BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
Application of The East :
Ohio Gas Company d/b/a :
Dominion Energy Ohio for :
Approval of an Alternative:

Form of Regulation to : Case No. 21-1109-GA-ALT

Continue and to Expand Its:
Demand-Side Management and:
Energy Efficiency
Programs.

PROCEEDINGS

before Ms. Greta See, Attorney Examiner, at the Public Utilities Commission of Ohio, 180 East Broad Street, Room 11-D, Columbus, Ohio, called at 10:00 a.m. on Tuesday, September 13, 2022.

- - -

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

- - -

```
2
 1
     APPEARANCES:
            Whitt Sturtevant LLP
            By Mr. Christopher Kennedy
 3
            88 East Broad Street, Suite 1590
            Columbus, Ohio 43215
 4
            Whitt Sturtevant LLP
 5
            By Mr. Mark W. DeMonte
            180 North LaSalle Street, Suite 2020
            Chicago, Illinois 60601
 6
 7
            Dominion Energy, Inc.
            By Mr. Andrew Campbell
 8
            88 East Broad Street, Suite 1303
            Columbus, Ohio 43215
 9
                 On behalf of the Applicant.
10
            Bruce J. Weston, Ohio Consumers' Counsel
11
            By Ms. Amy Botschner O'Brien,
            Mr. John Finnigan,
12
            and Ms. Ambrosia Wilson,
            Assistant Consumers' Counsel
13
            65 East State Street, 7th Floor
            Columbus, Ohio 43215
14
                 On behalf of the Residential Consumers of
15
                 The East Ohio Gas Company d/b/a Dominion
                 Energy Ohio.
16
            Interstate Gas Supply, Inc.
17
            By Mr. Michael Nugent,
            Mr. Evan Betterton,
18
            and Ms. Stacie Cathcart
            6100 Emerald Parkway
19
            Dublin, Ohio 43016
2.0
                 On behalf of the Interstate Gas Supply,
                 Inc.
21
            Environmental Law & Policy Center
2.2
            By Ms. Janean R. Weber
            21 West Broad Street, 8th Floor
23
            Columbus, Ohio 43215
24
                 On behalf of the Environmental Law &
                 Policy Center.
25
```

```
3
 1
     APPEARANCES: (Continued)
 2
            Kegler, Brown, Hill & Ritter
            By Mr. Robert Dove
 3
            and Mr. Nicholas Bobb
            65 East State Street, Suite 1800
 4
            Columbus, Ohio 43215
 5
                 On behalf of the Ohio Partners for
                 Affordable Energy.
 6
            Dave Yost, Ohio Attorney General
 7
            By Mr. Robert Eubanks
            and Ms. Sarah Feldkamp,
            Assistant Attorneys General
 8
            Public Utilities Section
 9
            30 East Broad Street, 26th Floor
            Columbus, Ohio 43215
10
                 On behalf of the Staff of the PUCO.
11
12
13
14
15
16
17
18
19
20
2.1
2.2
23
24
25
```

		4	
1	INDEX		
2			
3	WITNESS	PAGE	
4 5	Ella R. Hochstetler Direct Examination by Mr. DeMonte Cross-Examination by Ms. Botschner O'Brien	13 15	
6 7 8	Colleen Shutrump Direct Examination by Ms. Wilson Cross-Examination by Ms. Weber Cross-Examination by Mr. DeMonte Redirect Examination by Ms. Wilson		
9	Kristin DuPree Direct Examination by Mr. Eubanks Cross-Examination by Ms. Wilson	78 81	
11			
12	DEO EXHIBIT IDENTIFIED	ADMITTED	
13	1.0 Direct Testimony of Ella R. 13 Hochstetler	63	
1415	2.0 Direct Testimony of 9 James Herndon	10	
16	3.0 Direct Testimony of Celia B. 9 Hashlamoun	10	
17 18	4.0 Supplemental Direct Testimony 13 of Ella R. Hochstetler	63	
19	5.0 Supplemental Direct Testimony 9 of James Herndon	10	
20	6.0 Application for Approval of 8 an Alternative Rate Plan	63	
22	7.0 Alternative Rate Plan Exhibits 9	63	
23			
24			
25			

					5
1		INDEX	(Continued	d)	
2					
3	OCC	EXHIBIT		IDENTIFIED	ADMITTED
4	1	Direct Testimony of Colleen Shutrump	- -	66	77
5		COTTECT STREET UMP			
6					
7	STAF	F EXHIBIT		IDENTIFIED	ADMITTED
8	1	Prepared Direct Tes of Kristin DuPree	stimony	79	95
9	2	Staff Report		80	95
10		1			
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

Tuesday Morning Session,
September 13, 2022.

- -

2.1

EXAMINER SEE: Scheduled for hearing today before the Public Utilities Commission of Ohio is Case No. 21-1109-GA-ALT which is entitled in the Matter of the Application of the East Ohio Gas Company doing business as Dominion Energy Ohio for Approval of an Alternative Form of Regulation to Continue and to Expand Its Demand-Side Management and Energy Efficiency Programs.

My name is Greta See. I am the Attorney Examiner assigned by this case -- assigned to this case by the Commission.

At this time I would like to take appearances of the parties. On behalf of Dominion Energy Ohio.

MR. KENNEDY: Good morning, your Honor.

On behalf of Dominion Energy Ohio, Christopher

Kennedy of the law firm Whitt Sturtevant LLP, 88 East

Broad Street, Suite 1590, Columbus, Ohio 43215.

With me today is my colleague Mark

DeMonte. His address is 180 North LaSalle Street,

Suite 2020, Chicago, Illinois, 60601.

Also on behalf of Dominion Energy Ohio,

Proceedings

7

```
Andy Campbell from Dominion Energy, Inc. His address
is 88 East Broad Street, Suite 1303, Columbus, Ohio
43215.
```

EXAMINER SEE: On behalf of the Staff of the Commission.

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

EXAMINER SEE: On behalf of Ohio
Consumers' Counsel.

4

5

6

7

8

9

12

13

14

15

16

17

18

19

20

2.1

22

23

MS. BOTSCHNER O'BRIEN: Good morning, your Honor. On behalf of the Office of the Ohio Consumers' Counsel, John Finnigan, Ambrosia Wilson, and Amy Botschner O'Brien, 65 East State Street, Suite 700, Columbus, Ohio 43211 -- sorry. Let me correct that, 43215.

EXAMINER SEE: On behalf of Interstate Gas Supply, Inc.

MR. NUGENT: Good morning, your Honor.

On behalf of Interstate Gas Supply, Inc., Michael

Nugent, Evan Betterton, Stacie Cathcart, 6100 Emerald

Parkway, Dublin, Ohio 43016.

EXAMINER SEE: On behalf of Ohio Partners
for Affordable Energy.

MR. DOVE: Good morning, your Honor. On behalf of Ohio Partners for Affordable Energy, Robert Dove and Nicholas Bobb with the law firm Kegler, Brown, Hill & Ritter, 65 East State Street, Suite 1800, Columbus, Ohio 43215.

EXAMINER SEE: And on behalf of the Environmental Law & Policy Center.

2.1

MS. WEBER: Good morning, your Honor. On behalf of the Environmental Law & Policy Center,

Janean Weber, 21 West Broad Street, 8th Floor,

Columbus, Ohio 43215.

EXAMINER SEE: Mr. Kennedy.

MR. KENNEDY: Good morning, your Honor. We have a number of exhibits that we would like to move into the record for which there is no cross-examination, so I am going to go through that right now and hand out copies as we do that.

So this will be Exhibit DEO Exhibit 6.0.

It's the application with this -- Application for Approval of Alternative Rate Plan that was submitted in this proceeding.

EXAMINER SEE: And, Mr. Kennedy, you said this is 6?

MR. KENNEDY: 6.0.

25 EXAMINER SEE: The exhibit is so marked.

1	(EXHIBIT MARKED FOR IDENTIFICATION.)			
2	MR. KENNEDY: We would also like to mark			
3	for identification as Dominion DEO Exhibit 7.0 the			
4	Alternative Rate Plan Exhibits that went with the			
5	Application.			
6	EXAMINER SEE: The exhibit is so marked.			
7	(EXHIBIT MARKED FOR IDENTIFICATION.)			
8	MR. KENNEDY: And then we have some			
9	testimony that's previously filed for which there is			
10	no cross-examination. We have DEO Exhibit 2.0 with			
11	attachments DEO Exhibit 2.1 and 2.2, direct testimony			
12	of James Herndon.			
13	EXAMINER SEE: The exhibit is so marked.			
14	(EXHIBIT MARKED FOR IDENTIFICATION.)			
15	MR. KENNEDY: We have another exhibit,			
16	5.0, which is the supplemental testimony of James			
17	Herndon.			
18	EXAMINER SEE: Supplemental testimony is			
19	so marked.			
20	(EXHIBIT MARKED FOR IDENTIFICATION.)			
21	MR. KENNEDY: And then we have the direct			
22	testimony of Celia B. Hashlamoun, DEO Exhibit 3.0.			
23	(EXHIBIT MARKED FOR IDENTIFICATION.)			
24	MR. KENNEDY: So we would like to			
25	formally move all of that into evidence, your Honor.			

EXAMINER SEE: And given that the parties have agreed there is no cross-examination for either Mr. Herndon or Ms. Hashlamoun, those exhibits are admitted into the record.

2.1

(EXHIBITS ADMITTED INTO EVIDENCE.)

MR. KENNEDY: Thank you, your Honor. We also had a Stipulation of Fact between the Company and OCC. I am handing out a copy of that Stipulation which I will be reading into the record. This is just for everyone's benefit. This is not going to be marked as an exhibit. The Stipulation of Fact was previously e-mailed to counsel and your Honor yesterday afternoon.

The Stipulation reads as follows: "As set forth DEO Exhibit 2.1, the estimated cost of conducting a home audit as part of the Home Performance with ENERGY STAR program is \$259 per audit, which includes the estimated cost of direct installation of high-efficiency showerheads, faucet aerators, and water heater pipe warp. The Home Performance with ENERGY STAR program requires a \$25 customer co-pay to receive the audit, so the utility program cost is \$234 per audit. OCC and Dominion agree there are additional, non-incentives costs such as program administration, management, and marketing

that are not reflected in this number." The Company and OCC, as I indicated, have agreed to that Stipulation of Fact.

2.1

EXAMINER SEE: Okay. And we've also already noted none of the other parties had cross for either -- either of Mr. Herndon or Ms. Hashlamoun, so those exhibits have been admitted into the record.

MR. FINNIGAN: Your Honor, and, you know, question to Chris -- we agree with the Stipulation of Fact that Mr. Kennedy just read into the record. We spent some time going over that with him and his co-counsel so we are in agreement with that. A question I had, if I could put that to you and perhaps you could look into this during the hearing --

EXAMINER SEE: Is it --

MR. FINNIGAN: I was thinking that program may have also included a carbon monoxide detector, so if you would want to look into that with your consultant, and if that's the case, perhaps, you know, add that into the Stipulation; and if not, then I'm -- I may be mistaken. I just wanted to raise that, you know, just for the sake of consistency with what's in the filed testimony. So perhaps you could look into that with your consultant during the course

of the hearing, and if there is a need to revisit it, we could; and if not, then no need.

MR. KENNEDY: We --

2.1

EXAMINER SEE: Is that not a matter the parties could take up and file maybe a late-filed exhibit representing whether or not what you believe is the case or is not the case?

MR. KENNEDY: We could do it that way, but we can also confer during a break and see if we could say something on the record about that, your Honor.

EXAMINER SEE: Okay. Then we will take that up after -- after a break or later in the day.

Your witness, Mr. Kennedy.

MR. KENNEDY: Yes. Mr. DeMonte is going to be handling the witness, but I am going to be handing out the testimony.

EXAMINER SEE: Okay.

MR. DeMONTE: Good morning, your Honor.

The Company would like to call to the stand Ms. Ella

Hochstetler. As indicated, counsel is sharing the

testimony, the prefiled testimony to counsel.

EXAMINER SEE: Ms. Hochstetler.

MS. HOCHSTETLER: Good morning.

EXAMINER SEE: Is that how you pronounce

13 your name? 1 2 MS. HOCHSTETLER: Yes, ma'am. 3 EXAMINER SEE: Okay. Could you please 4 raise your right hand. 5 (Witness sworn.) 6 EXAMINER SEE: Thank you. 7 Go ahead, Mr. DeMonte. 8 MR. DeMONTE: Thank you, your Honor. 9 10 ELLA R. HOCHSTETLER 11 being first duly sworn, as prescribed by law, was 12 examined and testified as follows: 13 DIRECT EXAMINATION 14 By Mr. DeMonte: 15 Q. Ms. Hochstetler, can you please spell 16 your name for the court reporter and the record, 17 please. 18 Α. Yes. H-O-C-H-S-T-E-T-L-E-R. 19 And you are the same Ms. Hochstetler who Ο. 20 prepared or caused to have prepared DEO Exhibit 1.0, 2.1 which was the direct testimony of yourself, and DEO 22 Exhibit 4.0, which was the supplemental direct 23 testimony? 24 A. Yes.

(EXHIBITS MARKED FOR IDENTIFICATION.)

- Q. And you have those -- a copy of both of that testimony in front of you today?
 - A. Yes, I do.
- Q. And is it a true and accurate copy of the testimony that was filed with the Commission?
 - A. Yes.

1

2

3

4

5

6

7

8

9

10

20

2.1

22

- Q. If I asked you the questions today that are contained in your testimony, would you provide the same answers under oath?
- A. Yes.
- MR. DeMONTE: Thank you.
- Your Honor, at this time the Company
 would move for admission of DEO Exhibit 1.0 and DEO
 Exhibit 4.0, subject to cross.
- EXAMINER SEE: May I ask if the parties had agreed on a cross-examination order?
- MR. KENNEDY: We had not, your Honor. I thought that OCC would go first but that may be presumptuous. I will defer to OCC on that.
 - EXAMINER SEE: That's okay. I didn't know if that was part of the representation in the communications that had gone between the parties in the past couple of days or not.
- 24 With that let's first start with 25 Environmental Law & Policy Center. Any

15 cross-examination for this witness? 1 2 MS. WEBER: No, your Honor. 3 EXAMINER SEE: Mr. Dove, do you have any cross-examination for this witness? 4 5 MR. DOVE: No, your Honor. EXAMINER SEE: Mr. Nugent? 6 7 MR. NUGENT: No cross, your Honor. EXAMINER SEE: And OCC? Mr. Finnigan or 8 Ms. Botschner? 9 10 MS. BOTSCHNER O'BRIEN: We do, your 11 Honor. 12 EXAMINER SEE: Okay. Go ahead. 13 14 CROSS-EXAMINATION 15 By Ms. Botschner O'Brien: 16 Good morning, Ms. Hochstetler. Q. 17 A. Good morning. 18 Q. Can you hear me well? 19 No. I was just going to mention I Α. 20 have -- I struggle with a little bit of hearing 2.1 issues.

microphone. I don't know if I will.

22

23

24

Q. I know at last week's hearing I needed a

EXAMINER SEE: Let's go off the record

(Discussion off the record.)

EXAMINER SEE: Let's go back on the

record.

2.1

Go ahead.

- Q. (By Ms. Botschner O'Brien) Good morning,
 Ms. Hostetler. I am Amy Botschner O'Brien from the
 Office of the Ohio Consumers' Counsel, and I'll be
 asking you some questions specifically regarding your
 direct and supplemental testimony which you have
 before you, correct?
 - A. Correct.
- Q. Okay. On page 5 of your direct testimony, you state that For subsequent years after year five, Dominion proposes that the total amount of DSM/EE funding be increased annually by 3 percent, until such time as Dominion files a subsequent application with the Commission to modify the alternative rate plan to further increase DSM/EE funding and/or offer new DSM/EE programs. Do you see that?
 - A. Yes, I do. Yes, I do.
- Q. So it is your testimony the program funding would be increased by an automatic 3 percent annually until Dominion decides it's time to modify the plan, correct?

A. Yes.

2.1

- Q. For an unlimited number of years, correct?
- A. The intent is not for an unlimited amount of years. It doesn't specify years in here, but the intent of the 3 percent increase is really to account for inflation so inflation and other market conditions don't eat away at the overall participation and success of the program.
- Q. But as -- as it is filed, it appears to be an unlimited amount of years.
 - A. Correct.
- Q. Okay. You also testified that for -- and again, I am still on pages 5 to 6 of your testimony, that for -- some of the reasons for the annual 3 percent increase in total budgeted DSM/EE spending after year five, correct? You are explaining some of the reasons.
 - A. Correct.
- Q. Okay. These reasons appear to include allowing for Dominion to account for inflation, changes in marketing conditions and/or technology, as well as unforeseen occurrences, correct?
- A. Well, as it states in the testimony on 121, inflation, changes in market conditions,

technology, customer preferences, industry standards and regulations as well.

2.1

2.2

- Q. Okay. Thank you. But wouldn't -wouldn't it be true that these same reasons given by
 Dominion to account for the 3 percent annual
 increases are, in fact, things that could lead to
 program decreases potentially?
- A. The -- the proposed increases are really to a cap. It is not to a certain budget, so it is a cap. So, yes, it could be increases or decreases, although I would say looking at today's inflation rates, that it is not very probable that it could be a decrease.
- Q. Okay. But would you agree that it is speculative to decide now five years in advance of when the 3 percent increase would take effect, whether the increase is needed or is just and reasonable?
- MR. DeMONTE: Your Honor, I would just object to the extent it's asking for a legal conclusion on whether it is speculative or not under the law.
- EXAMINER SEE: Sustained.
- Q. (By Ms. Botschner O'Brien) Would you agree that a lot can happen during five years, much

less beyond five years?

2.1

- A. I would agree that changes could occur within five years.
- Q. Thank you. Is it your testimony that Dominion is under no obligation to demonstrate on an annual basis in advance of the spending that the automatic 3 percent increase is just and reasonable in any given year?

MR. DeMONTE: Your Honor, I would just make the same objection to the extent it's calling for the witness to testify as to what is legally just and reasonable.

EXAMINER SEE: Recognizing that -- Ms. Hochstetler, are you an attorney?

THE WITNESS: I am not an attorney.

EXAMINER SEE: Recognizing that the witness is not an attorney and to the extent it calls for a legal opinion, she may provide her opinion but that is the extent of her reply.

Go ahead.

- A. Could you repeat the question then?
- Q. Sure. Is it your testimony that Dominion is under no obligation to demonstrate on an annual basis in advance of the spending that the automatic 3 percent increase is just and reasonable in any

given year?

2.1

- A. Our -- our intent is not to increase without justification. Certainly we will look at current market conditions, but our intent really is to adjust the program cap, if needed, in order to be able to continue to serve the participants that are in the program.
- Q. Okay. Thank you. You envision the PUCO's review regarding this increase to be more of a reconciliation where Dominion would file annual updates to adjust the DSM rider rate so Staff can audit historical DSM/EE expenses and the reconciliation of actual DSM/EE collections. So do you envision this more of a reconciliation annually?
- A. I'm not sure quite how you define reconciliation. However --
- Q. I'm sorry. I didn't mean to cut you off.
 Go ahead.
 - A. That's okay. However, yes, the PUCO Staff and Commission reviews this program every year, and I would envision that they would continue to do that. That is a requirement of the program. They review the rider and the spend every year.
- Q. But it would not be a PUCO prudence review in advance of the spending, correct?

A. No. We would -- the spending would occur based on how we filed it. We are -- our intent is to implement the programs that we filed for which are proven to be cost effective.

2.1

2.2

- Q. Okay. To clarify, the reconciliation updates would not be a prudence review where Dominion opens a new docket each year in advance of the spending and files an application to adjust its DSM Rider rate which would include supporting schedules, calculations, proposed tariffs for PUCO review and approval before the spending occurs.
- A. I'm trying to just get all the information in your question in, and again, I am not a lawyer, so in terms of what needs to be filed, I would have to defer to my lawyers on that. But the intent is to -- is to provide the same filing that we would -- we have already been filing each year with the Commission Staff and to continue that process going forward.
- Q. But there would not be an annual PUCO preapproval oversight of these 3 percent automatic annual increases.
 - A. It is -- it is not a preapproval process.
- Q. Thank you. Referring to the discussion on page 5 of your testimony, question 16, are you

- aware that the PUCO requires audits of spending for these types of programs?
- A. I'm aware we have an annual filing. I am not aware of an audit of spend.
- Q. Okay. So you can't really testify whether it would be a move from precedent to permit an automatic increase without PUCO annual preapproval of the new spending?
 - A. I am not sure I understand your question.
- Q. Okay. Typically are you aware -- are you aware that the PUCO requires audits of these types of programs before the spending occurs?
 - A. No.

2.1

- Q. You are not aware, or you disagree?
- A. I am not aware.
- Q. Okay. So you would not be aware of whether it's moving -- whether it's -- what you want to do is different from what the PUCO typically does. And if you are not aware, you can say so.
- A. I am not aware. We are not -- however, we are not requesting a change in the process with the PUCO. It's our annual rider, and we are intending to put this additional spend in that annual rider filing.
 - Q. Is it your testimony that Dominion need

not justify costs in advance and justify the costs it seeks to collect?

2.1

- A. I believe we've justified the cost within the filing itself. The total requested spend that we have outlined has been proven to be cost effective, so I would defer to that -- to the filing and the cost effectiveness study that Mr. Herndon put in his testimony.
- Q. And you speak -- in your testimony you speak of a general familiarity with RC 4929.05, just and reasonable statute?
- A. Can you refer to the point in the testimony?
- Q. General familiarity. Yes. Okay. This is also actually in your supplemental testimony but on page 4 but do you -- but let me ask it a different way, Ms. Hochstetler. Do you have a general familiarity with the just and reasonable statutes regarding alternative --
 - A. A general familiarity.
 - Q. Just general as a nonlawyer.
- A. I am not a lawyer.
- Q. Correct, recognizing that.
- MR. DeMONTE: Your Honor, I apologize. I want to object to the extent you're going to get into

how obviously, or discussions that would be had. I will just assume you are not asking about attorney-client communications or any awareness that was learned from counsel or anything along those lines with respect to it. I just wanted to make sure.

2.1

MS. BOTSCHNER O'BRIEN: I am not but thank you.

MR. DeMONTE: Thank you, Judge.

- Q. (By Ms. Botschner O'Brien) Is it your testimony that Dominion's proposal to double or triple energy efficiency rates to consumers over the next five years and to add on an automatic annual adjustment 3 percent is -- is just and reasonable as you understand it?
- A. No, that's not my testimony. My testimony would be that it's -- I think you mentioned first that we would be doubling and tripling rates which I disagree with. The cost/benefit analysis that we put forward actually shows that customers would save more money than what would be paid into the program. So, no, that's not my testimony.
- Q. Okay. Doesn't Dominion propose to fund its DSM and EE programs through charges to consumers at 14.6 million in 2023?

- A. Can you refer to the point in the testimony? I want to validate the numbers.
- Q. I believe this might have been in Ms. Hashlamoun's testimony where she speaks of the precise numbers and has a chart, but are you not familiar?
- A. I am familiar, but I want to make sure that the numbers that you are stating are the same numbers that are in my testimony. I would like to double-check.
- MR. KENNEDY: Counsel, do you have a copy
 of the testimony you would like to refer her to?
- MS. BOTSCHNER O'BRIEN: Of
- 14 Ms. Hashlamoun?

2

3

4

5

6

7

8

9

- Q. (By Ms. Botschner O'Brien) I actually
 can't lay my hand directly on this, but can we assume
 for purposes of this question that it is
 approximately 14.6 in 2023?
- A. I'm sorry. What -- what are you stating is 14.6?
- Q. That Dominion proposes to fund its DSM
 and EE programs through charges to consumers at
 14.6 million in 2023.
- A. Subject to some sort of check.
- Q. Okay. Does that sound --

- A. Sounds in the ballpark.
- Q. Okay. Good. Thank you. And then again just subject to check, for purposes of this question, Dominion would regularly increase spending up to 20.4 million in 2027.
- A. Again, I would want -- I would want to just double-check those numbers; but, yes, we are proposing an increase.
- 9 EXAMINER SEE: Let's go off the record 10 for just a second.
- 11 (Discussion off the record.)
- 12 EXAMINER SEE: Let's go back on the record.
- Go ahead, Ms. O'Brien.
- MS. BOTSCHNER O'BRIEN: Thank you.
- Q. (By Ms. Botschner O'Brien) And I also have -- I would like to refer you to your
- 18 application. Do you have that before you?
- 19 A. I only have my testimony.
- Q. Testimony, do you?
- MS. BOTSCHNER O'BRIEN: May I approach,
- 22 your Honor?

1

2

3

4

5

6

7

- EXAMINER SEE: Yes. Could you tell us
- 24 what you are referring to?
- MS. BOTSCHNER O'BRIEN: Okay. I am

looking at -- people hear me? I am looking at page 2 of the application, Dominion's application.

MR. KENNEDY: We have a copy.

MS. BOTSCHNER O'BRIEN: Do you have a copy, your Honor?

EXAMINER SEE: Yes.

2.1

MS. BOTSCHNER O'BRIEN: And this is paragraph 3 of page 2. And I am wondering if -
MR. KENNEDY: Does counsel have a copy for the witness?

MS. BOTSCHNER O'BRIEN: Yes, yes, but I want to see what I want her to do first. But thank you.

- Q. (By Ms. Botschner O'Brien) This is your application, Dominion's application, Ms. Hochstetler. Could you please read the first two sentences of paragraph 3 for us.
- A. "In addition, DEO requests approval of a gradual increase in the Company's total annual DSM/EE funding levels for a five-year period from the existing levels of 9.5 annually to a range of approximately 14.6 million in year one to 20.4 million in year five. Approving funding levels in excess of 5.5 million in base rates would be recovered annually through subsequent updates to the

DSM rider. Assuming the Commission approval has been received later than November 1, 2022, calendar year 2023 would constitute as year one and calendar year 2027 year five."

2.1

- Q. Thank you. So I -- I'm a lawyer and not a mathematician by any means, but wouldn't -- wouldn't you agree that that, as you read, moving from 14.6 million in 2023 to increase spending of up to 20.4 million five years later, as you read, in 2027 represents close to tripling?
- A. Today's budget is -- and that's a budget, it's a cap, is 9.5 million so going from 20 -- from 9.5 million to 20.4 million is about two times.
- Q. Okay. Well, I'll accept that. Would you -- would you say that that is just and reasonable in your opinion? Again, as a nonlawyer.
- A. As a nonlawyer, again, I would refer back to the cost/benefit analysis, so 20.4 million, and in that year there are customers that are going to be receiving benefits that are greater than the cost of the program.
- Q. Would you agree that an automatic annual adjustment of 3 percent after year five is also just and reasonable in your nonlawyer opinion?
 - A. Yes. As I have stated before, the annual

3 percent increase, which again is a cap, in my opinion would be just and reasonable, and not as a lawyer, to account for inflation and other market conditions that may not be foreseen to allow for the program to move forward without eating away at the customer benefits.

- Q. Okay. But you've testified that the program costs actually -- could possibly decrease as well. We just -- we just don't know at this point.
 - A. I think inflation is pretty probable.
- Q. Okay. Let's move on. You state on page 6 of your testimony that Columbia -- let's turn to page 6. We are still on your direct testimony.
 - A. Direct, okay.
- Q. You state that Columbia has a bigger DSM program budget than Dominion does. Do you see that?
 - A. Yes, I do.

2.1

- Q. Okay. Are you aware that Columbia does not get an automatic 3 percent increase in program funding annually?
 - A. No, I was not aware of that.
- Q. Okay. Do you know -- thank you. Do you know the current customer participation percentage of Dominion's customer base for the current residential and small commercial programs? And this is regarding

your testimony on pages 6 to 7.

- A. Give me a moment to look at that.
- Q. Certainly.
- A. By --

2.1

- Q. I'm sorry. Go ahead.
- A. Go ahead.
- Q. If you were about to speak, I don't want to interrupt your answer. Go ahead.
- A. Well, first, for the record, today we do not have a non -- nonresidential program. It is recommended in the application -- or represented in the application, I should say. And in these two pages I have not stated the participation rates. I do have an estimate off the top of my head around how many customers participate annually in ours. It's about 5,600, and we are looking to increase that to about 200,000 a year. And as a matter of fact, that 200,000 a year would actually -- those customers don't just receive it in that year. They receive ongoing benefits in the program.
- Q. You've answered my question. So you said -- I'm sorry. Can you repeat the percentage of current residential participation again?
- A. I don't have the percentage. I have an approximate number of 5,600 that we support today.

- Q. 5,600, okay. Does Dominion -- does
 Dominion know why customers -- why its customers
 haven't engaged in these programs more broadly?
 - A. You mean above the 5,600?
- Q. Yeah. That's a relatively small percentage of your customer base.
- A. Well, today it fulfills the budget. I mean, that -- you know, it's within the budget that we have today, and so we are proposing an increase in order to help more customers.
- Q. Okay. So you identify participant barriers to these DSM/EE programs. What are these barriers and has Dominion studied these barriers or listed them somewhere?
- A. Can you refer me to where -- where I say that in the testimony?
- 17 Q. Sure.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

- A. I just want to make sure I understand.
- Q. That is on page -- I'm sorry. Give me a
 minute. I'm moving between your supplemental and
 direct testimony. I'm sorry for the delay. That's
 why. I am trying to find where that was exactly.
- Okay. This -- this is your direct testimony.
- 25 A. Okay.

- Q. Okay. So this would be page 4 of your direct testimony.
 - A. Okay. I have page 4 up.
- Q. Okay. This is the bottom of page 4 where you talk about the participant barriers. Do you see that?
 - A. Okay.

2.1

2.2

- Q. Okay. And again, I'll just repeat the question. Has Dominion studied or listed them somewhere?
- A. Well, in my testimony I generally reference participant barriers, and I can tell you what my definition is. However, I do refer back to Mr. Herndon's testimony in this question where he goes into more detail around the market and the studies that he did.
- Q. Is it your testimony that the small number of consumers participating in Dominion's programs justifies the continuing charge -- charges for non-participating consumers to subsidize the program?
- MR. DeMONTE: I am going to object to a little argumentative, counsel, but I don't think it characterizes her testimony correctly.
- MS. BOTSCHNER O'BRIEN: I can rephrase

the question.

2.1

MR. DeMONTE: Thank you, counsel.

- Q. (By Ms. Botschner O'Brien) Do you think that the -- we've established the relatively small number of consumers that are -- that do participate in Dominion's programs justifies continuing charges for the non-participating consumers which subsidizes the program?
- A. Actually I would argue we are -- our programs are proposing to go from 5,600 to about 200,000 plus participants annually and that's a pretty significant increase in the significant size of our customer base.

And I would also say that in addition to that, I think all of our customers are going to benefit from these programs. If they don't participate directly -- well, if they do, let's start with that, if they do participate directly, you are talking about the ability for the customers to experience long-term savings and long-term education that will help them out with their energy usage going forward. And then for the nonparticipating customers, it really -- the environmental benefits with carbon emission reduction as well as the economic benefits with job creation benefit everyone.

So, no, I don't agree.

2.1

- Q. Okay. When -- let's go back to page 6 of your supplemental testimony.
 - A. Okay.
 - Q. And on page 6 you state that between 2017 and you have, I believe, 202, but do you mean to say 2020? 2022? I am not sure. What do you mean there?
- A. I'm sorry. I don't know where you are at.
- Q. Under number of participants it says "For existing programs on average there were 5,700 participants annually between 2017 and 202."
- A. I'm assuming, yes, there is an other 0 or a 1 left out. I apologize, but I just don't recall if it was 2020 or 2021; but, yeah, 5,700 seems to be what the average is in that period of time.
- Q. To 2021, potentially is that what that number should say?
 - A. Subject to check on that.
- Q. Okay. But as you recognized previously that's a low percentage compared to Dominion's customer base, correct?
- 23 MR. DeMONTE: Objection. That
 24 mischaracterizes the witness's testimony. I believe
 25 she testified she couldn't provide a percentage.

- Q. (By Ms. Botschner O'Brien) Okay. Let me rephrase. That's a low number compared to Dominion's customer base, correct?
- A. I would say that is a low number compared to the customer base. However, what we are requesting would bring us up to about 200,000 which is pretty significant.
- Q. Well, and I understand that's your request. But is there any reason to believe that participation levels will increase to that forecasted number of I believe --
- A. Yes, that is what we believe, that will increase that number.
- Q. And you don't think that's a tad ambitious?
- A. No, I don't.

2

3

4

5

6

7

8

9

10

11

17

18

19

- Q. Okay. Under both the current DSMEE program -- backslash EE programs and the expanded proposal, residential customers would subsidize the program, correct?
- A. I'm sorry. I'm not -- I am not following
 what you are asking on that one.
- Q. All consumers will be paying for these programs. All cus -- all consumers, all customers will be paying, subsidy means all customers will be

paying for the programs whether or not they are using them.

- A. So the DSM rider, yes, is applied to all customers aside from the large volume and industrial customers. However, I would again point back to the benefits that I've mentioned of the nonparticipating customers as well as the ongoing benefit of the ones --
 - Q. Okay.

2.

- A. -- that are there.
- Q. Thank you. Would residential consumers subsidize the commercial programs that are on page 7 under the expanded proposal?
- MR. DeMONTE: I am going to object,

 Judge. With the definition you provided, I think the

 question may have changed, so I'm not sure what my

 objection is, counsel, but I wasn't following the

 question either. So I don't know if you are asking

 to redefine subsidy there.
- MS. BOTSCHNER O'BRIEN: Sure.
- Q. (By Ms. Botschner O'Brien) Are all residential customer --
- MS. BOTSCHNER O'BRIEN: If I may?

 EXAMINER SEE: Yes. Go ahead.
- Q. (By Ms. Botschner O'Brien) Will all

residential customers be paying for all the programs, both residential and commercial programs, under your proposal?

- A. The rider would be applied to both just as it is today so there's no commercial programs today and commercial customers pay for residential today.
- Q. Turning to page 7 and back to your direct testimony.
 - A. Direct, you said 7 on direct?
- 11 Q. Correct.

1

2

3

4

5

6

7

8

9

10

17

18

- MS. BOTSCHNER O'BRIEN: Your Honor, may I approach?
- 14 EXAMINER SEE: Yes.
- Q. (By Ms. Botschner O'Brien) I'm realizing
 I need to retrieve that. Thank you.
 - Where you discuss the management and administrative costs on page 7 for the expanded DSM/EE program -- portfolio, do you see that?
- A. You have me on page 7 for my direct, right?
- 22 Q. Page 7 of your direct.
- A. No, I don't -- can you point to the line number where you are looking at?
- Q. I am going to have to get back to you on

that one because I actually don't see where I reference this question but --

A. Okay.

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

18

19

20

2.1

- Q. -- I read it. Let's go to therm savings that you reference in your direct testimony for participating customers.
 - A. Can you point to where?
- Q. Well, you've discussed therm savings on page 8.
 - A. Okay.
- 11 Q. Do these savings exceed the cost 12 consumers will pay for the programs?
 - A. It is my understanding that, yes, the cost/benefit analysis came out that customers will save more in their bills than they would pay into the program.
 - Q. One of the identified benefits on page 9 includes offering financial incentives to help offset the incremental costs of purchasing higher efficiency equipment. Do you see that at the top of page 9?
 - A. I do.
- Q. Who is -- who is paying for these financial incentives?
- A. They are part of the overall portfolio that we are asking for the increase.

Q. Thank you. You state on page 9 that DSM/EE investment supports a supply chain of large and small wholesalers and distributors.

MR. DeMONTE: Counsel, is there a line number? I'm sorry. I wasn't finding it.

MS. BOTSCHNER O'BRIEN: Sure. It was on page 9, looks like 205 to 207.

A. Okay.

2.1

- Q. Isn't it true that the support chain -the supply chain for energy efficiency products
 already exists? For example -- here, let me clarify.
 For example, would you agree that consumers can
 already acquire energy efficiency products through
 the competitive market?
 - A. I would agree with that.
- Q. Such as Lowe's, Home Depot, ordering off Amazon?
 - A. Correct.
 - Q. You further state that the expanded DSM/EE portfolio encourages customer participation because programs will engage customers at various points including the retail market through rebates --
 - A. Okay.
- Q. -- and other incentives to make energy efficient choices, correct?

A. Correct.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

- Q. But this already exists at the retail level, correct?
 - A. Correct.
- Q. Similarly you state that customers will be engaged in the home and business through audits and direct install measures as well as at the decision-making points during new constructions, correct?
- A. Yes. I am not sure if that's a direct quote in the testimony but, yes, that's reasonable.
 - Q. That's generally your understanding?
- A. Generally.
 - Q. Would all customers pay for this?
- A. This would be part of the overall increase. It is part of the overall portfolio that we are asking for.
 - Q. Thank you.
- EXAMINER SEE: Just a minute. Were you finished with your answer?
- MS. BOTSCHNER O'BRIEN: Oh, I'm sorry.
- A. There was a lot of information in those
 questions. So -- so, yes, this is part of the
 overall participation or the overall portfolio of
 what we are asking for. However, if you are talking

about the competitive market and comparing to the competitive market, Dominion has a relationship with these customers that Lowe's and Home Depot and such do not, so we can offer a comparison with their direct consumption. They know us as their energy provider, so we have kind of a different rapport with our customers than a Lowe's or Home Depot.

2.1

- Q. Okay. But all customers are paying for these.
 - A. All customers are paying and benefiting.
- Q. Okay. Dominion is -- is proposing to recover the costs of the expanded DSM programs, whatever the amount is, over 5.5 million of current costs reflected in base rates through the DSM rider, correct? You currently recover 5.5 million through base rates.
 - A. So any excess would be through the rider.
- Q. Thank you. So all consumers, including low income consumers, would be -- will be paying for whatever is over the 5.5 million, correct?
- A. That is correct. However, what I would say is that if you are referring to low income, and my experience with the customer service industry and being in that group before, our low income customers represent only about 4 percent. That's -- that's the

percentage that actually participate in the PIPP program or the Percentage of Income Payment Program. So 96 percent of our customers are considered non-low income and would benefit from these programs.

- Q. You state as part of program review, participating vendors will continue to report for each program the participation rates and spending levels as compared to the expected levels, correct? That will go on.
 - A. Yes, correct.

2.1

- Q. Does Dominion expect to end the program and charges if the program and charges have low participation?
- A. I think that that's a possibility, although I couldn't speculate without more details on that. We would either look to modify or potentially end if there is a change in market conditions that will allow us to move to another product. But I think that trying to speculate as to a definite would be very difficult at this point.
- Q. Under the current DSM/EE portfolio, you describe the Housewarming Program on page 3.
 - A. Is that direct?
 - O. That's correct, correct.
- 25 A. Thank you. Let me pull that up, please.

Okay.

- Q. Is the cost of this program paid for by all consumers?
- A. Aside from the large volume and -- the large volume and industrial customers, correct.
 - O. So residential consumers?
 - A. Correct, and nonresidential as well.
- Q. Okay. You describe the Home -- Home Performance with ENERGY STAR Program on page 4. You state that the audit identifies measures that can save energy and increase home comfort such as smart thermometers, pipe insulation, showerheads, and then the provider coordinates insulation with approved contractors. But -- but again, I think as you have testified, these are products that can be purchased through any home improvement store and Amazon, correct?
- MR. DeMONTE: I am going to object to this, Judge. I am not sure where you were reading from, but it's also multiple -- compound question.
- MS. BOTSCHNER O'BRIEN: Okay. I can break that down.
- MR. DeMONTE: Counsel, I'm sorry. Where were you reading that from?
- MS. BOTSCHNER O'BRIEN: I am not really

reading as much as referring. I'm on the top of page 4 of her direct testimony. I think she sees it. And she states that the audit identifies measures that can save energy, increase home comfort such as -- some of these examples are smart thermometers, pipe insulation, showerheads, and then the provider coordinates insulation with approved contractors. Do you see that?

A. I do see that.

2.1

- Q. Okay. But these products, I think you've testified earlier, they can be purchased through any home improvement store and Amazon, correct?
- A. I agree they can. However, in this program the auditor is actually installing the measures that -- that you mentioned here as he goes through the audit and can also install therm -- smart thermostat at a reduced cost too which helps customers to save energy going forward.
- Q. Turning to your supplemental testimony at page 2, you again discuss -- sort of highlights a lot of your direct testimony, how Dominion's application proposes to expand Dominion's DSM/EE programs, and you list various new programs?
 - A. I see the testimony on page 2.
 - Q. Okay.

- A. I'm sorry. I wasn't sure what the question was.
 - Q. I'm sorry. You list the various new programs on page 2.
 - A. Okay.
 - Q. Okay.
- A. Yes.

1

2

3

4

5

6

7

8

9

10

11

20

2.1

2.2

- Q. And how that is expanding Dominion's current DSM/EE programs. You explain how the programs will be funded by increases from year one to year five.
- 12 A. Okay.
- Q. Correct?
- 14 A. I see that on page 2, yes.
- Q. Okay. Do you know the bill impact to consumers of these increases?
- A. I believe that's in Ms. Hashlamoun's testimony. I don't have those just off the top of my head.
 - Q. Okay. Thank you. You state that at the bottom of page 2 that these are programs that are available to consumers of other utilities.
- A. I am aware that, yes, many of these
 programs are available through Columbia's program as
 well as CenterPoint's program.

- Q. Okay. But isn't it true these other programs do not receive automatic 3 percent increases?
 - A. I am just not aware of that, I'm sorry.
- Q. Thank you. Thank you. Still on page -let's turn to page 4 of your supplemental testimony.
 Here you indicate a general familiarity with state
 policy and RC 4929.02. Do you see that?

MS. BOTSCHNER O'BRIEN: We're on page 4 of her supplemental testimony.

MR. DeMONTE: Thank you, counsel.

A. Okay.

2.1

2.2

Q. Okay. Under your general understanding, again, of course, as a nonlawyer, alternative rate plans must be just and reasonable.

MR. DeMONTE: Your Honor, I am going to object. This -- the just and reasonable line of questioning has been asked and answered a couple times now.

MS. BOTSCHNER O'BRIEN: This is -- this is a different question.

EXAMINER SEE: Let me hear the question.

MS. BOTSCHNER O'BRIEN: Okay.

Q. (By Ms. Botschner O'Brien) Do you consider it just and reasonable to charge consumers

for programs that they do not necessarily want or need? Let me clarify. Because isn't it true that consumers can seek energy efficiency products in existing committed markets?

2.1

MR. DeMONTE: I am going to reobject just for the record, your Honor. Both of those questions have been asked in separate questions and combined previously, so I would object that it's been asked and answered.

EXAMINER SEE: Overruled. I don't think quite that question has been answered -- has been asked, I'm sorry.

A. So you asked about what customers want, and in relation to this, we believe and have heard that customers do want this. They are calling our customer service center to ask about how they can reduce their energy usage and manage their high bills, especially in today's time with inflation and really quite honestly volatile gas prices where when we put this application together, we were in the 3 to 4 dollar range, and I am going from memory there, and now we are upwards of 8 and 9 dollar gas, so I would disagree that customers — customers do want this.

Q. So -- so your understanding of what customers want and need is based on your experience

as a call center person?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

2.2

23

24

- A. My experience is both from the market research Mr. Herndon put forward as well as what I hear in our customer -- from our customer service center.
- Q. You describe the smart thermostats and their installation. Has there been any study as far as you know as to what savings the thermostats provide to consumers?

A. My --

- MR. DeMONTE: Counsel, are you referencing a particular testimony here? And if so, if you would please direct us to it.
- Q. (By Ms. Botschner O'Brien) I guess if she needs a reference, page 6 of your supplemental testimony.
- A. Supplemental, okay.
- MR. DeMONTE: Thank you, counsel.
- 19 MS. BOTSCHNER O'BRIEN: You're welcome.
- A. And you are asking about -- I'm sorry.
- 21 Could you restate that question?
 - Q. Sure. Has there been any study as to what savings the smart thermostats provide to consumers?
- 25 A. It is my understanding that

Mr. Herndon -- and this is the reason we went to
Mr. Herndon for his consulting advice -- has done
quite a bit of research on established programs such
as smart thermoses -- thermostats, excuse me, and how
much savings they can gain. So I would say yes. Do
I know that -- that research, no, but I am aware that
Mr. Herndon does.

2.1

Q. Would installing a -- to the best of your knowledge, would installing a smart thermostat increase savings if the home otherwise hasn't been weatherized?

MR. DeMONTE: Your Honor, I understand that counsel is exploring, but at this point I feel as if we are getting far afield from the direct testimony and the supplemental direct testimony of Ms. Hochstetler, so I would object that it is outside the scope of her direct and supplemental direct.

EXAMINER SEE: Go ahead.

MS. BOTSCHNER O'BRIEN: My response is she is referencing the smart thermostat and explaining they are a benefit, and I am just exploring her knowledge of the benefit.

EXAMINER SEE: And the witness can respond to the question as best she can.

THE WITNESS: Okay.

Again, for the expert advice I would Α. refer to Mr. Herndon, but my understanding is that the smart thermostats do decrease usage and increase awareness of the customer's usage.

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

18

19

20

2.1

22

23

24

25

to repeat?

Would you agree that the benefits of the Q. proposed DSM/EE programs such as improved reliability of gas heating appliances, you discuss those on page 7, do not help the nonparticipants of the program? ATTORNEY EXAMINER: I'm sorry. Could you

11 MS. BOTSCHNER O'BRIEN: Would you like me 12

EXAMINER SEE: Yes.

repeat that question for me, please?

- Ο. (By Ms. Botschner O'Brien) Would you agree -- I am on page 7 of her supplemental testimony. Would you agree that the benefits of the proposed DSM/EE programs such as improved reliability of gas heating appliances do not help nonparticipants of the program?
- We've referenced quite a few benefits, and some of those benefits are -- some of those benefits, such as the ones I suggested before, economic and environmental, actually do benefit all customers.
 - Q. Okay. So sort of in a broad general

- scope your testimony is they benefit kind of societally.
 - A. I would agree.

2

3

4

5

6

18

19

20

2.1

2.2

23

- Q. Thank you. On page 7 you discuss affordability of service as a significant issue for consumers.
- 7 A. I'm sorry. Where are we at? It's 8 bouncing a lot.
- 9 Q. Sure. Page 7 of your supplemental testimony.
- 11 A. Okay. And what line?
- Q. It looks like around 160, 162, around that area.
- 14 A. Okay. Thank you. Uh-huh.
- Q. If affordability is an issue, wouldn't you agree that charging consumers more harms affordability?
 - A. When -- in this -- in this statement what I was referring to really is around affordability of the gas service. And any time that you would reduce the usage would help to increase affordability.
 - Q. You refer also further on down that page to Dominion's sustainability goals. Shouldn't shareholders pay for those goals?
- A. I guess I'm not sure what you are asking

me here.

2.1

- Q. Dominion as a corporation, you've testified, has sustainability goals. That's on line 166 of your testimony on page 7. And you talk about those sustainability goals.
 - A. Right.
- Q. Wouldn't you agree that is the responsibility of shareholders?
- A. I can't agree with that broad statement.

 I think that overall sustainability goals are the responsibility of all -- all the -- all parties involved so whether -- there may be a responsibility on the customer's side. Reducing emissions and reducing usage is -- is definitely a customer side of this.

We have other ways that we are looking to reduce emissions and increase sustainability from a corporate perspective as well, but in this case, you know, we are talking about overall customer usage.

- Q. Okay. So you -- okay. You discuss on page 8 factors that increase customers' monthly expenses, middle of the page, and that directly impact customers' ability to pay their energy needs. Do you see that?
- 25 A. Yes.

- Q. So do you believe charging customers for energy efficiency will help at this time even when -- even for those who don't participate in the program?
- A. I would go back to my former statement.

 I mean, these programs have been proven to reduce overall customer bills and provide them that benefit.

 They are -- the benefit exceeds what the cost of these programs are.
 - O. But is --

2.1

- A. So I can't agree to that broad statement, no.
 - Q. Is it fair to charge consumers who meet their energy efficiency needs through the competitive market to pay for Dominion's energy efficiency program?
 - A. So if you bring up the competitive market again, I would have to talk about the Dominion's relationship with the customer bill. I cannot agree to that broad statement because there's a lot of benefit to be received from the educational portions of this program as well as other portions.
 - Q. You discuss the energy efficiency workshops on pages 9 to 10 of your supplemental testimony.
- A. Okay. I'm on page 9.

- Q. And you note on page -- top of page 10 that the workshops confirmed why the Commission has consistently supported voluntary cost effective natural gas DSM/EE programs. Do you see that?
- A. Can you just guide me to a line, what you are referring to here?
 - Q. Sure. The very top of page 10.
 - A. Okay. Okay.

2.1

- Q. Do you see that, the workshops confirmed why the Commission has consistently supported voluntary cost effective natural gas DSM/EE programs?
 - A. I see that sentence.
- Q. Okay. Thank you. Isn't the key word here voluntary -- let me explain. Dominion's program wouldn't be voluntary to consumers, would it?
- A. It is voluntary to participate in a -- in a program where you would receive one of the measures.
- Q. But it isn't voluntary to the consumers who are paying for it who doesn't participate.
- MR. DeMONTE: I am going to object and say asked and answered, or perhaps the set-up misconstrues or mischaracterizes the testimony that was just given.
- 25 EXAMINER SEE: Did you wish to respond?

55 1 MS. BOTSCHNER O'BRIEN: I am just 2 exploring her -- her understanding of the word of 3 voluntary --4 EXAMINER SEE: Okav. 5 MS. BOTSCHNER O'BRIEN: -- which she 6 testifies to. 7 EXAMINER SEE: The objection is 8 overruled. The witness can answer the question. 9 THE WITNESS: I'm sorry. 10 EXAMINER SEE: With any explanation you 11 believe necessary. 12 Could you repeat that question? Α. 13 Q. Okay. Regarding this part of your 14 testimony where you are saying the Commission 15 supported voluntary cost effective natural gas DSM/EE programs, Dominion's program wouldn't be voluntary to 16 17 consumers, would it? 18 The program is voluntary to participate Α. 19 in the measures. 20 Okay. But it wouldn't be voluntary for Ο. 2.1 the consumers who are paying for the program but are not participating in the program, correct? 22 23 So I would go back to some -- my Α. 24 statement from prior to where we would say -- I would

say that all customers pay into that rider with --

with the exception of the industrial and large volume customers. And then I would also then point to my -- my statement from before where I said that there's other benefits with environmental and economic, and I know I have stated that before but that they would receive, that all customers would receive.

- Q. Does the word voluntary sometimes align with the concept of choice?
 - A. I would say, yes, it could.

2.1

- Q. Wouldn't you agree you are taking from consumers their choice of what -- what is appropriate for their household because they are subsidizing the programs for all?
- A. I would tell you that these -- this portfolio program was created with the best possible knowledge that we have and market research that Mr. Herndon put forward to put together portfolio programs that benefit all customers.
- Q. Thank you. Turning to -- briefly to page 12 of your testimony, this is your -- again your supplemental direct.
- MR. KENNEDY: Your Honor, could we go off the record for a second?
- EXAMINER SEE: Supplemental or direct?

 MS. BOTSCHNER O'BRIEN: Supplemental.

```
1
                 EXAMINER SEE: Let's go --
 2
                 MR. KENNEDY: Can we go off the record
 3
     for a second?
                 EXAMINER SEE: Sure. Let's go off the
 4
 5
     record.
                 (Discussion off the record.)
 6
 7
                 EXAMINER SEE: Let's go back on the
 8
     record.
9
                 Do you recall the question?
10
                (By Ms. Botschner O'Brien) Okay.
            Q.
11
                 THE WITNESS: Sorry, no.
12
                 EXAMINER SEE: Karen, could you read the
13
     question back, please.
                 (Record read.)
14
15
                 EXAMINER SEE: Ms. O'Brien, could you
16
     restate the question? We made it to page 12 of her
17
     supplemental testimony, I believe.
18
                 (By Ms. Botschner O'Brien) Okay. You
            Q.
     state that OCC mentions without proof that energy
19
20
     efficiencies measures are available to customers in
2.1
     the competitive market. Do you see that?
2.2
            Α.
                 I do see the statement.
23
                Are you aware of the PUCO Energy Choice
            Q.
24
     website?
25
            A. I am familiar with the Energy Choice
```

website.

2.1

- Q. Okay. And we have already established your general awareness that Amazon and home improvement stores offer energy efficiency products, correct?
 - A. They do.
- Q. You've testified that there is no reason for the PUCO to delay review on Dominion's application. And that would be on page 14 of your supplemental testimony.
 - A. Okay.
- Q. Wouldn't you agree that a reason for careful consideration and review of Dominion's application is merited because consumers are suffering financial hardships with COVID and the current rate of inflation?
- A. No. I would completely disagree with that. I would say that that's even more reason that we should consider moving these programs forward, and again, especially with the gas prices being so volatile right now. Going into the winter we are looking at 8 and 9 dollar gas, and if we can implement programs that help educate customers and help support customers to reduce their usage, I think is very important.

1 Q. So you are -- you are asking that --2 scratch that. 3 On page 10 you further state that under the existing regulatory framework, the PUCO -- I 4 5 think I might be back to your direct testimony. 6 Did you say page 10? Α. Yes. No, this is still on your 7 Ο. supplemental testimony. Actually it is the sentence 8 right after "The Commission has consistently 9 10 supported voluntary cost effective natural gas 11 programs." 12 Can you just point me to the line, Α. 13 please? 14 Sure. The next sentence, "The existing Ο. 15 regulatory framework." 16 What number do we have there? I'm sorry. Α. 17 We just flipped back and forth a lot. What number, 18 what line number are you looking at?

Q. We are still -- okay. Page -ATTORNEY EXAMINER: Let's go off the record for a minute.

(Discussion off the record.)

EXAMINER SEE: Let's go back on the

24 record.

19

20

2.1

22

23

25

Q. (By Ms. Botschner O'Brien) On page -- I'm

sorry. Do not mean to be shouting but the microphone died.

- A. No, that's fine.
- Q. You discuss under the existing regulatory framework the Commission can review the design and projected benefits of utility proposals before costs are incurred and recovered.
 - A. Okay.

2.

2.1

- Q. Do you see that?
- A. I do see that.
- Q. Okay. But this will not be the case under Dominion's expanded energy efficiency program proposals, correct? Let me clarify because you seem to be hesitating. If Dominion's application is granted and the utility is authorized an annual 3 percent annual increase, there is no provision for the sort of prudence review that is -- that appears to be reflected in that sentence about the existing regulatory framework.
 - A. Well, what --
- MR. DeMONTE: Object -- I'm sorry,

 Ms. Hochstetler. I know I have made the objection

 calls for a legal conclusion but that literally asked

 if -- as I understood the question, what the prudence

 review would be and what the Commission's regulatory

framework would be so I would just reobject on those grounds.

2.1

EXAMINER SEE: Noted and overruled. You can answer the question as best you can.

- A. Okay. And I am not a lawyer, but I certainly understand that the current rider is reviewed annually, and the proposed programs in this are, I believe, being, you know, reviewed as we speak, so we -- you know, we are in that process of reviewing them now.
- Q. You state that "The annual automatic 3 percent increase in total budgeted DSM/EE spending after year five is reasonable." If the spending is reasonable, then shouldn't the PUCO determine that annually in -- in advance of the spending?
- A. So what I would say to that is that, you know, the 3 percent, the intent of it -- again, I know I stated this before -- but to account for inflation and not eat away at our programs and not delay getting cost savings measures to our customers. So that's really the intent. It is a cap. It's not a definite spend. It's a cap.

MS. BOTSCHNER O'BRIEN: Thank you. I believe this is all I have for this witness, but can you just give me literally 2 minutes?

62 1 EXAMINER SEE: Certainly. 2 MS. BOTSCHNER O'BRIEN: Thank you. 3 That's all I have for this witness. Thank you. 4 5 EXAMINER SEE: Thank you. 6 Any cross-examination for this witness by 7 Staff? 8 MR. EUBANKS: No, your Honor. 9 EXAMINER SEE: Any redirect, Mr. DeMonte? 10 MR. KENNEDY: May we take a 1- to 2-minute recess to confer? 11 12 EXAMINER SEE: Yes, you can. 13 MR. KENNEDY: Thank you. 14 MR. DeMONTE: Thank you, Judge. 15 EXAMINER SEE: But before we go off the 16 record, would additional time allow you to address 17 the issue raised by Mr. Finnigan? 18 MR. KENNEDY: I think we'll deal with this and then deal with --19 20 EXAMINER SEE: You will need another --2.1 MR. KENNEDY: I don't think we will deal

22

23

24

25

a different break.

with this issue right now. I think we will do it at

EXAMINER SEE: Okay. Then let's take a

63 1 (Recess taken.) 2 EXAMINER SEE: Let's go back on the 3 record. 4 Mr. DeMonte. 5 MR. DeMONTE: The Company has no 6 redirect. Thank you. 7 EXAMINER SEE: Okay. And the Company had already moved for the admission of Ms. Hochstetler's 8 9 direct and supplemental testimony, Exhibits Dominion 10 1.0 and 4.0, as well as previously requested 11 admission of Dominion Exhibit 6 and Dominion 12 Exhibit 7. Are there any objections to the admission 13 of those exhibits? 14 Hearing none, Dominion Exhibits 6, 7, 1, and 4 are admitted into the record. 15 16 (EXHIBITS ADMITTED INTO EVIDENCE.) 17 EXAMINER SEE: You may step down. 18 MR. DeMONTE: Thank you, Judge. 19 EXAMINER SEE: Let's go off the record. 20 (Discussion off the record.) 2.1 EXAMINER SEE: Let's go back on the 2.2 record. 23 Does that conclude the Company's 24 presentation of its case? 25 MR. KENNEDY: It does, your Honor.

1 EXAMINER SEE: And --2 MR. KENNEDY: Your Honor, we just want to 3 clarify, you previously admitted the other exhibits we passed around earlier. 4 5 EXAMINER SEE: Yes. I see the court 6 reporter shaking her head. I look to her to confirm, 7 but I thought I had already admitted the testimony and supplemental testimony of Mr. Herndon as well as 8 9 the testimony of Ms. Hashlamoun. 10 MR. KENNEDY: Thank you, your Honor. 11 EXAMINER SEE: Okay. We have two more 12 witnesses. Let's see if we can grind through before 13 we take a break. 14 Ms. O'Brien, your witness. 15 MS. BOTSCHNER O'BRIEN: I'm sorry? 16 EXAMINER SEE: Do you have a witness? 17 MS. BOTSCHNER O'BRIEN: We do. 18 EXAMINER SEE: Okay. Are you calling 19 your witness? 20 MS. BOTSCHNER O'BRIEN: Yes, we can 2.1 call --2.2 MS. WILSON: For cross? 23 EXAMINER SEE: Let's go off the record. 24 (Discussion off the record.)

EXAMINER SEE: Let's go back on the

65 record. 1 Ms. Wilson, your witness. 2 3 MS. WILSON: OCC would call Ms. DuPree to the stand. 4 5 EXAMINER SEE: Let's go off the record. (Discussion off the record.) 6 7 EXAMINER SEE: Let's go back on the 8 record. 9 Ms. Wilson, you may call your witness. 10 MS. WILSON: OCC would call Ms. Colleen 11 Shutrump to the stand, please. 12 EXAMINER SEE: Thank you. 13 Ms. Shutrump, would you raise your right 14 hand. 15 (Witness sworn.) 16 EXAMINER SEE: Thank you. Have a seat. 17 Ms. Wilson. 18 MS. WILSON: Yes. 19 20 COLLEEN SHUTRUMP 2.1 being first duly sworn, as prescribed by law, was 22 examined and testified as follows: 23 DIRECT EXAMINATION 24 By Ms. Wilson: 25 Q. Good morning, Ms. Shutrump.

- A. Good morning.
- Q. Do you have with you the direct testimony of Colleen Shutrump --
 - A. Yes.
 - Q. -- marked as OCC Exhibit 1?
- A. Yes.

1

2

3

4

5

9

10

11

17

18

7 ATTORNEY EXAMINER: The exhibit is so 8 marked.

(EXHIBIT MARKED FOR IDENTIFICATION.)

- Q. And is this, in fact, your -- was this testimony prepared by you or at your direction?
- 12 A. Yes.
- Q. If I were to ask you the same questions today that are asked in your testimony, would your answers remain the same?
- 16 A. Yes. I do have corrections to make.
 - Q. Okay. Please go through your corrections.
- A. So I have two clarifications. On page 6
 of my testimony at line 1, instead of "92 million,"
 it should be "45 million."
- And on page 8, the footnote, footnote

 No. 13, between the word "completed" and "during," it

 should say "audits," "completed audits during."
- 25 | That's it.

67 1 MS. WILSON: Thank you. 2 Ms. Shutrump is available for cross. 3 EXAMINER SEE: Okay. Any questions -any cross-examination for this witness by Ms. Weber? 4 5 MS. WEBER: Oh, okay. I guess I can go 6 first. Very briefly. 7 8 CROSS-EXAMINATION 9 By Ms. Weber: 10 Q. Good morning, Ms. Shutrump. 11 Good morning. Α. 12 I'm Janean Weber. I represent ELPC. Q. 13 you could turn to page 4 of your testimony and let me 14 know when you are there. 15 Α. I'm there. 16 All right. On page 4, lines 8 through 11 Ο. 17 of your testimony, you cite an ENERGY STAR 2021 fact 18 sheet. Are you there? 19 Line 11 where it says "ENERGY STAR"? Α. 20 Q. That's right. 2.1 Α. Yes. 22 Q. I think the sentence begins on page -- on line 9. 23

Uh-huh.

Α.

Q.

24

25

It reads "The competitive market for

energy efficiency products and services has provided consumers with 300 million ENERGY STAR certified products in 2020." Do you see that there?

A. Yes.

2.1

- Q. And then there's a footnote that references CLS-1 which is an ENERGY STAR Fact Sheet.
 - A. Yes.
- Q. You would define competitive market in this sentence as independently of utility energy efficient rebates?
 - A. Repeat that, please.
- Q. Sure. You would define competitive market in this context, the sentence that I just read, as independently of utility energy efficient -- energy efficiency programs or rebates, correct?
- A. I would define a competitive market by virtue of many, many producers of energy efficiency products, many, many sellers which would be the retailers and willing consumers who are in demand of these products.
- Q. Thank you. I guess if I go on past the sentence that I read, your testimony further defines that "It is not necessary to have utility programs that offer discounts (rebates) on products," and then it goes on. So I would assume that, and you can

correct me if I am wrong, that you meant competitive market to exclude utility company energy efficiency rebates; is that correct?

- A. That is correct.
- Q. If I refer to the ENERGY STAR 2021 Fact Sheet which is referenced in the sentence lines 9 through 11, let me know when you are there.

8 MS. WILSON: I'm sorry. What page was 9 that?

MS. WEBER: It's CLS-1, Exhibit CLS-1.

It's page 1 of 3. It should just be the first page
of that exhibit.

- A. Yes, I'm there.
- Q. About halfway down the page under the heading "ENERGY STAR Products," I find that "300 million ENERGY STAR certified products in 2020" reference. Is that what you are referencing in footnote 6?
- A. Yes.

2.1

Q. And you would agree that in this sentence are -- in this paragraph this printout does not differentiate between those products that were sold to customers in the competitive market versus those products that were sold to customers as a result of utility program rebates, correct?

- A. Repeat the question, please. I'm sorry.

 Q. In this ENERGY STAR handout, the
- paragraph that I was just referencing, the
 300 million, there is no breakout of how much of that
 300 million products that were sold in 2021 were done
 as a result of the competitive market versus a result
 of customers taking advantage of utility program
 rebates; is that correct?
- 9 A. Yes, that's correct.
- 10 MS. WEBER: That's all I have.
- 11 EXAMINER SEE: Mr. Dove?
- MR. DOVE: No questions, your Honor.
- 13 EXAMINER SEE: Mr. Nugent?
- MR. NUGENT: No questions, your Honor.
- 15 EXAMINER SEE: Staff have any questions
- 16 | for this witness?

1

2

3

4

5

6

7

- MR. EUBANKS: No questions, your Honor.
- 18 EXAMINER SEE: And who will be doing
- 19 cross-examination of this witness?
- MR. KENNEDY: My colleague, Mr. DeMonte.
- 21 | - -
- 22 CROSS-EXAMINATION
- 23 | By Mr. DeMonte:
- Q. Good morning, Ms. Shutrump.
- A. Good morning.

- Q. I am going to continue questioning you on the page of the ENERGY STAR that you were just referencing with counsel for ELPC. It's CLS-1, page 1?
 - A. I'm there.
- Q. Thank you. And counsel had asked you questions about the 300 million ENERGY STAR certified products in 2020. You recall that line of questioning?
 - A. Yes.
- Q. And this 300 million number is a national number, correct?
 - A. Correct.
 - O. It does not differentiate between states?
 - A. No.

2.1

- Q. Certainly doesn't differentiate between service territories in Ohio, correct?
 - A. No. I would add though that the ENERGY STAR website does narrow that question down by zip code. So, for example, if I was interested in purchasing a high efficiency gas heater, I can put in my zip code if I lived in the Youngstown area, for example, and the website would return the number of products available to the consumer, the number of installers in that area, as well as the number of

retailers selling that product.

2.1

- Q. All the information you just provided is not provided in this paragraph we were talking about though, correct?
 - A. Correct.
- Q. Thanks. On the next page, 2 of 3, CSL page 2 of 3, talks about utilities and local governments rely on ENERGY STAR. Do you see that?
 - A. Yes.
- Q. So ENERGY STAR acknowledges and recognizes that utility programs are a critical component of delivering of these measures, right?
- A. Yes. I would add though that -- that is referring to primarily electric programs and programs that are under an energy efficiency resource standard. I don't think that utility would be a critical part if they did not receive cost recovery, timely cost recovery, dollar-for-dollar cost recovery, assured savings, lost revenues. I think if they did not receive those things, they probably would not be a critical component of ENERGY STAR.
- Q. Thanks. Just to clarify, the 300 million number, that includes electric ENERGY STAR certified products as well, right?
- A. Electric?

73

- Q. Yeah.
- 2 A. Yes.

1

3

4

5

6

- Q. Thanks. If I can refer you to page 8 of your testimony, lines 2 through 4, and specifically footnote 14. And I believe this is the footnote you just made a correction to?
- 7 A. No.
 - Q. It wasn't. Okay.
- 9 A. No.
- Q. You reference audits in this footnote?

 Do you see that?
- 12 A. Yes.
- Q. And the home audit is a measure in the
 Company's proposed home performance with the ENERGY
 STAR program, correct?
- 16 A. Yes.
- Q. I believe you talked about in your question 3 on page 2, if I can draw your attention there, lines 7 through 8.
- 20 A. I'm sorry, page 3?
- Q. Question 3 on page 2.
- 22 A. Oh.
- Q. Lines 7 through 8. Let me know when you are there.
- 25 A. Page 2 of my testimony?

74

- Q. Yes, ma'am.
- A. Okay. Yes, I'm there.
- Q. I should be clear. Sorry about that. Of your testimony, that's right. There's a -- you talk about advocating for customer options to reduce their energy use and save money on the utility bills?
 - A. Yes.
- Q. You would agree reducing consumer energy use and saving money on their bills is a good thing, right?
- 11 A. Yes.

1

2

3

4

5

6

7

8

9

10

12

13

14

15

17

- Q. And if Dominion's programs did, in fact, provide opportunities to reduce consumer energy use and saving money on their bills, that would also be a good thing.
- 16 A. That would also be what?
 - Q. A good thing.
 - A. Yes --
- 19 Q. Okay.
- 20 A. -- for participants.
- Q. On question 6, page 5.
- 22 A. Yes.
- Q. And leading on to page 6, you talk

 about -- and the sentence begins on page 5 but it

 continues on to page 6 where consumers -- you have a

25 energy efficiency is a good thing and can benefit

24

Ο.

Ms. Shutrump, isn't it true that although

- 1 consumers, it only benefits consumers that 2 participate in these programs?
- 3 MR. DeMONTE: I am going to object,
- 4 Judge. That's a leading question on redirect.
- 5 EXAMINER SEE: I'm sorry. Say that
- 6 again, Mr. DeMonte.
- 7 MR. DeMONTE: I would object to the form
- 8 of the question. That's a leading question on
- 9 redirect.
- 10 EXAMINER SEE: Did you wish to respond,
- 11 Ms. Wilson?
- MS. WILSON: Can I rephrase the question?
- 13 EXAMINER SEE: You certainly may.
- Q. (By Ms. Wilson) Is it your opinion that
- not all consumers benefit from energy efficiency even
- 16 | though they pay for it?
- 17 A. So if you are referencing utility
- 18 | programs --
- 19 O. Yes.
- 20 A. -- I would agree that not all consumers
- 21 | benefit from the programs. All consumers pay for the
- 22 programs but not all consumers benefit. Participants
- 23 do benefit. Nonparticipants do not benefit.
- MS. WILSON: Thank you. Nothing further,
- 25 your Honor.

EXAMINER SEE: And the Bench doesn't have 1 2 any questions for this witness. 3 MS. WILSON: Your Honor, is now appropriate to move for admission of OCC Exhibit 1? 4 5 EXAMINER SEE: Yes, you may. MS. WILSON: OCC requests that OCC 6 7 Exhibit 1 be admitted into the record. EXAMINER SEE: Are there any objections 8 to the admission of OCC Exhibit 1 -- OCC Exhibit 1? 9 10 Hearing none, OCC Exhibit 1 is admitted 11 into the record. 12 (EXHIBIT ADMITTED INTO EVIDENCE.) 13 MS. WILSON: Thank you, your Honor. 14 EXAMINER SEE: And the witness may step 15 down. 16 THE WITNESS: Okay. Thank you. 17 EXAMINER SEE: Let's go to the next 18 witness. Who is -- counsel for Staff. 19 MR. EUBANKS: Robert Eubanks. 20 EXAMINER SEE: Mr. Eubanks, you can call 2.1 your next witness. 22 MR. EUBANKS: Yes, your Honor. I would like to call to the stand Kristin DuPree. 23 24 EXAMINER SEE: Ms. DuPree. 25 Ms. DuPree, if you could raise your right

78 hand. 1 2 (Witness sworn.) 3 EXAMINER SEE: Thank you. Mr. Eubanks. 4 5 6 KRISTIN Dupree 7 being first duly sworn, as prescribed by law, was examined and testified as follows: 8 9 DIRECT EXAMINATION 10 By Mr. Eubanks: 11 Q. Could you please state and spell your 12 name for the record. 13 Α. My name is Kristin DuPree, and last name is spelled D-U-P-R-E-E. 14 15 Q. And did you file testimony in this 16 matter? 17 I did. Α. 18 Q. Do you have it before you? I do. 19 Α. 20 Q. Is that the same testimony that was 2.1 docketed with the Commission on August 19, 20 --22 EXAMINER SEE: Mr. Eubanks, you are going 23 to need to speak up, please. 24 (By Mr. Eubanks) Is that the same Ο. 25 testimony that was docketed with the Commission on

79 August 19, 2022? 1 2 Α. Yes, it is. 3 Q. Was it prepared by you? Α. Yes, it was. 4 5 Q. Is it a true and accurate copy? 6 Α. Yes. 7 Do you have any corrections that you Q. would like to make to your testimony? 8 9 Α. Not at this time. 10 Q. If I were to ask you the same questions 11 that you can find in your testimony, would you 12 provide the same answers? 13 Α. Yes, I would. 14 MR. EUBANKS: I would like to have 15 Staff's testimony marked as Staff's Exhibit 1. 16 EXAMINER SEE: The exhibit is so marked. 17 (EXHIBIT MARKED FOR IDENTIFICATION.) 18 (By Mr. Eubanks) Do you also have before Q. 19 you the Staff Report? 20 Α. Yes. 2.1 Q. Are you familiar with the Staff Report? 2.2 Α. Yes. How -- I'm sorry. How are you familiar 23 Q.

with the Staff Report?

Α.

24

25

How am I familiar with it?

80 1 Q. Yes. 2 I filed it on the docket --Α. 3 Q. Okay. -- for Staff. 4 Α. 5 Q. And is the Staff Report that's before you 6 the same one that was docketed on March 29, 2022? 7 Α. Yes. 8 Q. Is it a true and accurate copy? 9 Α. Yes. MR. EUBANKS: I would like to have marked 10 11 as Staff's Exhibit 2 the Staff Report. 12 EXAMINER SEE: The exhibit is so marked. 13 (EXHIBIT MARKED FOR IDENTIFICATION.) 14 MR. EUBANKS: I would like to ask that both Staff's Exhibit 1 and Staff's Exhibit 2 be moved 15 into evidence, subject to cross-examination. 16 17 With that I offer the witness for cross. 18 EXAMINER SEE: Okay. Ms. Weber? 19 MS. WEBER: No cross from me. 20 EXAMINER SEE: Mr. Dove? 21 MR. DOVE: No cross, your Honor. 2.2 EXAMINER SEE: Mr. Nugent? 23 MR. NUGENT: No questions, your Honor.

MS. WILSON: Yes, your Honor.

EXAMINER SEE: OCC?

24

81 1 EXAMINER SEE: Go ahead. 2 3 CROSS-EXAMINATION By Ms. Wilson: 4 5 Q. Good morning, Ms. DuPree. 6 Α. Good morning. 7 Are you familiar with the concept of Q. gradualism in rate setting? 8 9 Α. No. 10 Would you agree, subject to check, that Q. 11 this concept means that changes in consumer rates 12 should occur gradually over time instead of sudden 13 large increases? MR. EUBANKS: Objection, your Honor. 14 15 question is asked and answered, no foundation. 16 witness isn't familiar with the term. 17 EXAMINER SEE: Did you want to respond, 18 Ms. Wilson? 19 MS. WILSON: No. Strike that question. 20 Q. (By Ms. Wilson) Do you agree that 2.1 Dominion proposes to increase EE/DSM spending from 22 9.5 million currently to 14.6 million in year one and ramping up to 20.4 million annually by year five of 23

24

25

the program?

that's what is in the application.

- Q. And do you agree, subject to check, that this represents an increase of approximately 115 percent by year five?
 - A. I have not done that calculation.
 - Q. Subject to check.
 - A. Sure.

1

2

3

4

5

6

7

8

9

EXAMINER SEE: I'm sorry. You are going to need to speak up.

10 THE WITNESS: I'll scoot up.

- Q. Would you agree that, subject to check, a rate increase of 115 percent could result in rate shock for consumers?
- A. I don't know that I have an opinion on that.
- Q. If your bill personally increased by 115 percent, would you have objections to that?

MR. EUBANKS: Objection, irrelevant.

19 It's a Staff witness. It's not a consumer or a 20 public person testifying.

MS. WILSON: Your Honor, this increase applies to any consumers, whether they are on Staff or not.

MR. EUBANKS: I guess my objection, your

Honor, the scope of the testimony is a recommendation

```
by the Staff. It's not a recommendation by her
 1
 2
     personally.
 3
                 EXAMINER SEE: And on that ground the
     objection is sustained -- the objection is sustained.
 4
 5
            Q.
                 (By Ms. Wilson) Ms. DuPree, would you
 6
     agree that a large rate increase can be viewed as
 7
     harmful to consumers?
                 MR. EUBANKS: Objection, outside the
 8
 9
     scope of the testimony provided by Staff.
10
                 EXAMINER SEE: Did you wish to respond?
                 MS. WILSON: Yeah. You introduced the
11
12
     Staff Report as well so that information is in the
13
     Staff Report.
14
                 EXAMINER SEE: Let me hear the question
15
     again, Karen.
16
                 (Record read.)
17
                 MR. EUBANKS: Can I respond -- I'm sorry.
18
                 EXAMINER SEE: Go ahead.
19
                 MR. EUBANKS: Staff's Staff Report
20
     consists of a summary of the application in the
2.1
     initial pages and a recommendation by Staff at the
2.2
     end. This is outside the scope of the Staff Report
23
     as well.
```

EXAMINER SEE: The objection is

24

25

sustained.

- Q. (By Ms. Wilson) Would you agree that as a Staff member, to your knowledge the PUCO typically does not permit increases without a review of spending or an annual prudence audit?
- A. Can you repeat the question?

 MS. WILSON: Karen, can you read that back, please.

(Record read.)

- A. I think typically that is a correct statement.
- Q. Ms. DuPree, did you review Dominion's application proposal for their increases?
 - A. Yes.

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

18

19

20

2.1

22

23

- Q. So you're aware that Dominion is proposing an automatic 3 percent increase every year after year five; is that correct?
 - A. Yes.
- Q. And would you also agree that there's no end date to the 3 percent increase proposed?
 - A. Yes.
- Q. And would you agree if the PUCO would approve this application, it would eliminate any Staff or PUCO review and approval of Dominion's spending after year five?
- 25 A. I think that the annual audits would

continue, if that's what you are referring to.

- Q. Yes. But -- but if the 3 percent increase, automatic increase, were approved, the audit wouldn't necessarily stop the 3 percent increase from continuing, would it?
 - A. Correct.
- Q. You stated a minute ago that you had reviewed Dominion's application and testimony. Are you aware of the rationale given in Ms. Hochstetler's supplemental testimony on the need for the annual 3 percent increase?
- A. I reviewed it, but it's been a while. I don't recall.
 - Q. Would you agree that the program cost increases accounting for inflation, changes in market conditions or technology, changes to consumer preferences, changes to industry standards or regulation, and any unforeseen occurrences that could impact the cost of programs being offered --

MR. EUBANKS: Objection.

- Q. -- according to the application and testimony?
- 23 EXAMINER SEE: Wait just a minute.
- 24 First, let me hear -- reread the question back to me,

25 | Karen.

2.1

(Record read.)

2.1

2.2

EXAMINER SEE: And you had an objection,

Mr. Eubanks?

MR. EUBANKS: Yes. It's outside the scope of the testimony, outside the scope of the Staff Report, in addition to being compound.

MS. WILSON: Your Honor, Staff already stated she had reviewed the application and testimony, so she should be familiar with what it contained and she based her opinions on.

EXAMINER SEE: The objection is sustained. The objection is sustained.

MS. WILSON: Thank you, your Honor.

Q. (By Ms. Wilson) Would you agree that generally Dominion listed a number of reasons that could impact the cost of the programs being proposed in this application in your opinion?

MR. EUBANKS: Objection to the extent it calls for speculation but seems to be a factual question, so if she knows, I don't have a problem. She said in her opinion, so I'm not sure.

EXAMINER SEE: Ms. DuPree, you can answer the question with any caveat you believe necessary.

A. So the Staff Report contained -- I'm sorry. The application contains multiple additions

to programs that would affect the price of the overall costs. I am not sure if that answers your question.

1

2

3

4

5

6

7

8

9

14

15

16

17

18

19

20

2.1

22

23

24

25

Q. It does. Thank you. And would you agree that these -- these costs, subject to check, could also lead to program costs decreases as well?

MR. EUBANKS: Objection, outside the scope of the testimony of Staff and outside the scope of the Staff Report.

EXAMINER SEE: Do you want to respond,

Ms. Wilson?

MS. WILSON: Can I rephrase, your Honor, please?

EXAMINER SEE: Yes.

Q. (By Ms. Wilson) Wouldn't you agree that program costs could either increase or decrease over the next five years?

MR. EUBANKS: Objection under the same grounds.

EXAMINER SEE: Objection denied.

Answer the question, Ms. DuPree.

A. I'm sorry. Can you just restate the question one more time?

MS. WILSON: Karen, could you read it back, please.

(Record read.)

2.1

- A. I think typically the programs are set up for a budget in the Columbia -- I'm sorry, in the Dominion application. The budget is laid out for the following five years. Yes, costs could vary within those five years.
- Q. And would you agree if those costs declined, then an automatic 3 percent increase would be inappropriate?

MR. EUBANKS: Objection, outside the scope of the Staff Report and Staff testimony.

MS. WILSON: It's a follow-up to the question she just answered, your Honor.

MR. EUBANKS: It is a follow-up but.

EXAMINER SEE: I will allow it.

Objection overruled.

- A. Can you please restate the question?

 (Record read.)
- A. I think according to Staff's review of the application and the testimony that was filed, we don't have an opinion on the 3 percent cost increase and are looking to the Commission to provide guidance on what they feel is appropriate.
- Q. Ms. DuPree, isn't it true at that time
 Staff provides typically recommendations to the -- to

the Commission to assist in their decision and not the other way around?

2.1

- A. I think that Staff did provide their recommendations to the Commission.
- Q. And to be clear that recommendation is Staff has no opinion?
- A. Partially, yes. In my testimony we clarify that the Staff supports the ongoing programs that Dominion has been running that were approved previously and did not have an opinion on the addition of the programs and increase in budget.
- Q. So in regards to the time period after the initial five years when the 3 percent automatic increase would take effect, wouldn't you agree that it's too speculative today to decide if an increase is needed and is just and reasonable?

MR. EUBANKS: Objection, outside the scope of the Staff Report and the Staff testimony and asked and answered.

MS. WILSON: I am asking for the opinion of the PUCO Staff member that frequently reviews these types of applications and is familiar with the just and reasonable standard, or should be.

MR. EUBANKS: The witness is offered in support of the Staff Report and in support of her

- 1 testimony, not offered as for her own personal
 2 opinions.
 3 EXAMINER SEE: Read the question back to
- EXAMINER SEE: Read the question back to me, please, Karen.
- 5 (Record read.)
- 6 EXAMINER SEE: I am going to allow the 7 witness to answer the question.
 - A. I think --
 - MR. DOVE: Your Honor, may I object on other grounds?
- 11 EXAMINER SEE: Let's hear it.
- MR. DOVE: The question whether it is just or reasonable is a legal conclusion.
- 14 EXAMINER SEE: And I recognize that --
- THE WITNESS: No, ma'am, I am not an
- 16 attorney.

8

9

- 17 EXAMINER SEE: Ms. DuPree, you are not an
- 18 attorney, are you? Okay. Recognizing that
- 19 Ms. DuPree is not an attorney, she can answer the
- 20 question to the best of her ability.
- 21 A. Can you please repeat the question?
 22 (Record read.)
- A. So as part of our review and our Staff
 Report, we recognized -- or we recommended that the
 existing programs fit under what we consider just and

reasonable. And again, not being an attorney, we looked to the Commission to provide guidance on whether that increase in rates in programs is just and reasonable.

- Q. So just to confirm, Staff doesn't have an opinion?
 - A. That's correct.

2.1

Q. Thank you. And would you agree generally that consumers are currently suffering financially from the effect of the ongoing COVID pandemic?

MR. KENNEDY: Objection. I mean, that's outside the scope of her testimony.

MS. WILSON: Just based on her personal knowledge.

EXAMINER SEE: Sustained.

- Q. (By Ms. Wilson) Would you agree that one of the programs Dominion is proposing is a home energy audit?
 - A. Yes.
- Q. And would you agree, subject to check, that this audit includes a home inspection and installation of high efficiency showerheads, faucet aerators, and water heater pipe wrap?
- A. I'm not familiar off the top of my head what exactly it consists of, but in general that

sounds appropriate.

2.1

2.2

Q. Assuming that the application includes those items as part of the home inspection, subject to check, would you agree that consumers can obtain all of these products and services from competitive businesses such as Lowe's, Home Depot, and Amazon or the like at or near the same cost?

MR. KENNEDY: Objection, outside the scope of her testimony and Staff Report. I don't believe she testified on competitive market.

EXAMINER SEE: Did you want to respond,
Ms. Wilson?

MS. WILSON: Your Honor, it goes to the point of whether the costs for these programs are reasonable or not.

EXAMINER SEE: Sustained.

Q. (By Ms. Wilson) Would you agree that consumers who do not obtain a home energy audit subsidizes the consumers who do receive one?

MR. KENNEDY: Objection.

MR. EUBANKS: Objection.

MR. KENNEDY: Go ahead, Robert.

MR. EUBANKS: It's the same objection I have been raising all day, but objection, outside the scope of the Staff testimony. Objection, outside of

the scope of the Staff Report.

2.1

EXAMINER SEE: And you had an objection in addition to that, Mr. Kennedy?

MR. KENNEDY: No. Robert succinctly stated what my objection would have been.

MS. WILSON: Your Honor, the witness reviewed the application and testimony, so the answer should be within the scope of her knowledge.

MR. KENNEDY: I guess I would say to that that there's a lot of stuff within the scope of her knowledge; but, I mean, she came here to testify on certain things that are within the report and the testimony and that's what the scope of cross should be limited to. I apologize, Robert, for saying.

MR. EUBANKS: Just repeating what I have been saying so.

EXAMINER SEE: Sustained.

- Q. (By Ms. Wilson) Ms. DuPree, are you familiar with Ohio's energy policy as a layperson, not an attorney?
 - A. What energy policy are you referring to?
- Q. The energy policy that states rate design should not include subsidies from one group of consumers to another.
- 25 A. I am not familiar with what you are

referring to.

2.1

Q. Okay. To put it another way, would you agree that a generally accepted principle of rate making is cost causation, meaning consumers who cause a utility cost should be the ones that pay for it?

MR. EUBANKS: Objection, outside the scope of Staff testimony and outside of the scope of the Staff Report.

MR. KENNEDY: And I would add foundation on what this witness is here to testify today.

EXAMINER SEE: Any response?

MS. WILSON: Ms. DuPree has been a Staff member performing these reviews for quite a while, so it should be in her general knowledge to give an opinion on this.

MR. KENNEDY: I mean, I am sure she has a long history at this Commission and there is many things that I could ask her questions about today but that's not why we are here. We are here to ask you questions about what she's testifying to.

EXAMINER SEE: Let me hear the question again, Karen.

(Record read.)

EXAMINER SEE: Sustained.

MS. WILSON: I have no further questions,

```
95
 1
     your Honor.
 2
                 EXAMINER SEE: Dominion?
 3
                 MR. KENNEDY: Dominion has no questions
     for -- after further conferring, I have confirmed
 4
 5
     that Dominion has no questions for this witness.
 6
                 EXAMINER SEE: Any redirect, Mr. Eubanks?
 7
                 MR. EUBANKS: No, your Honor.
                 EXAMINER SEE: Okay. And the Bench
 8
     doesn't have any questions for this witness.
9
10
                 MR. KENNEDY: Your Honor, we did have one
     matter to bring up regarding the oral Stipulation of
11
12
     Fact.
13
                 EXAMINER SEE: Can we finish this
14
     witness?
15
                 MR. KENNEDY: Oh, sure. I apologize.
16
                 EXAMINER SEE: Mr. Eubanks has already
17
    moved for the admission of Staff Exhibit 1 and Staff
18
     Exhibit 2. Are there any objections?
19
                 Hearing none, Staff Exhibit 1 and Staff
20
     Exhibit 2 are admitted into the record.
2.1
                 (EXHIBITS ADMITTED INTO EVIDENCE.)
22
                 EXAMINER SEE: And the witness may step
23
     down.
24
                 Now, Mr. Kennedy.
25
                 MR. KENNEDY: Thank you, your Honor.
```

```
Sorry for jumping the gun. Counsel for OCC and myself conferred during the break and there's -- my understanding is we have no amendments or changes to the Stipulation of Fact previously read into the record.
```

6 EXAMINER SEE: Is that --

MR. FINNIGAN: We agree, your Honor.

EXAMINER SEE: -- your understanding as

well?

1

2

3

4

5

7

8

9

13

16

17

18

19

20

2.1

22

23

24

25

Okay. Thank you, Mr. Finnigan. Is there anything else?

12 Let's go off the record

(Discussion off the record.)

14 EXAMINER SEE: Let's go back on the

15 record.

The parties have discussed the briefing schedule and the filing of the transcript in the Commission docket. It will be expedited at the request of Dominion, and it will be filed in the docket on Friday, September 16, and all the parties have agreed that briefing -- initial briefs will be due October 7 and reply briefs will be due October 21.

I would request that the initial and reply briefs be e-mailed to the assigned Attorney

```
97
     Examiner when filed with the Commission.
 1
                 Is there anything further?
 2
 3
     Greta.see@puco.ohio.gov. Is there anything further?
                 MR. KENNEDY: No, your Honor.
 4
                 EXAMINER SEE: With that the hearing is
 5
     adjourned. Thank you all for your patience and your
 6
     participation.
 7
 8
                 (Thereupon, at 12:38 p.m., the hearing
 9
     was adjourned.)
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 Tuesday, September 13, 2022, and carefully compared with my original stenographic notes. Karen Sue Gibson, Registered Merit Reporter. (KSG-7338)

This foregoing document was electronically filed with the Public Utilities Commission of Ohio Docketing Information System on

9/15/2022 3:46:14 PM

in

Case No(s). 21-1109-GA-ALT

Summary: Transcript September 13th 2022 In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion Energy Ohio for Approval of an Alternative Form of Regulation to Continue and to Expand Its Demand-Side Management and Energy Efficiency Programs. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs.