

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Co-	)	
lumbia Gas of Ohio, Inc. for Authority	)	
to Amend its Filed Tariffs to Increase the	)	Case No. 21-637-GA-AIR
Rates and Charges for Gas Services and	)	
Related Matters.	)	

In the Matter of the Application of Co-	)	
lumbia Gas of Ohio, Inc. for Approval of	)	Case No. 21-638-GA-ALT
an Alternative Form of Regulation.	)	

In the Matter of the Application of Co-	)	
lumbia Gas of Ohio, Inc. for Approval of	)	
a Demand Side Management Program	)	Case No. 21-639-GA-UNC
for its Residential and Commercial Cus-	)	
tomers.	)	

In the Matter of the Application of Co-	)	
lumbia Gas of Ohio, Inc. for Approval to	)	Case No. 21-640-GA-AAM
Change Accounting Methods.	)	

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**PREPARED SUPPLEMENTAL DIRECT TESTIMONY OF  
DONALD AYERS  
ON BEHALF OF COLUMBIA GAS OF OHIO, INC.**

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- ☐ Management policies, practices, and organization
- ☒ Operating income
- ☐ Rate base
- ☐ Allocations
- ☐ Rate of return
- ☐ Rates and tariffs
- ☒ Other

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**COLUMBIA GAS OF OHIO, INC.**

**May 13, 2022**

**PREPARED SUPPLEMENTAL DIRECT TESTIMONY  
OF Donald Ayers**

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**I. INTRODUCTION**

**Q. Please state your name and business address.**

A. My name is Donald Ayers. My current business address is 290 W. Nationwide Blvd., Columbus, OH, 43215.

**Q. By whom are you employed?**

A. I am employed by Columbia Gas of Ohio.

**Q. Are you the same Donald Ayers who submitted Prepared Direct Testimony in this proceeding?**

A. Yes, I am.

**Q. On whose behalf are you appearing in this proceeding?**

A. I am appearing on behalf of Columbia Gas of Ohio in this rate proceeding.

**II. PURPOSE OF TESTIMONY**

**Q. What is the purpose of your Supplemental Direct Testimony in this proceeding?**

A. The purpose of my Supplemental Testimony is to provide the Commission with additional information on the safety benefits to Columbia's customers, should the Commission adopt Columbia's proposed expansion of the Picarro program deferral and Columbia's Objection 8. I will further speak to Columbia's Objection 3.1.10. Safety Operations O&M Expense Adjustment.

**III. PICARRO EXPENDITURES AND NECESSITY OF THE DEFERRAL**

**Q. Did Staff oppose Columbia's request for a deferral of costs associated with the expansion of the Picarro program?**

A. Yes.

**Q. Is Staff's position unreasonable?**

A. Yes. Staff based its decision primarily on its conclusion that Columbia's expansion of the Picarro program is voluntary and that the Picarro system

1 is discretionary new technology beyond the traditional leak detection  
2 survey methods without demonstrated cost savings.  
3

4 **Q. Is Staff correct to characterize Columbia's investment into Picarro**  
5 **technology as discretionary?**

6 A. No. The PIPES Act of 2020 Section 113 requires PHMSA to create a final  
7 rule for the use the advanced leak detection technology. The intent behind  
8 this rule is to extend current regulations beyond pipeline safety and to  
9 require leak inspection processes that help operators proactively achieve  
10 goals to protect the environment. Columbia's proposal is instrumental for  
11 positioning Columbia to comply with this rule through the Picarro system.  
12

13 Section 114 of the PIPES Act of 2020 contained a self-executing provision  
14 that required companies to create plans to address fugitive and non-  
15 fugitive gas leaks. As a part of Columbia's standards to comply with the  
16 self-executing portion, that went into effect on December 27, 2021, the  
17 Picarro Surveyor technology is identified to comply with this rule.  
18 Traditional survey methods, while consistent with industry standard  
19 practices, are not capable of finding all the leaks that potentially exist on  
20 Columbia assets. The Picarro Surveyor technology is a tool that is 1000x  
21 more sensitive than traditional tools and is capable of detecting a potential  
22 leak up to 600' from the unit and Columbia will use this tool to help  
23 eliminate as many fugitive gas leaks as possible.  
24

25 In addition to the requirements outlined by congress in the PIPES Act of  
26 2020, Columbia has a duty to its customers to safely deliver natural gas  
27 through reliable infrastructure. As technology advances, so must  
28 Columbia. The Picarro Surveyor technology enhances Columbia's ability to  
29 find leaks using a sensitivity of parts per billion. Identifying leaks when  
30 they are smaller in nature, will help prevent unintended outages and  
31 minimize the costs needed to repair or replace infrastructure. Additionally,  
32 the Picarro Surveyor technology gives Columbia the ability to use direct  
33 measurement of flow rate to quantify and understand leaks. This  
34 information will be incorporated into Columbia's Accelerated Mains  
35 Replacement Program, helping prioritize mains for replacement by adding  
36 the size of leaks as a factor.  
37

38 **Q. Will Columbia pursue the expansion of the Picarro program if the**  
39 **Commission denies the requested deferral?**

1 A. It is unlikely that Columbia will expand the Picarro program if the  
2 Commission denies Columbia's request. Columbia's current budget does  
3 not account for this additional expense and Columbia cannot easily absorb  
4 it elsewhere. Hence, it is material.  
5

6 **Q. Does Picarro solve a problem that is outside the Company's control?**

7 A. Yes. Picarro helps identify leaks in Columbia's system. There are many  
8 different causes for pipeline leaks. The vast majority of which are far  
9 outside Columbia's control. Moreover, leaks often get worse over time.  
10

11 **Q. Is the Picarro pilot a regular part of Columbia's leak surveying practices,  
12 or is it atypical?**

13 A. Picarro is not a regular part of our leak surveying at this time. The use of  
14 Picarro is a pilot so that Columbia can learn more about the practical  
15 application of this technology.  
16

17 **Q. Are there portions of the Staff Report related to Picarro that you agree  
18 with?**

19 A. Yes. The Staff Report states that:  
20

21 "[T]he Picarro system is new technology that has identified significantly  
22 more gas leaks on piping where it was used than traditional leak detection  
23 methods. The Company has stated there are no cost savings with the  
24 Picarro program (Case No. 21-637-GA-AIR, DR # 127). Therefore, the  
25 Commission could encourage the utility to do something it would not  
26 otherwise do through the granting of the deferral authority."<sup>1</sup>  
27

28 This statement is accurate.  
29

### 30 **III. SAFETY BENEFITS OF THE EXPANSION OF THE PICARRO** 31 **PROGRAM** 32

33 **Q. After the first year of the Picarro Pilot, Columbia filed a report with the**  
34 **Commission outlining the results of the Picarro pilot program. Can**  
35 **conclusions be drawn from this report?**

36 A. The Picarro technology detects more leaks than traditional means.  
37 Traditional leak survey equipment must be within around three feet of a  
38 methane source in order to detect a leak. Picarro's range is around 600 feet.

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<sup>1</sup> Staff Report at 53

1 Columbia's annual report is attached to my testimony as Attachment DS-1-  
2 S. As outlined in this report, the Picarro technology is identifying many  
3 more leaks than the traditional methods. After covering the same number  
4 of miles, the Picarro technology found 156 leaks compared to 26 by the  
5 traditional means. The technology has also been incredibly helpful in  
6 testing for leaks from newly installed mainline replacement projects.  
7

8 **Q. Does the adoption of the Picarro system make Columbia's system safer?**

9 A. Yes. As noted above, Picarro provides a more thorough review of leaks.  
10 Between September 23, 2020 and July 31, 2021, the piloted technology  
11 identified 28 leaks of that were graded in the riskiest rankings. The same  
12 review of the same area utilizing traditional means found none. This is  
13 evidence enough alone that Picarro is currently making Columbia's  
14 customers safer. Columbia's proposed Picarro deferral will continue to  
15 enhance this safety.  
16

17 **Q. Does Columbia possess the experiential knowledge to replace traditional**  
18 **leak surveying methods? If not, what more is needed?**

19 A. No. In order to determine whether Columbia is ready to replace traditional  
20 leak surveying, it first needs to expand the Picarro pilot as proposed in  
21 Columbia's Application in this case. In order to expand the pilot, Columbia  
22 needs the proposed deferral.  
23

24 **IV. SAFETY BENEFITS OF THE PROPOSED ADDITIONAL TRAINING.**  
25

26 **Q. Did your Direct Testimony include information related to Columbia's**  
27 **Proposed pro forma adjustment for incremental technical training? If so,**  
28 **do you have any corrections to that testimony?**

29 A. Yes, I did cover the training and yes, I will need to make a correction. My  
30 direct testimony listed the amount needed as \$1.5 million. A math error  
31 occurred when calculating this amount. The corrected value is \$1,320,000  
32 (inclusive of payroll taxes of approximately \$70,000).  
33

34 **Q. What will these additional training dollars be used for?**

35 A. As identified in my direct testimony, and as reflected in headcount updates  
36 provided in this case, Columbia's Construction and Maintenance & Repair  
37 ("M&R") departments increased staffing. Columbia hired 18 new M&R  
38 employees and 23 new Construction employees. Columbia has also made  
39 significant updates to its employee training programs. This training  
40 includes refresher training, training on new or revised gas standards, and

1 training on new technologies or equipment. These additional roles and  
2 training are imperative to Columbia's efforts to ensure the distribution of  
3 safe and reliable service. They have caused Columbia to incur additional  
4 training expenses that are not accounted for in Columbia's current rates,  
5 nor are they addressed in Staff's proposals in its Staff Report.  
6

7 **Q. Is this additional field training related to Columbia's proposed**  
8 **expansion of its Cross Bore Program?**

9 A. No. These are two separate, known and measurable adjustments to the test  
10 year.  
11

12 **V. CONCLUSION**  
13

14 **Q. Does this complete your Prepared Supplemental Direct Testimony?**

15 A. Yes, it does.

## CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document is also being served via electronic mail on the 13th day of May, 2022, upon the persons listed below.

/s/ Joseph M. Clark

Joseph M. Clark

Attorney for

**COLUMBIA GAS OF OHIO, INC.**

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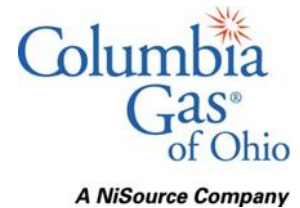


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October 8, 2021

Mr. Peter Chace  
Manager of Gas Pipeline Safety Section  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, Ohio 43215

**RE:** Columbia Gas of Ohio, Inc.  
Case No. 20-1356-GA-WVR

Dear Mr. Chace:

This letter responds to the Commission's Entry dated September 23, 2020, in the above-referenced docket. In Case No. 20-1356-GA-WVR, Columbia filed an Application for a limited waiver of Ohio Adm.Code 4901:1-16-04(H). Columbia requested a limited waiver of the time requirement to classify non-hazardous leaks pursuant to Ohio Adm.Code 4901:1-16-04(H). Ohio Adm.Code 4901:1-16-04(H) requires an operator to "classify all other [non-hazardous] leaks within two business days of discovery." Columbia requested a limited waiver of this portion of the rule solely to allow Columbia to pilot new leak detection equipment until July 31, 2022. For all of Columbia's remaining work, Columbia represented it would meet all requirements contained in Ohio Adm.Code 4901:1-16-04(H).

The Commission approved the limited waiver by Entry dated September 23, 2020. In that Entry, the Commission required Columbia to "submit to the Commission's gas pipeline safety division a report comparing the results of the mobile leak detection equipment to traditional means of leak detection..." This report must be submitted by October 1, 2021, for the period of September 23, 2020 through July 31, 2021, and by October 1, 2022, for the period of August 1, 2021 to July 31, 2022.

Pursuant to this Entry, Columbia provides the following annual report comparing the results of the mobile leak detection equipment with Columbia's traditional leak detection.

Picarro Equipment				Traditional Leak Detection	
Compliance Data		AMRP Data			
Project Miles Driven	47	Project Miles Driven	135	Miles Walked	47
Total Miles Driven (3 Drives)	141	Total Miles Driven (3 Drives)	404		
Total # of LISAs	208	Total # of LISAs	406		
Averages LISAs Identified per Mile	4.2	Averages LISAs Identified per Mile	3.0		
Total Leaks Found	156	Total Leaks Found	218	Total # of Leaks Identified	26
# of LISAs with Amplitude 5.0 +	11	# of LISAs with Amplitude 5.0 +	10		
Amplitude 5.0+ Final Leak Grade		Amplitude 5.0+ Final Leak Grade			
1 / PR	1	1 / PR	2		
2+	2	2+	1		
2	7	2	6		
3	1	3	1		
Total Leak Grade		Total Leak Grade		Total Leak Grade	
1 / PR	9/11	1 / PR	6/18	1 / PR	0
2+	8	0	9	2+	0
2	78	0	122	2	12
3	50	1	63	3	14

Should you have questions or need additional information please contact me at (614) 460-5491.

Sincerely,



Rob Smith  
Operations Compliance Manager  
Columbia Gas of Ohio, Inc.

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

**Case No(s). 21-0637-GA-AIR, 21-0638-GA-ALT, 21-0639-GA-UNC, 21-0640-GA-AAM**

Summary: Testimony Prepared Supplemental Direct Testimony of Donald Ayers on behalf of Columbia Gas of Ohio, Inc. electronically filed by Ms. Melissa L. Thompson on behalf of Columbia Gas of Ohio, Inc.