

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

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of: :
: Case No. 08-940-GA-ALT
In the Matter of the :
Application of Eastern :
Natural Gas Company for :
Approval of an Alternative:
Rate Plan Proposing a :
Revenue Decoupling :
Mechanism. :

- - -

In the Matter of: :
: Case No. 08-941-GA-ALT
In the Matter of the :
Application of Pike :
Natural Gas Company for :
Approval of an Alternative:
Rate Plan Proposing a :
Revenue Decoupling :
Mechanism. :

- - -

PROCEEDINGS

before Mr. Henry H. Phillips-Gary, Attorney Examiner,
at the Public Utilities Commission of Ohio, 180 East
Broad Street, Room 11-B, Columbus, Ohio, called at
10:00 a.m. on Thursday, April 22, 2010.

- - -

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

- - -

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

APPEARANCES:

Vorys, Sater, Seymour & Pease, LLP
By Mr. Stephen M. Howard
52 East Gay Street
Columbus, Ohio 43216-1008

On behalf of the Companies

Mr. David C. Rinebolt
and Ms. Colleen Mooney
231 East Lima Street
P.O. Box 1793
Findlay, OH 45839-1793

On behalf of Ohio Partners for
Affordable Energy.

Janine L. Migden-Ostrander
Ohio Consumers' Counsel
By Mr. Joseph P. Serio
and Mr. Larry S. Sauer
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485

On behalf of the Residential
Consumers of the Eastern Natural Gas
Company and Pike Natural Gas Company.

Richard Cordray, Ohio Attorney General
Duane W. Luckey, Senior Deputy
Attorney General
Public Utilities Section
By Mr. Werner L. Margard III
180 East Broad Street, 9th Floor
Columbus, Ohio 43215-3793

On behalf of the Staff of the Public
Utilities Commission.

- - -

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
Stephen E. Puican	
Direct Examination by Mr. Margard	9

- - -

EXHIBITS

JOINT EXHIBITS	IDFD	ADMTD
1 Joint Stipulation and Recommendation	7	9

EASTERN EXHIBITS	IDFD	ADMTD
1 Second Amended Application	7	9
2 Letters to Mayor and City Council	7	9
3 Prefiled Direct Testimony of Brian R. Jonard	7	9
4 Proof of Publication, 7/9/09	7	9

PIKE EXHIBITS	IDFD	ADMTD
1 Second Amended Application	8	9
2 Letters to Mayor and City Council	8	9
3 Prefiled Direct Testimony of Brian R. Jonard	8	9
4 Proof of Publication, 7/9/09	8	9

STAFF EXHIBITS	IDFD	ADMTD
1 Prefiled Direct Testimony of Stephen E. Puican	10	12

1	STAFF EXHIBITS	IDFD	ADMTD
2	2 Staff Report Eastern Natural Gas	11	12
3	3 Staff Report Eastern Natural Gas	11	12
4	OCC EXHIBITS	IDFD	ADMTD
5	1 Objections to Eastern Staff Report	13	14
6	2 Objections to Pike Staff Report	13	14
7	3 Letter from S. Howard, 3/22/10	13	14
8	OPAE EXHIBITS	IDFD	ADMTD
9	1 Objections to Eastern Staff Report	15	16
10	2 Objections to Pike Staff Report	15	16

- - -

11
12
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

Thursday Morning Session,
April 22, 2010.

- - -

THE ATTORNEY EXAMINER: The Public Utilities Commission of Ohio has called for hearing at this time and place Case No. 08-940-GA-ALT, being In the Matter of the Application of Eastern Natural Gas Company for Approval of an Alternative Rate Plan Proposing a Revenue Decoupling Mechanism, and Case No. 08-941-GA-ALT, being In the Matter of the Application of Pike Natural Gas Company for Approval of an Alternative Rate Plan Proposing a Revenue Decoupling Mechanism.

My name is Henry H. Phillips-Gary. I am the attorney-examiner assigned to hear this case. At this time we will take appearances on behalf of the parties.

MR. HOWARD: Thank you, your Honor. If it please the Commission, please have the record reflect the appearance of the law firm of Vorys, Sater, Seymour and Pease by M. Howard Petricoff, Stephen M. Howard, 52 East Gay Street, P. O. Box 1008, Columbus, Ohio 43216-2008, on behalf of Applicants, Eastern Natural Gas Company and Pike Natural Gas Company. Thank you.

1 THE ATTORNEY EXAMINER: Thank you.

2 MR. MARGARD: Your Honor, on behalf of
3 the staff of the Public Utilities Commission, Richard
4 Cordray, Ohio Attorney General, Duane W. Luckey,
5 Section Chief, Public Utilities Section, by Assistant
6 Attorney General Werner L. Margard, 180 East Broad
7 Street, Sixth Floor, Columbus, Ohio.

8 MS. MOONEY: On behalf of Ohio Partners
9 for Affordable Energy, David C. Rinebolt and Colleen
10 M. Mooney, 231 East Lima Street, P.O. Box 1793,
11 Findlay, Ohio 45839-1793.

12 MR. SAUER: Thank you, your Honor.
13 On behalf of the residential consumers of Eastern
14 Natural Gas and Pike Natural Gas Companies, Janine
15 Migden Ostrander, Consumers' Counsel, Larry S. Sauer
16 and Joseph P. Serio, 10 West Broad Street, Columbus,
17 Ohio 43215.

18 THE ATTORNEY EXAMINER: Thank you. I
19 understand that the parties are ready to make a
20 statement at this point and that a stipulation has
21 been docketed in this matter. Is that correct?

22 MR. HOWARD: Yes, Your Honor. The
23 applicants, the staff, and Ohio Partners for
24 Affordable Energy have reached a Stipulation and have
25 signed a document entitled Joint Stipulation and

1 Recommendation, and that document was filed on
2 March 19, 2010.

3 My understanding that Mr. Sauer on behalf
4 of the Office of Consumers' Counsel neither opposes
5 nor supports the stipulation, and we would be willing
6 or prepared to have certain exhibits marked in
7 support of that stipulation.

8 THE ATTORNEY EXAMINER: Very well. If
9 you want to go ahead and mark the exhibits, we will
10 take them.

11 MR. HOWARD: Yes, your Honor. First of
12 all, I'd like to mark as Joint Exhibit No. 1 in both
13 cases, that is, 08-940 and 08-941, the March 19, 2010
14 Joint Stipulation and Recommendation.

15 Then I would like to have the following
16 exhibits marked. In case No. 08-940, Eastern
17 Exhibit No. 1 would be the May 1, 2009 Second Amended
18 Application and Exhibits.

19 Eastern Exhibit 2 we propose to be the
20 May 22, 2009 series of letters to mayors and city
21 council members.

22 Eastern Exhibit No. 3 would be the
23 June 22, 2009 Prefiled Direct Testimony of Brian R.
24 Jonard.

25 And Eastern Exhibit No. 4 would be the

1 July 9, 2009 Proof of Publication.

2 Then also in Case No. 08-941 we would
3 propose that Pike Exhibit No. 1 be the May 1, 2009
4 Second Amended Application and Exhibits.

5 We would propose that Pike
6 Exhibit No. 2 be the May 28, 2009 letters to mayors
7 and city council members.

8 Pike Exhibit No. 3 would be the June 22,
9 2009 Prefiled Direct Testimony of Brian R. Jonard.

10 And Pike Exhibit No. 4 would be the
11 July 30, 2009 Proof of Publication.

12 And that would conclude our tendering of
13 exhibits and we would ask those to be marked and
14 introduced into evidence.

15 Thank you.

16 THE ATTORNEY EXAMINER: Okay. Those
17 exhibits will be marked as stated. That's Joint
18 Exhibit 1 in both cases, the Joint Stipulation
19 March 19, 2009 and Eastern Exhibits 1 through 4 in
20 case 08-940 and Pike Exhibits 1 through 4 in case
21 08-941. Those are all marked and moved for
22 admission.

23 MR. HOWARD: Yes, your Honor. Thank you.

24 THE ATTORNEY EXAMINER: Is there any
25 objection to any of these exhibits?

1 MR. SAUER: No objection.

2 MR. MARGARD: No objection.

3 MS. MOONEY: No objections.

4 THE ATTORNEY EXAMINER: Seeing no
5 objections, they will be admitted.

6 MR. HOWARD: Thank you, your Honor.

7 (EXHIBITS ADMITTED INTO EVIDENCE.)

8 THE ATTORNEY EXAMINER: You may proceed.

9 MR. MARGARD: Thank you, your Honor.

10 Staff would call Mr. Stephen E. Puican to the stand
11 to testify on behalf of the stipulation.

12 - - -

13 STEPHEN E. PUICAN

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

16 DIRECT EXAMINATION

17 By Mr. Margard:

18 Q. Please state your name.

19 A. Stephen E. Puican, P-U-I-C-A-N.

20 Q. And by whom are you employed and in what
21 capacity?

22 A. I am co-chief of the Rates and Tariffs,
23 Energy and Water Division of the Utilities Department
24 of the Public Utilities Commission of Ohio.

25 Q. Mr. Puican, do you have before you a

1 document marked for purposes of identification as
2 Staff Exhibit No. 1, your prefiled testimony filed in
3 this matter docketed on April 19, 2010?

4 A. Yes.

5 MR. MARGARD: Your Honor, for the record
6 I will note the cover for his testimony indicates the
7 witness is the Capital Recovery and Financial
8 Analysis Division. That is an error on the part of
9 his counsel. In fact, Mr. Puican is in the Rates and
10 Tariffs, Energy and Water Division of the Public
11 Utilities Department.

12 Q. Mr. Puican was this document prepared by
13 you or at your direction?

14 A. Yes.

15 Q. And in the course of preparation of this
16 document, did you have an opportunity to review the
17 stipulation that has been marked as Joint Exhibit
18 No. 1 in this case?

19 A. Yes.

20 Q. And the answers that are contained in the
21 document are in response to a review of that
22 document?

23 A. That's correct.

24 Q. And if I were to ask you these same
25 questions today, would your responses be the same?

1 A. Yes.

2 Q. Mr. Puican, let me also ask you if you
3 had any involvement in the preparation of the staff
4 reports that were filed in this case?

5 A. I was the primary author of those staff
6 reports.

7 MR. MARGARD: Your Honor, I would
8 respectfully request that the Staff Report of
9 Investigation in the Eastern Natural Gas Company Case
10 No. 08-940-GA-ALT be marked for purposes of
11 identification as Staff Exhibit No. 2.

12 And the Staff Report of Investigation in
13 the Pike Natural Gas Company Case No. 08-941-GA-ALT
14 be marked for purposes of identification as Staff
15 Exhibit No. 3.

16 THE ATTORNEY EXAMINER: They will be so
17 marked.

18 Q. Do you have any corrections or any
19 changes to your testimony as it's been prepared and
20 filed?

21 A. No, I don't.

22 MR. MARGARD: Your Honor, I don't have
23 any further questions for Mr. Puican and tender him
24 for purposes of cross-examination, if any.

25 THE ATTORNEY EXAMINER: All right. Thank

1 you.

2 Mr. Howard, do you have any questions?

3 MR. HOWARD: No questions, your Honor,
4 thank you.

5 THE ATTORNEY EXAMINER: Ms. Mooney.

6 MS. MOONEY: No questions, your Honor.

7 THE ATTORNEY EXAMINER: Mr. Sauer.

8 MR. SAUER: No questions, Your Honor.

9 THE ATTORNEY EXAMINER: The Bench has no
10 questions.

11 MR. MARGARD: I would respectfully move
12 for the admission of Staff Exhibits Nos. 1, 2, and 3.

13 THE ATTORNEY EXAMINER: Staff Exhibit
14 1 is the Prefiled Testimony of Mr. Puican, and Staff
15 Exhibits 2 and 3 are the Staff Reports filed in each
16 of the respective cases. They are moved for
17 admission. Any objections?

18 MR. HOWARD: No objections, your Honor.

19 MR. SAUER: No objection.

20 THE ATTORNEY EXAMINER: Seeing no
21 objection, they will be admitted.

22 (EXHIBITS ADMITTED INTO EVIDENCE.)

23 THE ATTORNEY EXAMINER: The witness may
24 be excused.

25 Are there any other exhibits that any

1 party wish to submit?

2 MR. SAUER: Thank you, your Honor. I
3 previously marked and presented to the court reporter
4 what we like to be called OCC Exhibit No. 1, which
5 were the objections to the Staff Report that OCC
6 filed in Case No. 08-940-GA-ALT on July 24, 2009.

7 OCC Exhibit No. 2 is the objections to
8 the PUCO Staff Report of Investigation issues filed
9 in Case No. 08-941-GA-ALT.

10 And also marked as OCC Exhibit No. 3 is a
11 March 22, 2010 letter from Mr. Howard to myself. I
12 would like those three exhibits to be admitted on the
13 record.

14 THE ATTORNEY EXAMINER: Okay. So OCC has
15 marked OCC Exhibit 1, which is OCC's objections to
16 the Staff Report in Case 08-940, OCC Exhibit 2, which
17 is OCC's objections to the Staff Report in case
18 08-941, and OCC Exhibit 3, which is a March 22 letter
19 from Mr. Howard to Mr. Sauer.

20 MR. SAUER: That's correct, your Honor.

21 THE ATTORNEY EXAMINER: OCC has moved for
22 admission of those three exhibits. Are there any
23 objections to admission of those exhibits?

24 MR. HOWARD: We have no objections. May
25 I maybe just ask Mr. Sauer just to clarify his

1 position that in fact that Office of Consumers'
2 Counsel neither objects to nor supports the
3 stipulation.

4 MR. SAUER: Yes. In this case the OCC
5 has not signed the Stipulation. We do not support
6 and do not oppose the Stipulation filed as Joint
7 Exhibit No. 1 in those cases.

8 MR. HOWARD: Thank you. With that the
9 applicant would have no objection to the admission of
10 OCC Exhibits 1, 2, and 3.

11 MR. MARGARD: Staff likewise has no
12 objections to their admission.

13 (EXHIBITS ADMITTED INTO EVIDENCE.)

14 MS. MOONEY: Your Honor, OPAE also filed
15 objections to the Staff Report, and I don't really
16 know if we need to have them marked as OPAE
17 Exhibit 1 and 2 and admitted into the record. We are
18 a signatory party of the stipulation. I didn't bring
19 them with me. We did file them. Did you want to
20 marked them as exhibits?

21 THE ATTORNEY EXAMINER: I would like to
22 have them as part of the record. If you would like
23 to move for the admission of those, you can certainly
24 do that. You don't necessarily need to provide me
25 copies.

1 MS. MOONEY: I would like to have marked
2 as OPAE Objections to the Staff Report, which I think
3 might be one document. I can't remember.

4 MR. SAUER: I have copies if you want
5 them.

6 MS. MOONEY: May I have just a moment to
7 look at them.

8 THE ATTORNEY EXAMINER: Sure. Take as
9 much time as you need to.

10 (Discussion off record.)

11 MS. MOONEY: Your Honor, I would like to
12 have marked as OPAE Exhibit 1 the Objections to the
13 Staff Report of Investigation in Eastern Natural Gas
14 by Ohio Partners for Affordable Energy docketed on
15 July 22, 2009.

16 And OPAE Exhibit 2 which would be the
17 Objections to the Staff Report of Investigation in
18 Pike Natural Gas, which was docketed on July 23,
19 2009.

20 THE ATTORNEY EXAMINER: OPAE has marked
21 for identification purposes OPAE Exhibit No. 1, which
22 is OPAE's Objections to the Staff Report to 08-940,
23 and OPAE Exhibit No. 2, the Objections to the Staff
24 Report in 08- 941.

25 MS. MOONEY: I would move for admission

1 of OPAE Exhibits 1 and 2.

2 THE ATTORNEY EXAMINER: Are there any
3 objections to these exhibits?

4 MR. HOWARD: No, your Honor.

5 THE ATTORNEY EXAMINER: Seeing no
6 objections, they will be admitted.

7 (EXHIBITS ADMITTED INTO EVIDENCE.)

8 THE ATTORNEY EXAMINER: Are there any
9 other matters with respect to this case?

10 MR. HOWARD: No other exhibits, your
11 Honor. We would ask since there's a Stipulation
12 that's not opposed and the Stipulation contemplates
13 that tariffs go in effect by the 1st of June, we
14 would ask the Commission to issue an expedient order
15 sometime prior to June 1.

16 THE ATTORNEY EXAMINER: We will certainly
17 strive to do that.

18 If there are no other matters before us,
19 we are adjourned.

20 MR. HOWARD: Thank you, your Honor.

21 (The hearing adjourned at 10:34 a.m.)

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

CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Thursday, April 22, 2010, and carefully compared with my original stenographic notes.

Rosemary Foster Anderson,
Professional Reporter and
Notary Public in and for
the State of Ohio.

My commission expires April 5, 2014.

(RFA-8433)

- - -

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/6/2010 10:54:06 AM

in

Case No(s). 08-0940-GA-ALT, 08-0941-GA-ALT

Summary: Transcript Transcript of Eastern Natural Gas and Pike Natural Gas hearing held on 04/22/10. electronically filed by Mrs. Jennifer Duffer on behalf of Armstrong & Okey, Inc. and Anderson, Rosemary Foster Mrs.