the Office of the Ohio Consumers' Counsel have indicated that they will not oppose
9 the Commission's adoption of the Stipulation. There are no parties to these proceedings that
10 are opposing the Stipulation.
11

12 **THE SETTLEMENT BENEFITS RATEPAYERS AND THE PUBLIC INTEREST**

13 **Q. In your opinion, does the Stipulation benefit ratepayers and the public interest?**

14 A. Yes. As I indicated earlier in my testimony, Columbia has agreed to prepare various studies
15 and to develop policies and procedures intended to strengthen and enhance the Company's
16 gas supply planning and procurements activities. To the extent that those studies and analy-
17 ses identify reasonable and cost-effective opportunities to enhance and improve Columbia's
18 gas supply planning and acquisition activities, the benefits of those improvements will be
19 passed on to Columbia's customers.

1 **THE SETTLEMENT DOES NOT VIOLATE ANY IMPORTANT REGULATORY**
2 **PRINCIPLE OR PRACTICE**

3 **Q. Does the Stipulation violate any important regulatory principle or practice?**

4 A. No. In the Stipulation the parties have specifically agreed that the Stipulation does not vio-
5 late any important regulatory principle or practice. In addition, I would point out that the
6 Stipulation is based in large part on the findings and recommendations of the independent
7 Audit Report that analyzed Columbia's gas supply planning and gas acquisition policies and
8 practices and made recommendations for the purpose of ensuring that those activities com-
9 port with sound regulatory principles and practices.

10
11 **CONCLUSION**

12 **Q. Are you recommending that the Commission should approve the Stipulation?**

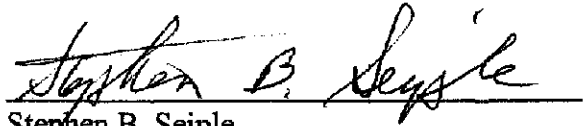
13 A. Yes. I believe the Stipulation represents a fair, balanced and reasonable compromise of
14 diverse interests and provides a fair result for customers. I believe that the Stipulation
15 meets all of the Commission's criteria for adoption of settlements and that the Commis-
16 sion should promptly issue an order approving the settlement.

17
18 **Q. Does this conclude your Prepared Direct Testimony?**

19 A. Yes.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Prepared Direct Testimony of Daniel A. Creekmur was served upon all parties of record by electronic mail and regular U. S. mail this 10th day of February, 2010.



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