

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the :
Regulation of the :
Purchased Gas Adjustment :
Clauses Contained Within :
the Rate Schedules of the : Case No. 21-217-GA-GCR
Waterville Gas & Oil :
Company and Related :
Matters. :

- - -

In the Matter of the :
Uncollectible Expense :
Rider of Waterville Gas & : Case No. 21-317-GA-UEx
Oil Company and Related :
Matters. :

- - -

PROCEEDINGS

before Ms. Greta See and Mr. Jesse Davis, Attorney
Examiners, at the Public Utilities Commission of
Ohio, via Webex, called at 10:06 a.m. on Tuesday,
May 25, 2021.

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- - -

APPEARANCES:

Carpenter Lipps & Leland LLP
By Ms. Kimberly W. Bojko
and Mr. Thomas Donadio
280 North High Street, Suite 1300
Columbus, Ohio 43215

On behalf of the Applicant.

Dave Yost, Ohio Attorney General
By Mr. Thomas Shepherd
and Ms. Kyle Kern
Public Utilities Section
30 East Broad Street, 26th Floor
Columbus, Ohio 43215

On behalf of the Staff of the PUCO.

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1 Tuesday Morning Session,
2 May 25, 2021.

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4 EXAMINER DAVIS: We will go on the
5 record.

6 The Public Utilities Commission of Ohio
7 has set for hearing at this time and place Case Nos.
8 21-217-GA-GCR and 21-317-GA-UEX which is captioned in
9 the Matter of the Purchased Gas Adjustment Clause
10 Contained Within the Rate Schedules of Waterville Gas
11 & Oil Company and in the Matter of the Uncollectible
12 Expense Rider of Waterville Gas & Oil Company
13 respectively.

14 Good morning, everyone. Welcome. My
15 name is Jesse Davis, and with me is Greta See. We
16 are the Attorney Examiners in the Legal Department of
17 the Public Utilities Commission of Ohio who've been
18 assigned by the Commission to these proceedings.

19 At this time I will take the appearances
20 of counsel for the parties. On behalf of the
21 Waterville Gas & Oil Company.

22 MS. BOJKO: Thank you, your Honor. On
23 behalf of Waterville Gas & Oil Company, Kimberly W.
24 Bojko, Thomas Donadio of the law firm Carpenter Lipps
25 and Leland, 280 North High Street, Suite 1300,

1 Columbus, Ohio 43215.

2 EXAMINER DAVIS: Thank you, counsel.

3 And on behalf of Commission Staff.

4 MS. KERN: Thank you, your Honor. On
5 behalf of the Staff of the Public Utilities
6 Commission of Ohio, Dave Yost, Ohio Attorney General,
7 John H. Jones, Section Chief, Public Utilities
8 Section by Assistant Attorney General Kyle L. Kern
9 and Thomas Shepherd, 30 East Broad Street, 26th
10 Floor, Columbus, Ohio.

11 EXAMINER DAVIS: Thank you, counsel.

12 I would point out that due to the
13 COVID-19 emergency under Executive Order 020-01D
14 issued by the Governor of the State of Ohio and
15 consistent with Substitute House Bill 404, this
16 hearing is being held through Webex which enables the
17 parties to participate by video conference while also
18 affording the public access to the hearing by
19 telephone or video via the internet. This public
20 hearing is taking place pursuant to the parameters
21 set forth in the entry of March 2, 2021, in these
22 proceedings.

23 Members of the public wishing to testify
24 at this hearing were instructed in the entry of
25 March 2, 2021, to do so by 12:00 p.m. on May 24,

2021. No public witnesses registered to testify at today's hearing.

If counsel or Staff or Company witnesses experience technical difficulties during the hearing, please let us know by phone or e-mail immediately. You can contact our event host Micah Schmidt by phone at (614) 466-6843 or by e-mail. Another option for reaching us is -- or our event host is to use the chat feature in Webex, if that's working for you, but say your video and audio are not working if you need technical assistance.

Please be aware that chats are recorded and should not be considered private. Chats are also not part of the official record of the case. The official record of the case is being transcribed by a court reporter employed by the Commission.

Before we call Staff witnesses, would counsel for each of the parties like to mark the exhibits the parties agreed would be admitted to the record as part of the Stipulation?

MS. KERN: Sure. Kim, would you like to start for the Company?

MS. BOJKO: Absolutely. On behalf of the Waterville Gas & Oil Company, we would like to mark at this time as Waterville Exhibit 1 the Proof of

1 Publication that was filed on April 27, 2021.

2 EXAMINER DAVIS: So marked.

3 (EXHIBIT MARKED FOR IDENTIFICATION.)

4 MS. BOJKO: And we would move for the
5 admittance of that exhibit, your Honor.

6 EXAMINER DAVIS: It's admitted.

7 (EXHIBIT ADMITTED INTO EVIDENCE.)

8 MS. KERN: And, your Honor, I would like
9 to have marked as Staff Exhibit No. 1 the Financial
10 Audit of the Gas Cost Recovery Mechanism --
11 Mechanisms for the Costs Incurred Included for
12 Recovery for the Months August 1, 2018, through
13 July 31, 2020. That document -- that document is
14 docketed in Case No. 21-217-GA-GCR on March 16, 2021.

15 EXAMINER DAVIS: It is so marked.

16 (EXHIBIT MARKED FOR IDENTIFICATION.)

17 MS. KERN: Secondly, I would like to have
18 marked as Staff Exhibit 2 the Audit of the
19 Uncollectible Expense Mechanisms for the Periods of
20 January 2019 through December 2020 for the Waterville
21 Gas & Oil Company. That is docket -- that was
22 docketed on March 16, 2021, in Case No.
23 21-317-GA-UEX.

24 EXAMINER DAVIS: It is so marked.

25 (EXHIBIT MARKED FOR IDENTIFICATION.)

1 MS. KERN: And, finally, I would like to
2 have marked as Joint Exhibit No. 1 and that's the
3 Stipulation and Recommendation filed in this case on
4 April 14, 2021. And it's in both of the dockets I
5 just previously mentioned.

6 EXAMINER DAVIS: It's so marked.

7 (EXHIBIT MARKED FOR IDENTIFICATION.)

8 MS. KERN: And I would move for the
9 admittance of those exhibits, your Honor.

10 EXAMINER DAVIS: They are admitted.

11 (EXHIBITS ADMITTED INTO EVIDENCE.)

12 MS. KERN: Would you like us to call the
13 Staff witness?

14 EXAMINER DAVIS: So are those all the --

15 MS. KERN: That's it, your Honor, yes.

16 EXAMINER DAVIS: Okay. Counsel may call
17 its witness.

18 MS. KERN: Okay. Staff would like to
19 call Mr. Tornain Matthews to the stand.

20 MR. DONADIO: Mr. Matthews, you've been
21 promoted. If you can enable your audio and video.

22 MR. TORNAIN: Good morning.

23 EXAMINER DAVIS: Good morning. Good
24 morning. Thank you for being here. If you could
25 raise your right hand.

1 (Witness sworn.)

2 EXAMINER DAVIS: Thank you. You may
3 proceed, counsel.

4 - - -

5 TORNAIN MATTHEWS

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

8 DIRECT EXAMINATION

9 By Ms. Kern:

10 Q. Good morning, Mr. Matthews.

11 A. Good morning.

12 Q. Can you hear me?

13 A. Yes, I can.

14 Q. Okay. Can you please state your name and
15 by whom you are employed.

16 A. Yes. My name is Tornain and that's
17 spelled T-O-R-N-A-I-N and last name is Matthews,
18 M-A-T-T-H-E-W-S; and I'm employed by the Public
19 Utilities Commission of Ohio.

20 Q. Thank you. If you possibly -- oh, excuse
21 me. Do you have the Staff exhibits that I just had
22 marked as Staff Exhibits 1 and 2? They were the
23 audit reports.

24 A. Yes, ma'am, I do.

25 Q. Thank you. And did you have any

1 responsibility for those documents that have been
2 marked Staff Exhibits 1 and 2?

3 A. Yes, ma'am, I did. I was responsible for
4 the financial audit of the gas cost recovery
5 mechanism. Also I was on the team that also reviewed
6 the UEX portion of that as well.

7 Q. Have you reviewed those documents prior
8 to testifying today?

9 A. Yes, ma'am, I have.

10 Q. And are there any changes, corrections,
11 amendments, modifications of any kind to the Staff
12 Reports that you would like to make?

13 A. There are no changes that I am aware of
14 that we would like to make.

15 Q. And are they true and accurate and
16 reasonable to the best of your belief and knowledge?

17 A. Yes, they are.

18 Q. And, Mr. Matthews, you also have before
19 you what has been marked as Joint Exhibit 1 and that
20 is the Stipulation and Recommendation filed in these
21 proceedings?

22 A. Yes, ma'am, I do.

23 Q. And were you involved in the negotiation
24 of this Stipulation and Recommendation?

25 A. Yes, I was.

1 Q. And in your opinion, were the parties
2 involved in the negotiation of the settlement for
3 this case knowledgeable about the issues that were
4 settled therein?

5 A. Yes, they are -- they were, yes.

6 Q. And do you believe there are any
7 benefits, any public benefits to ratepayers as a
8 result of this Stipulation?

9 A. Yes, yes, ma'am, I do.

10 Q. And the Stipulation and Recommendation,
11 is that the Staff's findings, conclusions, and
12 recommendations as contained in Staff Exhibits No. 1
13 and 2; is that correct?

14 A. Yes, that's correct.

15 Q. Are you aware of any regulatory principle
16 or practice that is violated by the Stipulation and
17 Recommendation?

18 A. No, ma'am, none that I am aware of.

19 MS. KERN: Thank you.

20 Your Honor, I have no further questions
21 for Mr. Matthews, and I would respectfully move for
22 the admission of Staff Exhibits 1 and 2 and Joint
23 Exhibit 1.

24 EXAMINER DAVIS: Thank you. Is there any
25 cross-examination for this witness?

1 MS. BOJKO: No, your Honor. Thank you.

2 EXAMINER DAVIS: Thank you. With that

3 said --

4 EXAMINER SEE: Just a moment.

5 EXAMINER DAVIS: Yes.

6 EXAMINER SEE: Just a moment, Mr. Davis.

7 I have one question for Mr. Matthews.

8 - - -

9 EXAMINATION

10 By Examiner See:

11 Q. Could you tell us in what way you believe
12 the Stipulation is beneficial to ratepayers and the
13 public interest.

14 A. Yes, your Honor. So Staff conducts these
15 audits in order to verify the costs that the Company
16 incurs to provide natural gas service to its
17 customers. In addition to that, we verify that those
18 costs are properly reflected in rates that it bills
19 to its customers.

20 During the course of these audits, Staff
21 did find some minor differences and recommended
22 adjustments to correct those differences and those
23 are -- those are reflected in the Stipulation between
24 Waterville and the Staff.

25 Q. So could I -- would you agree with me

1 that the Stipulation is an efficient way to address
2 the minor changes that Staff discovered during its
3 audit of Waterville?

4 A. Yes, your Honor. I believe so, yes.

5 EXAMINER SEE: Okay. Thank you,
6 Mr. Matthews.

7 Attorney Examiner Davis.

8 EXAMINER DAVIS: Thank you. If there are
9 no further questions for the witness, we will admit
10 the exhibits into the record, and the witness is
11 dismissed. Thank you very much.

12 With that we are adjourned.

13 (Thereupon, at 10:17 a.m., the hearing
14 was adjourned.)

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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, May 25, 2021,
and carefully compared with my original stenographic
notes.

Karen Sue Gibson, Registered
Merit Reporter.

(KSG-7081)

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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

6/7/2021 10:35:48 AM

in

Case No(s). 21-0217-GA-GCR, 21-0317-GA-UEX

Summary: Transcript May 25, 2021

In the Matter of the Regulation of the Purchased Gas Adjustment Clauses Contained Within the Rate Schedules of the Waterville Gas & Oil Company and Related Matters.

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In the Matter of the Uncollectible Expense Rider of Waterville Gas & Oil Company and Related Matters. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs.