

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :  
Regulation of the :  
Purchased Gas Adjustment :  
Clause Contained Within : Case No. 20-216-GA-GCR  
the Rate Schedules of :  
Suburban Natural Gas :  
Company and Related :  
Matters. :

- - -

In the Matter of the :  
Uncollectible Expense :  
Rider of Suburban Natural : Case No. 20-316-GA-UEX  
Gas Company and Related :  
Matters. :

- - -

In the Matter of the :  
Percentage of Income :  
Payment Plan Rider of :  
Suburban Natural Gas : Case No. 20-416-GA-PIP  
Company and Related :  
Matters. :

- - -

PROCEEDINGS

before Ms. Sarah Parrot, Attorney Examiner, at the  
Public Utilities Commission of Ohio, via Webex,  
called at 10:00 a.m. on Tuesday, March 16, 2021.

- - -

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

- - -

1 APPEARANCES:

2 Suburban Natural Gas Company  
3 By Mr. David L. Pemberton  
4 2626 Lewis Center Road  
5 Lewis Center, Ohio 43035

6 On behalf of the Applicant.

7 Dave Yost, Ohio Attorney General  
8 By Mr. Robert Eubanks,  
9 Assistant Attorney General  
10 30 East Broad Street, 26th Floor  
11 Columbus, Ohio 43215

12 On behalf of the Staff of the PUCO.

13 - - -  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
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

INDEX

- - -

WITNESS

PAGE

Tornain Matthews

Direct Examination by Mr. Eubanks

9

- - -

APPLICANT EXHIBIT

IDENTIFIED ADMITTED

1 Proofs of Publication

8

13

- - -

STAFF EXHIBIT

IDENTIFIED ADMITTED

1 PIP Staff Report

7

12

2 GCR Staff Report

7

12

3 UEX Staff Report

7

12

- - -

JOINT EXHIBIT

IDENTIFIED ADMITTED

1 Joint Stipulation and  
Recommendation

7

12

- - -

Tuesday Morning Session,

March 16, 2021.

- - -

EXAMINER PARROT: Let's go on the record.

The Public Utilities Commission of Ohio has assigned for hearing at this time and place Case No. 20-216-GA-GCR which is captioned in the Matter of the Regulation of the Purchased Gas Adjustment Clause Contained Within the Rate Schedules of Suburban Natural Gas Company and Related Matters; Case No. 20-316-GA-UEX being captioned in the Matter of the Uncollectible Expense Rider of Suburban Natural Gas Company and Related Matters; and finally Case No. 20-416-GA-PIP which is captioned in the Matter of the Percentage of the Income Payment Plan Rider of Suburban Natural Gas Company and Related Matters.

Good morning, everyone. My name is Sarah Parrot, and I am the Attorney Examiner assigned by the Commission to hear these cases. Before we take appearances of the parties, I would just like to note for the record that due to the COVID-19 emergency that remains in effect under Executive Order 2020-01D issued by the Governor of the State of Ohio and consistent with Substitute House Bill 404, this hearing is being held through Webex which enables the

parties and interested persons to participate by telephone or video through the internet.

Pursuant to an entry dated January 29, 2021, members of the general public who wish to provide testimony were directed to register with the Commission before noon on March 15, 2021, through phone or internet, and I note for the record that no members of the general public registered to testify for this hearing.

Just a quick reminder if access or other issues are experienced during the hearing, individuals should use the chat function within Webex or contact the Commission's Legal Department at 1-614-466-6843 for assistance. Please be aware that the chat should not be considered a private function and it's not part of the official record for the cases.

At this time let's get started with appearances of the parties and we will start with Suburban Natural Gas Company. If the Company would like to enter an appearance at this time.

MR. PEMBERTON: Thank you, your Honor. My name is David L. Pemberton. I am General Counsel and Chairman of the Suburban Natural Gas Company. My business address is 2626 Lewis Center Road, Lewis

Center, Ohio 43035. And I'm entering an appearance on behalf of the Company. As an attorney, I'm authorized to appear and practice before the Commission.

I would like the record to also show D. Joseph Pemberton, the President and Chief Operating Officer of Suburban is present and available for questions and also Nikki Clement who is the Company's Chief Financial Officer is available for questioning should that occur.

EXAMINER PARROT: Very good. Thank you.

And an appearance on behalf of the Staff of the Public Utilities Commission of Ohio.

MR. EUBANKS: Robert Eubanks, Assistant Attorney General, representing Staff, 30 East Broad Street, 26th Floor, 43215, Columbus, Ohio.

EXAMINER PARROT: Thank you.

I would just note for the record that on August 27, 2020, Suburban and Staff filed a Stipulation and Recommendation for the Commission's consideration that would resolve all of the issues in these proceedings.

And at this time, Mr. Eubanks, I think you probably have most of our exhibits. If you would like to mark those and we'll proceed.

1 MR. EUBANKS: Your Honor, I would like to  
2 mark -- well, I'm not sure if you want the Staff  
3 Report as a part of this, but we will make the  
4 stipulation Joint Exhibit 1.

5 EXAMINER PARROT: Okay. The Stipulation  
6 is marked as Joint Exhibit 1.

7 (EXHIBIT MARKED FOR IDENTIFICATION.)

8 MR. EUBANKS: And Staff Report is Staff  
9 Exhibit 1.

10 EXAMINER PARROT: All right. I think --  
11 correct me if I am wrong, Mr. Matthews, I think we  
12 have three different Staff Reports in this matter,  
13 one for the GCR audit, one for the UEX audit, and one  
14 for the PIP audit so --

15 MR. EUBANKS: Yes, your Honor.

16 EXAMINER PARROT: -- mark them  
17 separately.

18 MR. EUBANKS: Let's mark the one for the  
19 PP audit -- PIP audit as Staff's Exhibit 1.

20 EXAMINER PARROT: So marked.

21 (EXHIBIT MARKED FOR IDENTIFICATION.)

22 MR. EUBANKS: The GCR, mark that as 2.

23 EXAMINER PARROT: Okay. So marked.

24 (EXHIBIT MARKED FOR IDENTIFICATION.)

25 MR. EUBANKS: And the UEX, mark that as

1 3.

2 EXAMINER PARROT: Okay. So marked.

3 (EXHIBIT MARKED FOR IDENTIFICATION.)

4 EXAMINER PARROT: All right. And I  
5 believe the Company actually has already filed in the  
6 docket the proofs of publication of notice for the  
7 hearing. I think we should mark those as an exhibit  
8 as well. So I guess I would propose we mark those as  
9 Suburban Exhibit 1, if that's amenable to the  
10 parties.

11 MR. PEMBERTON: Yes, your Honor.

12 EXAMINER PARROT: All right. Very good.  
13 The proofs of publication have been marked as  
14 Suburban Exhibit 1.

15 (EXHIBIT MARKED FOR IDENTIFICATION.)

16 EXAMINER PARROT: All right. Are there  
17 any other exhibits?

18 I think that covers it. All right.  
19 Hearing none, if -- Mr. Eubanks, if you would like to  
20 call your witness.

21 MR. EUBANKS: Yes. I would like to call  
22 Tony Matthews to the stand, your Honor.

23 EXAMINER PARROT: All right.  
24 Mr. Matthews, if you could raise your right hand. Do  
25 you swear or affirm the testimony you are about to



1 give will be the truth?

2 All right. I think you are on mute so  
3 let's go ahead and unmute yourself.

4 MR. MATTHEWS: Yes, your Honor, I do.  
5 Sorry.

6 EXAMINER PARROT: Go ahead and proceed,  
7 Mr. Eubanks.

8 - - -

9 TORNAIN MATTHEWS

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

12 DIRECT EXAMINATION

13 By Mr. Eubanks:

14 Q. Could you please state and spell your  
15 name for the record.

16 A. Yes, sir. My name is -- legal name is  
17 Tornain Matthews and that's first name is  
18 T-O-R-N-A-I-N and the last name is Matthews,  
19 M-A-T-T-H-E-W-S.

20 Q. And what is your current position with  
21 the PUCO?

22 A. I am a utilities specialist.

23 Q. What are your duties?

24 A. My duties include conducting financial  
25 audits of the gas cost recovery mechanism, the UEX,

1 and the Percentage of Income Payment Plan Rider. In  
2 addition to that, I also conduct financial audits --  
3 other financial audits as assigned.

4 Q. And are you familiar with the Stipulation  
5 in this case?

6 A. Yes, sir, I am.

7 Q. How so?

8 A. I was a part of the -- the team that  
9 conducted the audits as well as part of the team that  
10 was involved in the negotiations with Suburban.

11 Q. And to be clear, we are talking about the  
12 Stipulation that was filed with the Commission on  
13 August 22, 2020?

14 A. Yes, sir, that's correct.

15 Q. In your opinion is the Stipulation a  
16 product of serious bargaining and among knowledgeable  
17 parties?

18 A. Yes, sir, it is.

19 Q. How so?

20 A. Well, sir, the purpose of the -- well,  
21 the parties involved in the -- the Stipulation have  
22 had many years of experience in conducting these  
23 types of negotiations.

24 Q. And does the Stipulation benefit the  
25 public interest?

1 A. Yes, sir, it does, I believe.

2 Q. And how so?

3 A. Well, the purpose of the audits are to  
4 verify that the costs incurred by the utility company  
5 to provide natural gas service to its customers and  
6 to verify those costs are properly reflected in the  
7 rates they bill their customers.

8 During the course of the audit, Staff  
9 noticed some minor differences in respect to the GCR,  
10 and so Staff made some adjustments to account for  
11 those differences. The Stipulation that was agreed  
12 to by Columbia -- I'm sorry, by Suburban and the  
13 Staff highlights those differences and  
14 recommendations that were made.

15 Q. And does the Stipulation as far as you  
16 know violate any important regulatory principles or  
17 practices?

18 A. No, sir.

19 Q. Are you familiar with the three Staff  
20 Reports that have been docketed in this case?

21 A. Yes, sir, I am.

22 Q. How so?

23 A. I -- I was part of the team that  
24 conducted the financial audit of the gas cost  
25 recovery mechanism, and I -- I put together the Staff

1 Report in that -- for that audit. I was also part of  
2 the team that reviewed the UEX and the PIP Staff  
3 Reports.

4 Q. Okay. And so are the three Staff Reports  
5 that have been docketed indeed a true and accurate  
6 copy of the Staff Reports for -- for this case?

7 A. Yes, sir.

8 MR. EUBANKS: Okay. With that I would  
9 like to move to have Staff's Exhibits 1, 2, and 3  
10 moved into the record and also have the joint exhibit  
11 moved into the record, subject to cross.

12 EXAMINER PARROT: Are there any questions  
13 for Mr. Matthews from the Company?

14 MR. PEMBERTON: No, your Honor. We  
15 concur in his testimony, and we join in the motion to  
16 admit the Joint Stipulation.

17 EXAMINER PARROT: All right. And I  
18 assume there are no objections from the Company with  
19 respect to the admission of the audit reports that  
20 have been marked Staff Exhibits 1, 2, and 3?

21 MR. PEMBERTON: None, your Honor.

22 EXAMINER PARROT: Okay. With that Staff  
23 Exhibits 1, 2, and 3 are admitted as well as Joint  
24 Exhibit 1.

25 (EXHIBITS ADMITTED INTO EVIDENCE.)

1 EXAMINER PARROT: I assume Suburban would  
2 wish to move Suburban Exhibit 1, the proofs of  
3 publication, into the record as well.

4 MR. PEMBERTON: Yes, your Honor. We so  
5 move.

6 EXAMINER PARROT: Okay. Any objections  
7 from Staff?

8 MR. EUBANKS: No, your Honor.

9 EXAMINER PARROT: All right. Hearing  
10 none, Suburban Exhibit 1 is admitted into the record.

11 (EXHIBIT ADMITTED INTO EVIDENCE.)

12 EXAMINER PARROT: Any other issues we  
13 need to address at this time?

14 MR. EUBANKS: No, your Honor.

15 MR. PEMBERTON: None on behalf of  
16 Suburban, your Honor.

17 EXAMINER PARROT: All right. Well, I  
18 thank everyone for your participation in the hearing  
19 this morning, and hearing nothing further to be  
20 addressed, we are adjourned.

21 Thank you all. I appreciate your  
22 participation.

23 (Thereupon, at 10:07 a.m., the hearing  
24 was adjourned.)

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 Tuesday, March 16,  
2021, and carefully compared with my original  
stenographic notes.

\_\_\_\_\_  
Karen Sue Gibson, Registered  
Merit Reporter.

(KSG-7051)

- - -

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**3/22/2021 12:44:41 PM**

**in**

**Case No(s). 20-0216-GA-GCR, 20-0316-GA-UEX, 20-0416-GA-PIP**

Summary: Transcript March 16th, 2021

IMO: Suburban Natural Gas Company electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs.