BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO In the Matter of the Application of Columbia : Gas of Ohio, Inc., for Authority to Amend its : Filed Tariffs to Increase : Case No. 21-637-GA-AIR the Rates and Charges for : Gas Services and Related : Matters. In the Matter of the : Application of Columbia : Gas of Ohio, Inc., for : Case No. 21-638-GA-ALT Approval of an Alternative: Form of Regulation. : In the Matter of the : Application of Columbia Gas of Ohio, Inc., for : Approval of a Demand Side : Case No. 21-639-GA-UNC Management Program for its: Residential and Commercial: Customers. In the Matter of the : Application of Columbia : Gas of Ohio, Inc., for : Case No. 21-640-GA-AAM Approval to Change Accounting Methods. PROCEEDINGS before Mr. Gregory Price and Ms. Isabel Marcelletti, Attorney Examiners, at the Public Utilities Commission of Ohio, 180 East Broad Street, Room 11-A, Columbus, Ohio, called at 9:40 a.m. on Wednesday, November 16, 2022. ARMSTRONG & OKEY, INC. 222 East Town Street, Second Floor Columbus, Ohio 43215-5201

(614) 224-9481 - (800) 223-9481

```
2
 1
     APPEARANCES:
 2
            Columbia Gas of Ohio
            By Mr. Joseph M. Clark
 3
            and Mr. John R. Ryan
            290 West Nationwide Boulevard
 4
            Columbus, Ohio 43215
            (614) 460-6988
 5
            (614) 285-2220
            Porter, Wright, Morris & Arthur, LLP
 6
            By Mr. Eric B. Gallon,
 7
            Mr. Mark S. Stemm,
            Mr. L. Bradford Hughes,
 8
            and Ms. Devan K. Flahive
            41 South High Street
 9
            Columbus, Ohio 43215
            (614) 227-2190
10
            (614) 227-2092
            (614) 716-1915
11
            (614) 227-1989
12
                 On behalf of Columbia Gas of Ohio.
13
            Bruce E. Weston, Ohio Consumers' Counsel
            By Ms. Angela D. O'Brien,
            Mr. William J. Michael,
14
            and Mr. Connor D. Semple,
15
            Assistant Consumers' Counsel
            65 East State Street, 7th Floor
16
            Columbus, Ohio 43215
            (614) 466-9531
17
            (614) 466-1291
            (614) 466-9565
18
                 On behalf of the Residential Consumers of
19
                 Columbia Gas of Ohio.
20
            McNees, Wallace & Nurick, LLC
21
            By Mr. Matthew R. Pritchard
            21 East State Street, 17th Floor
22
            Columbus, Ohio 43215
            (614) 719-2840
23
            (614) 469-8000
2.4
                 On behalf of the Industrial Energy
                 Users-Ohio.
25
```

```
3
 1
     APPEARANCES: (Continued)
 2
            Bricker & Eckler, LLP
            By Mr. Devin D. Parram
 3
            100 South Third Street
            Columbus, Ohio 43215-4291
            (614) 227-8813
 4
 5
            Northeast Ohio Public Energy Council
            By Mr. Glenn S. Krassen
 6
            31360 Solon Road, Suite 33
            Solon, Ohio 44139
 7
            (440) 249-7831
                 On behalf of the Northeast Ohio Public
                 Energy Council.
 9
            Vorys, Sater, Seymour and Pease, LLP
10
            By Mr. Michael J. Settineri
            and Ms. Gretchen L. Petrucci
11
            52 East Gay Street
            Columbus, Ohio 43215
12
            (614) 464-5462
            (614) 464-5407
13
                 On behalf of the Retail Energy Supply
14
                 Association.
15
            Carpenter Lipps & Leland LLP
            By Ms. Kimberly W. Bojko
16
            and Mr. Jonathan Wygonski
            280 North High Street, Suite 1300
17
            Columbus, Ohio 43215
            (614) 365-4100
18
            (614) 365-4124
19
                 On behalf of the Ohio Manufacturers'
                 Association Energy Group.
20
            Carpenter Lipps & Leland LLP
21
            By Ms. Angela Paul Whitfield
            and Ms. Madeline Wilcox
22
            280 North High Street, Suite 1300
            Columbus, Ohio 43215
2.3
            (614) 365-4100
            (614) 365-4122
24
                 On behalf of The Kroger Company.
25
```

```
4
 1
     APPEARANCES: (Continued)
 2
            Bricker & Eckler, LLP
            By Mr. Dane Stinson
 3
            100 South Third Street
            Columbus, Ohio 43215-4291
 4
            (614) 227-4854
 5
                 On behalf of the Ohio Schools Council.
 6
            Interstate Gas Supply, Inc.
            By Mr. Joseph E. Oliker,
 7
            Mr. Michael A. Nugent,
            Mr. Evan Betterton,
 8
            and Ms. Stacie Cathcart
            6100 Emerald Parkway
 9
            Dublin, Ohio 43016
            (614) 659-5069
            (614) 659-5065
10
            (614) 659-5000
11
            (419) 349-1952
12
                 On behalf of the Interstate Gas Supply,
                 Inc.
13
            Hubay | Dougherty
            By Mr. Trent Dougherty
14
            1391 Grandview Avenue, #12460
15
            Columbus, Ohio 43212
            (614) 330-6752
16
                 On behalf of the Citizens' Utility Board
                 of Ohio.
17
18
            Boehm, Kurtz & Lowry
            By Mr. Michael L. Kurtz,
19
            Mr. Kurt J. Boehm,
            and Ms. Jody Kyler Cohn
20
            36 East Seventh Street, Suite 1510
            Cincinnati, Ohio 45202
            (513) 421-2255
21
22
                 On behalf of the Ohio Energy Group.
23
2.4
25
```

```
5
 1
     APPEARANCES: (Continued)
 2
            Environmental Law & Policy Center
            By Ms. Janean R. Weber
 3
            21 West Broad Street, 8th Floor
            Columbus, Ohio 43215
 4
            (614) 569-3827
 5
            Environmental Law & Policy Center
            By Mr. Robert Kelter
 6
            and Mr. Daniel Abrams
            35 East Wacker Drive, Suite 1600
 7
            Chicago, Illinois 60601
            (312) 795-3734
 8
            (312) 673-6500
 9
                 On behalf of the Environmental Law &
                 Policy Center.
10
            Kegler Brown Hill & Ritter Co., L.P.A.
11
            By Mr. Robert Dove
            and Mr. Nicholas S. Bobb
12
            65 East State Street, Suite 1800
            Columbus, Ohio 43215
            (614) 462-5443
13
14
                 On behalf of the Ohio Partners for
                 Affordable Energy.
15
            Dave Yost, Ohio Attorney General
16
            John Jones, Section Chief
            Public Utilities Section
17
            By Mr. Werner L. Margard, III
            and Mr. Shaun Lyons,
            Assistant Attorneys General
18
            30 East Broad Street, 26th Floor
19
            Columbus, Ohio 43215
            (614) 728-9481
20
                 On behalf of the Staff of the PUCO.
21
22
2.3
24
25
```

				6
1	INDEX			
2				
3	WITNESS		PAGE	
4	Melissa L. Thompson		1.0	
5	Direct Examination by Mr. Gallon Cross-Examination by Mr. Bobb Cross-Examination by Ms. Weber		18 21 40	
6	Cross-Examination by Mr. Dougherty		67	
7	Redirect Examination by Mr. Gallor Recross-Examination by Ms. Weber Examination by Examiner Price	1	75 78 79	
8	-		, 5	
9	Thomas Bullock Direct Examination by Mr. Doughert Cross-Examination by Ms. O'Brien	- Y	88 90	
10	Examination by Examiner Price		107	
11	Nicole Peoples		1.00	
12	Direct Examination by Mr. Bobb Cross-Examination by Ms. O'Brien Examination by Examiner Price		109 111 120	
13	<u>-</u>		120	
14	John F. Sarver, III Direct Examination by Mr. Bobb Cross-Examination by Ms. O'Brien		123 126	
15				
16	COLUMBIA EXHIBIT	DENTIFIED	ADMITTE)
17	1 Columbia's Application Filed on June 30, 2021 (Including	84	84	
18	Amended Schedule C-9 and Schedule D-1B Filed on			
19	July 14, 2021			
20	1A CONFIDENTIAL Schedule E-4 Information in Columns (C)	84	84	
21	(Customer Bills) and (D) (Mcf) For Flex Customers-Covered by			
22	1st Motion for Protective Order (Filed on June 30, 2021)			
23	2 Columbia's Proofs of	84	84	
24	Publication of its Application	U 1	V 1	
25				

				7
1		INDEX (Continued))	,
2				
3	COLU	JMBIA EXHIBIT	IDENTIFIED	ADMITTED
4	3		84	84
5		Publication of the Local Public Hearings and the Evidentiary Hearing	C	
6 7	4	Prepared Direct Testimony and Exhibits of Melissa L. Thompson	84 n	84
8	5	Prepared Direct Testimony and Exhibits of Jeffery T. Gore	84	84
9	6	Prepared Direct Testimony and Exhibits of Tamaleh L. Shaeffer	84 r	84
11 12	7	Prepared Direct Testimony and Exhibits of Russell A. Feingold (Public Version)	84 d	84
13 14	7A	Prepared Direct Testimony and Exhibits of Russell A. Feingold (CONFIDENTIAL VERSION)	84 d	84
15	8	Prepared Direct Testimony and Exhibits of Melissa Bartos	84	84
16 17	9	Prepared Direct Testimony and Exhibits of Kimberly Cartella (Public Version)	84	84
18	_			
19	9A	Prepared Direct Testimony and Exhibits of Kimberly Cartella (CONFIDENTIAL VERSION)	84	84
20	1.0		0.4	0.4
21	10	Prepared Direct Testimony and Exhibits of Donald Ayers	84	84
22	11	Prepared Direct Testimony of George Dice	84	84
2324	12	Prepared Direct Testimony and Exhibits of Bryan Trapp	84	84
25				

				8
1		INDEX (Continued	1)	
2				
3	COLU	JMBIA EXHIBIT	IDENTIFIED	ADMITTED
4	13	Prepared Direct Testimony and Exhibits of Connor McGrath	84	84
5	14	Prepared Direct Testimony and Exhibits of Eric Slowbe	84	84
7	15	Prepared Direct Testimony and Exhibits of Scott C. Tustin	84	84
8	16	Prepared Direct Testimony and Exhibits of John Spanos	84	84
10	17	Prepared Direct Testimony and Exhibits of Paul Moul	84	84
11	18	Prepared Direct Testimony and Exhibits of Marc Okin (Public Version)	84	84
13 14	18A	Prepared Direct Testimony and Exhibits of Marc Okin (CONFIDENTIAL VERSION)	84	84
1516	19	Prepared Direct Testimony and Exhibits of Sarah Poe	84	84
17 18	20	Prepared Supplemental Direct Testimony of Melissa L. Thompson (Public Version)	84	84
19	20A	Prepared Supplemental Direct Testimony of Melissa L.	84	84
20		Thompson (CONFIDENTIAL VERSION	1)	
21	21	Prepared Supplemental Direct Testimony of Kimberly Cartella (Public Version)	84 1	84
23	21A	Prepared Supplemental Direct Testimony of Kimberly Cartella (CONFIDENTIAL VERSION)	8 4 a	84
25		(CONFIDENTIAL VERSION)		

				9
1		INDEX (Continued	d)	
2				
3	COLU	JMBIA EXHIBIT	IDENTIFIED	ADMITTED
4	22	Prepared Supplemental Direct Testimony of Donald Ayers	84	84
5 6	23	Prepared Supplemental Direct Testimony of Jennifer Harding	84	84
7	24	Prepared Supplemental Direct Testimony of Connor McGrath	84	84
8	25	Prepared Supplemental Direct Testimony of Eric Slowbe	84	84
10	26	Prepared Supplemental Direct Testimony of Jeffery T. Gore	84	84
11 12	27	Prepared Supplemental Direct Testimony of Scott Tustin	84	84
13	28	Prepared Supplemental Direct Testimony of John J. Spanos	84	84
1415	29	Prepared Supplemental Direct Testimony of Paul Moul	84	84
16	30	Prepared Supplemental Direct Testimony of Sarah Poe	84	84
17 18	31	Prepared Supplemental Direct Testimony of Benjamin Gilman	84	84
19	32	Prepared Supplemental Direct Testimony of Russell A.	84	84
20		Feingold (Public Version)		
2122	32A	Prepared Supplemental Direct Testimony of Russell A. Feingold (CONFIDENTIAL VERSION	84	84
23	33	Prepared Supplemental Direct Testimony of Tamaleh L.	84	84
24		Shaeffer (Public Version)		
25				

				10
1		INDEX (Contin	ued)	10
2				
3	COLU	JMBIA EXHIBIT	IDENTIFIED	ADMITTED
4 5	33A	Prepared Supplemental Director Testimony of Tamaleh L. Shaeffer (CONFIDENTIAL VERSE		84
6 7	34	Prepared Supplemental Directors Testimony of Marc B. Okin (Public Version)	t 84	84
8	34A	Prepared Supplemental Director Testimony of Marc B. Okin (CONFIDENTIAL VERSION)	t 84	84
10	35	Supplemental Direct Testimon of Melissa L. Thompson	ny 17	83
11 12	36	Joint Exhibit 1-Appendix F	84	84
13	37	Updated Rate Case Expense	84	84
14	OCC	EXHIBIT	IDENTIFIED	ADMITTED
15 16	1	Supplemental Testimony in Support of the Settlement by Kerry J. Adkins	86 Y	87
17	2	Direct Testimony of Roger D Colton	. 86	87
1819	3	Direct Testimony of Robert I Fortney	в. 87	87
20	4	Direct Testimony of	87	87
21		Zhen Zhu, Ph.D.		
22	CUB	OHIO EXHIBIT	IDENTIFIED	ADMITTED
23	1	Testimony of Thomas Bullock	87	108
24				
25				

					1.1
1		TNDEN /C-			11
1		INDEX (Co	ntinuea)		
3	\cap PAI	E EXHIBIT	Т	DENTIFIED	
4		Direct Testimony of	_	122	139
5		John F. Sarver, III		122	133
6	2	Direct Testimony of Nicole Peoples		110	121
7			_		
8	ELP(CEXHIBIT	I	DENTIFIED	ADMITTED
9	1	Supplemental Direct Tes of Karl R. Rabago	timony	139	146
10	0	-	-	146	1 4 6
11	2	Columbia Gas of Ohio, I Response to the Environ Law & Policy Center		146	146
12		Interrogatories Dated November 4, 2022, ELPC			
13		Interrogatories Set 1,	No. 1		
14			-		
15	STAI	FF EXHIBIT	I	DENTIFIED	ADMITTED
16	1	Staff Report of Investi Filed on April 6 of 202	_	157	160
17	2	Prefiled Testimony in R	esponse	158	160
18	2	to Objections to the St Report of James Zell	-	100	100
19	2	-		1 = 0	1.00
20	3	Prefiled Testimony in R to Objections to the St Report of Craig Smith	-	158	160
21	4			1 5 0	1.60
22	4	Prefiled Testimony in R to Objections to the St Report of Krystina Scha	aff	158	160
23	-	-		1 5 0	1.00
24	5	Prefiled Testimony in R to Objections to the St Report of Jennifer Mocn	aff	158	160
25			<u>-</u>		

	_			
				12
1		INDEX (Continued	1)	
2				
3	STA	FF EXHIBIT	IDENTIFIED	ADMITTED
4 5	6	Prefiled Testimony in Response to Objections to the Staff Report of James Ripke	159	160
6 7	7	Prefiled Testimony in Response to Objections to the Staff Report of Dorothy Bremer	159	160
8	8	Prefiled Testimony in Support of the Stipulation of David Lipthratt	159	160
10				
11	JOI	NT EXHIBIT	IDENTIFIED	ADMITTED
12 13 14 15 16	1	Joint Stipulation and Recommendation Filed on October 31, 2022, and Updates/Corrections November 3-Clarification of Appendix A, November 4-OEG Letter of Support, and November 9-Appendix Reference Correction Plus Clarification of Meter Test Charge Language	39	85
17	_	of Meter Test Charge Language		
18	2	Stipulation of Facts	84	84
19				
20				
21				
22				
23				
24				
25				

1 Wednesday Morning Session, 2 November 16, 2022. 3 EXAMINER PRICE: Let's go on the record. 4 5 EXAMINER MARCELLETTI: The Commission has 6 set for hearing at this time and place Case No. 7 21-637-GA-AIR, et al., which is captioned in the Matter of the Application of Columbia Gas of Ohio, 8 9 Inc., for an Increase in its Rates and Charges. 10 I am Isabel Marcelletti and with me is 11 Gregory Price. We have been assigned by the 12 Commission to hear this case. 13 So let's begin with taking appearances of 14 the parties and we will start with Company and just 15 work our way down. 16 MR. CLARK: Thank you, your Honor. 17 Joseph M. Clark, John R. Ryan on behalf of Columbia 18 Gas of Ohio, 290 West Nationwide Boulevard, Columbus, Ohio 43215. 19 20 MR. GALLON: Your Honor, Eric B. Gallon, 2.1 Mark S. Stemm, L. Bradford Hughes, and Devan Flahive 22 from Porter, Wright, Morris & Arthur, LLP, on behalf 23 of Columbia Gas of Ohio, 41 South High Street, Suite 24 3000, Columbus, Ohio 43215. 25 MR. PRITCHARD: On behalf of Industrial

Energy Users - Ohio, Matt Pritchard, the law firm of McNees, Wallace & Nurick, 21 East State Street, Columbus, Ohio 43215.

2.1

MR. BOEHM: Good morning, your Honors.

Appearing on behalf of the Ohio Energy Group, Kurt

Boehm with the law firm Boehm, Kurtz & Lowry, 36 East

Seventh Street, Suite 1510, Cincinnati, Ohio 45202.

MS. PETRUCCI: Good morning. On behalf of the Retail Energy Supply Association, the law firm of Vorys, Sater, Seymour and Pease, 52 East Gay Street, by Michael J. Settineri and Gretchen Petrucci.

MR. MARGARD: Good morning. Thank you, your Honor. On behalf of the Staff of the Public Utilities Commission of Ohio, David Yost, Ohio Attorney General, John Jones, Section Chief, Public Utilities Section, by Assistant Attorney General Werner Margard and Shaun Lyons, 30 East Broad Street, 26th Floor, Columbus, Ohio.

MS. O'BRIEN: Good morning, your Honors.

On behalf of the Office of the Ohio Consumers'

Counsel, Bruce Weston, Ohio Consumers' Counsel,

Angela D. O'Brien, William Michael, Connor Semple,

Assistant Consumers' Counsel, 65 East State Street,

Suite 700, Columbus, Ohio 43215.

1 MR. PARRAM: Good morning, your Honor. 2 On behalf of the Northeast Ohio Public Energy Council, Devin Parram from the law firm Bricker & 3 Eckler, 100 South Third Street, Columbus, Ohio 43215 4 and also Mr. Glenn Krassen, in-house counsel for 5 6 Northeast Ohio Public Energy Council, 31360 Solon 7 Road, Suite 33, Solon, Ohio 44139. 8 And, your Honor, I would also like to 9 make an appearance on behalf of the Ohio Schools 10 Council, Mr. Dane Stinson of the law firm Bricker & 11 Eckler, 100 South Third Street, Columbus, Ohio 43215. 12 MS. WHITFIELD: Good morning, your Honor. 13 On behalf of The Kroger Company, Angela Paul 14 Whitfield and Madeline Wilcox from the law firm 15 Carpenter, Lipps and Leland, 280 North High Street, 16 Suite 1300, Columbus, Ohio 43215. 17 MS. BOJKO: Good morning, your Honors. 18 On behalf of the Ohio Manufacturers' Association 19 Energy Group, Kimberly W. Bojko and Jonathan Wygonski 20 from the law firm Carpenter, Lipps and Leland, 280 2.1 North High Street, Suite 1300, Columbus, Ohio 43215. 22 MR. NUGENT: Good morning, your Honors. 23 On behalf of the Interstate Gas Supply, Inc., Michael 24 Nugent, Joseph Oliker, Evan Betterton, and Stacie 25 Cathcart, 6100 Emerald Parkway, Dublin, Ohio 43016.

MS. WEBER: Good morning. Janean Weber, on behalf of the Environmental Law & Policy Center. I have with me Robert Kelton and Daniel Abrams as well, 21 West Broad Street, 8th Floor, Columbus, 43215.

2.1

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.

MR. DOUGHERTY: Thanks, your Honor. On behalf of Citizens Utility Board of Ohio, Trent Dougherty of the law firm Hubay|Dougherty, 1391 Grandview Avenue, 12 -- No. 12460, Columbus, Ohio 43212.

EXAMINER PRICE: Thank you all.

At this time we have motions for pro hac vice filed on behalf of Mr. Kelter and Mr. Abrams from the ELPC.

At this time we will go ahead and grant those motions.

Ms. Thompson, you are our first witness.

MR. CLARK: Your Honor, quickly I wanted to ask you as it relates to admitting the exhibits, the application and other testimonies, I am not sure

18 MELISSA L. THOMPSON 1 2 being first duly sworn, as prescribed by law, was 3 examined and testified as follows: 4 DIRECT EXAMINATION 5 By Mr. Gallon: Ms. Thompson, how are you this morning? 6 Q. 7 Α. It's Wednesday. 8 Q. Would you please state your name and your business address for the record. 9 10 Α. Melissa Thompson, 290 West Nationwide 11 Boulevard, Columbus, Ohio 43215. 12 Q. And who is your employer? Columbia Gas of Ohio. 13 Α. 14 And what is your position with that Ο. 15 Company? 16 Director of Regulatory Policy. Α. 17 Do you have a copy of the document in Q. 18 front of you that has been marked as Columbia Exhibit 35? 19 20 Α. I do. 2.1 Ο. Can you please identify Columbia 2.2 Exhibit 35 for the record. 23 It is my prepared supplemental direct Α. 24 testimony that was filed on October 31, 2022.

25

Q.

Was this testimony prepared by you or

under your direction?

2.1

- A. It was.
- Q. And do you have any changes or corrections to make to your testimony this morning?
 - A. I do.
- 6 Q. Could you please state them for the 7 record.
 - A. On page 2 of my testimony, at line 28, after "Interstate Gas Supply, Inc., ('IGS');," I would like to add "Ohio Energy Group ('OEG');."

In addition to that change, on page 2, lines 34 through 35, I would like to delete the sentence that currently reads "As of October 31, 2022, Ohio Energy Group ('OEG') neither supports nor opposes the Stipulation."

In addition to that change, on page 3, line 37, after the comma in that sentence, I would like to add the word "in."

Finally, on page 5, at line 16, I would like to add the following question and answer:
"Question: Are you recommending that the Commission approve the Stipulation of Facts filed on November 16, 2022? Answer: Yes."

Q. With the exception of the corrections that you have just specified, Ms. Thompson, if I

```
20
     asked you the questions found in your testimony
 1
     today, would your answers be the same?
 2
 3
            Α.
                 Yes.
                 MR. GALLON: Your Honor, Columbia Gas of
 4
 5
     Ohio would move for admission of Columbia Exhibit 35
 6
     at this time, subject to cross-examination.
 7
                 EXAMINER PRICE: Thank you.
                 Mr. Pritchard?
 8
 9
                 MR. PRITCHARD: No, cross, your Honor.
10
                 EXAMINER PRICE: Mr. Boehm?
11
                 MR. BOEHM: No questions, your Honor.
12
                 EXAMINER PRICE: RESA -- yeah, you are
13
    here for RESA today?
14
                 MS. PETRUCCI: Yes, I am, your Honor, and
15
     no questions.
16
                 EXAMINER PRICE: Mr. Margard?
17
                 MR. MARGARD: No, your Honor.
18
                 EXAMINER PRICE: OCC?
19
                 MS. O'BRIEN: No questions, your Honor.
20
                 EXAMINER PRICE: Kroger?
21
                 MS. WHITFIELD: No questions, your Honor.
2.2
                 EXAMINER PRICE: Ms. Bojko?
23
                 MS. BOJKO: No questions, your Honor.
24
                 EXAMINER PRICE: Mr. Nugent?
25
                 MR. NUGENT: No questions.
```

21 EXAMINER PRICE: Let's go off the record. 1 2 (Discussion off the record.) 3 EXAMINER PRICE: Let's go on the record. 4 Mr. Bobb. 5 MR. BOBB: Yes, your Honor. Thank you. 6 7 CROSS-EXAMINATION 8 By Mr. Bobb: 9 Ο. Ms. Thompson, can you hear me okay? 10 Α. I can. 11 It's going to be hard for you to see me. Ο. 12 I apologize for that. I would like you to start off 13 by helping me understand some of the acronyms and 14 terms that are used in your testimony. Can you 15 explain for me what a fixed delivery charge is? 16 A fixed delivery charge is also known as a monthly delivery charge that customers pay on their 17 18 bill. 19 What's included in that fixed delivery Ο. 20 charge, if anything, other than just the fixed 2.1 delivery charge? 22 The fixed delivery charge is what's being Α. set in this case. It's our base rates for customers 23 24 in the small general service class.

Does it also include riders like the

25

Q.

Rider Infrastructure Replacement Program or the Rider Capital Expenditure Program?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

2.2

- A. If it's just the monthly delivery charge, it does not. In this case we are rolling the Riders IRP and CEP plant from January, February, March of the test year into that charge.
- Q. Now, I was asking you about fixed delivery charge. You've answered about monthly delivery charge. Are those terms interchangeable to you, or are they two distinct terms?
- A. I would consider the fixed delivery charge the monthly delivery charge.
- Q. Exclusive of those two riders that we discussed.
- A. As they are continuing on after the test year in this case and date certain.
- Q. Now, is there a way for a Columbia Gas customer to avoid paying the fixed delivery charge?
- A. If a customer finals an account or is no longer a customer, they won't pay those changes.
 - Q. You said finals an account?
- A. Is no longer a customer.
 - Q. Would that entail a disconnect fee?
- A. Columbia doesn't have any disconnect fees.

- Q. Now, if that customer wanted to resume being a Columbia customer, would there be a reconnect fee?
 - A. There's a reconnect fee.
 - Q. And how much is that?
- A. \$52.

2

3

4

5

6

7

8

9

10

11

15

16

17

18

19

20

2.1

22

- Q. Can the fixed delivery charge, or as you called it the monthly delivery charge, be higher than a customer's variable usage charge?
- A. Yes.
- Q. Under what circumstances would that be?
- A. If a customer's usage is less than the fixed monthly delivery charge or fixed charges on the bill.
 - Q. And do I understand right then that the variable usage charge is added in addition to the fixed delivery charge?
 - A. Correct. Our riders that are volumetric are added to that amount.
 - Q. Now, the two riders that we discussed, the Infrastructure Replacement Program and Capital Expenditure Program, are either of those riders volumetric?
- A. For the small general service class, those riders are fixed on a monthly basis.

Q. Explain for me what the Rider Infrastructure Replacement Program funds.

2.1

2.2

- A. The Infrastructure Replacement Program funds the replacement of bare steel, cast iron, wrought iron mains as well as hazardous service lines in our territory.
- Q. Do you know when that rider was first introduced?
- A. 2008 it was introduced and appeared on customer bills in 2009.
- Q. Did Columbia Gas have costs associated with fixing and replacing those mains and service lines you just described prior to 2008?
- A. Prior to 2008, Columbia did not own service lines. So prior to 2008, Columbia would treat service lines that run between the main and the meter somewhat how it treats house lines today where we would actually red tag, so we actually did not incur those costs for service lines. Mains, just like any other main in our system, was replaced on an as-needed basis due to leakage.
- Q. So how were the costs to replace those lines covered before the introduction of the Rider IRP?
 - A. So for mains it would have been included

in base rates prior to that rider.

- Q. How is the Rider IRP calculated?
- A. So we have many schedules. The reason I am pausing there is many schedules that detail how it's calculated. At a high level, the rider takes into account the plant-in-service, retirements, and it goes through quite a few calculations to end up with a revenue requirement and that revenue requirement is then allocated over classes, divided by bills to arrive at a rate.
- Q. Is that rate set on an annual basis and then billed monthly?
 - A. It is set on an annual basis and billed monthly.
 - Q. Is that on actual costs incurred?
- 16 A. Correct.
- 17 Q. You've mentioned different rate classes.
- 18 Do I understand correctly then that the IRP is
- 19 collected in different amounts from different
- 20 classes?

1

2

3

4

5

6

7

8

9

10

13

14

- 21 A. That's correct.
- Q. And in some cases it's volumetric, and in some cases it's fixed?
- A. Today the IRP is a fixed monthly charge from all three rate classes.

Q. Under the Stipulation would that remain the same?

2.1

- A. Under the Stipulation the SGS class, small general service class, will continue to have a fixed monthly charge. The general service class and the large general service class will instead have a surcharge instead of a fixed monthly charge.
 - Q. How does that surcharge work?
- A. The surcharge is calculated based upon, again, an allocation of the revenue to the general service class and the large general service class. That revenue is then divided by the anticipated base rate revenue for that class during the rate recovery year to arrive at a percentage that will be charged to those customers in that individual class.
- Q. Do you know how much Columbia Gas collects for the SGS class for the IRP as of today?
 - A. I do not know off the top of my head.
- Q. Do you know how much that is per month per SGS class customers?
 - A. I cannot recall.
- Q. Do you know whether that will increase or decrease under the Stipulation?
- A. The current Rider IRP when base rates go into effect will decrease and --

Q. Go ahead.

1

2

3

4

5

6

9

10

11

12

13

14

15

16

17

18

19

- A. And it will decrease to 73 cents the day that the base rates go into effect.
- Q. Now, what about in year five under the Stipulation? Will it still be lower than it is today?
- A. Because I don't recall the rate, I can't tell you whether it's higher or lower.
 - Q. Does Columbia Gas spend all of the IRP it collects on an annual basis?
 - A. The IRP is a historic-looking test year, so Columbia had already incurred the dollars that it's then recovering in the following year for the Rider IRP.
 - Q. And I think I just asked you this. You don't know whether the IRP will increase under the Stipulation?
 - A. The -- I'm sorry, the 73 cent rate will increase over time?
 - Q. Yes, ma'am.
- A. We anticipate the 73 cents will increase over time.
- Q. What is it that makes you anticipate that that 73 cents will increase over time?
- A. Because the Company wants to continue to

replace bare steel, cast iron, and wrought iron mains and wants to continue to repair or replace customer service lines that are hazardous.

- Q. And does the Company intend to replace more hazardous lines in the future than it's replacing, at a faster rate than it's replacing them today?
- A. No. Columbia will continue the program as is.
- Q. So I guess what I don't understand is if Columbia is going to replace the same amount of lines, why will the cost increase or why does Columbia expect the cost to increase?
- A. So the rider rate itself will increase as we continue to spend money year after year. And that rate itself would then increase with each year passing an additional revenue requirement being included in that rider.
 - O. Is it cumulative?
 - A. Yes.

2.1

EXAMINER PRICE: I think I understand what you mean by cumulative, but I'm not sure the record is clear. In the first year of the program, you will not recover all of the costs; you will recover a portion of the costs.

29 THE WITNESS: That's correct. 1 2 EXAMINER PRICE: And the second year you 3 will recover a portion of the first year costs, a portion of the second year costs --4 5 THE WITNESS: That's correct. 6 EXAMINER PRICE: -- so on, and so forth. 7 THE WITNESS: That's correct. 8 Q. (By Mr. Bobb) In year five will you be recovering from year one still? 9 10 Α. Yes. 11 And that's why the IRP charge to the SGS Ο. 12 customer increases every year. 13 Α. Correct. 14 Will any of those costs be borne by Ο. shareholders? 15 16 Α. No. 17 And who owns the main lines that are Q. 18 being replaced or maintained through that IRP? 19 Columbia Gas of Ohio. Α. 20 Q. And ultimately its shareholders? 2.1 Α. Ultimately. 22 I am going to shift topics on you. Q. are familiar with the Rider Capital Expenditure 23 24 Program? 25 Α. I am.

- Q. What does it fund?
- A. The Capital Expenditure Program funds other types of capital such as growth, betterment, IT, shared services, different categories of capital.
 - Q. And who owns those capital assets?
 - A. Columbia Gas of Ohio.
 - Q. And ultimately its shareholders?
 - A. Yes.

2

3

4

5

6

7

8

9

10

11

12

13

14

- Q. Prior to the -- well, strike that.

 Do you know when the Capital Expenditure

 Program was introduced, that rider?
- A. Columbia filed its application for the Capital Expenditure Program Rider in December of 2017. The rider itself went into effect in late November of 2018.
- Q. Prior to 2017, did Columbia Gas of Ohio have capital expenditures that are covered by this rider?
- 19 A. Yes.
- Q. How were those capital expenditures paid for prior to the introduction of the rider?
- A. Columbia had in place the Capital
 Expenditure Program deferral.
- Q. Explain that to me, if you would.
- 25 A. The Capital Expend -- the Capital

Expenditure Program deferral was a deferral mechanism by which Columbia was able to defer the depreciation expense, property tax expense, and carrying costs associated with capital that is covered by the CEP Rider.

2.1

- Q. I don't want to put words in your mouth, so correct me if I am wrong, but is it your testimony then Columbia never paid for those capital expenditures prior to the introduction of the Rider CEP?
- A. Columbia funded the capital and that those expenses were deferred.
 - Q. How is the CEP cost calculated?
- A. Similar to the IRP, every year Columbia determines the capital that's in service, backs out retirements, it goes through several calculations to eventually arrive at a revenue requirement similar to IRP. That revenue requirement is then allocated by class, divided by number of bills for the SGS class and other classes today to arrive at a monthly rate.
- Q. Why is that expense allocated by class as opposed to being shared across all classes equally?
- A. At the time that the CEP Rider was adopted, the allocation methodology was the same allocation methodology that was approved by the

Commission in the 2008 rate case. That allocation methodology is the one we used for the CEP Rider in 2017 and 2018.

2.1

2.2

- Q. Right. I understand that. But why is it being proposed in the Stipulation that way?
 - A. To continue that allocation.
- Q. But you don't know what the rationale was back when it was initially introduced?
- A. The rationale was to -- the rationale was to match the allocation percentages in the current CEP Rider to that which had been approved by the Commission for those assets in 2008.
 - Q. How is the CEP Rider collected?
- A. The CEP Rider is collected today as a fixed monthly delivery charge for the small general service class.
 - Q. Is it collected from any other class?
- A. It's collected from the general service class and the large general service class today as a fixed monthly rider.
- Q. Under the Stipulation will it continue to be collected in the same manner?
- A. For the SGS class it will continue to be a fixed monthly delivery charge. For the general service and the large general service class, similar

to Rider IRP, that rider rate will then go to a percentage surcharge.

- Q. Do you have any understanding as to which class will bear most of the costs under the Stipulation for the CEP Rider?
- A. The highest allocation is to the small general service class.
 - Q. Why is that?
- A. The percentages contained in the Stipulation were negotiated among all of the parties.
- Q. Do you happen to know what percentage will be paid by the SGS class?
 - A. For which rider?
- 14 O. The CEP.

1

2

3

4

5

6

7

8

9

10

- 15 A. For the CEP Rider it's 87 percent.
- Q. Do you know what that breaks out to per month per SGS class customer in year five of the proposed Stipulation?
- A. The rate limitation contained in the Stipulation for the in-service capital of 2026 is \$8.74.
- 22 Q. So it's \$8.74?
- 23 A. That is correct.
- Q. And that's on a per SGS class customer basis every month?

A. That is correct.

1

2

3

4

7

8

9

17

18

19

20

2.1

- Q. And that's a fixed charge that the SGS class customers will have to pay regardless of usage?
 - A. That is correct.

5 EXAMINER PRICE: One second. I don't 6 think the record is clear. That's a cap --

THE WITNESS: Correct.

EXAMINER PRICE: -- if you spend the money to justify the expense.

10 THE WITNESS: That's correct.

- Q. (By Mr. Bobb) Okay. And Columbia's expectation is that it will spend most or all of that?
- 14 A. I don't know today.
- Q. Well, how did you arrive at that cap number?
 - A. The cap number contained here was part of a negotiation with all the parties in this case.
 - Q. And in that negotiation did Columbia consider whether it would reasonably expect to spend that much?
- MR. GALLON: Objection.
- MS. BOJKO: Objection.
- MR. GALLON: To the extent that the questioner is asking for discussions during

- negotiations or considerations of the parties, under the Commission's rules, 4901-1-26(E), I believe, settlement negotiations are not admissible in -- in evidence.
- 5 EXAMINER PRICE: Objection sustained. If 6 you could just reword.
- MR. BOBB: Yeah. To be -- if you could reread the question, I don't think I asked what Columbia said to anyone. I asked if Columbia considered whether it would spend the money that it's got as a cap, if it would spend up to the cap. I don't think that has anything to do with what Columbia told other parties.
- EXAMINER PRICE: Close enough. The

 objection is sustained. If you could please rephrase

 it.
- Q. (By Mr. Bobb) Does Columbia expect to spend most or all of the rider cap, up to the rider cap?
- MS. BOJKO: Objection, asked and answered.
- EXAMINER PRICE: We will give him some leeway.
- A. I don't know.

2

3

4

25 | O. Is the CEP cumulative?

A. Yes.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

- Q. Similar to the IRP?
- A. Yes.
- Q. So in year five Columbia expects to still be recovering expenses that were -- this money and dollars that were spent in year one?
 - A. That is correct.
- Q. Do you know what the fixed delivery charge would be today if you included both the Rider CEP and Rider IRP as they are today per SGS customer on a monthly basis?
 - A. Would you please reread the question?
- Q. Yeah. Can you -- can you tell me what the fixed delivery charge is today for an SGS class customer if you include both the Rider CEP and the Rider IRP and the other fixed delivery charges that we discussed earlier in your testimony?
 - A. I believe it's \$36.99.
- Q. And if the Stipulation is approved, how much will that same fixed delivery charge be in November of 2027?
- MR. GALLON: Objection, calls for speculation.
- EXAMINER PRICE: She can answer to the extent Columbia hits the caps contained in the Stip.

A. If Columbia hits all of the caps on all of its riders, the total is -- I believe it's \$56.51, subject to check, without a calculator.

EXAMINER PRICE: Ms. Thompson, if

Columbia underspends in year two of the cap, can they

make that up in year three, or do they lose that

money under the cap forever?

THE WITNESS: Columbia as long as it maintains under the caps in each year, that underspend would be carried over to the following year as long as it's underneath the cap.

EXAMINER PRICE: Thank you.

- Q. (By Mr. Bobb) Are you familiar with the portion of the Stipulation that precludes Columbia from pursuing or supporting the pursuit of consumer-funded energy efficiency programs?
 - A. I am familiar with that portion.
- Q. Does Columbia believe the Commission has legal authority to enforce that provision?

20 MS. O'BRIEN: Objection, calls for a legal conclusion.

MR. BOBB: I am not asking if the Commission has the authority. I am asking whether Columbia believes that the Commission does.

MR. GALLON: Objection, relevance.

EXAMINER PRICE: Yeah, I don't. 1 2 understand the relevance of what Columbia -- an 3 organization's beliefs might be. MR. BOBB: Just exploring whether there 4 5 are provisions in here that Columbia believes are unenforceable. 6 7 EXAMINER PRICE: I don't see the 8 relevance to that question. What do you mean by 9 unenforceable? 10 MR. BOBB: If there's terms in the 11 Stipulation that are unenforceable, what's -- if 12 there is a mechanism to force Columbia to do the 13 things that it says it's going to do or not do the 14 things it says it's not going to do. 15 MR. GALLON: Your Honor, I think what he 16 is asking the witness for is a legal conclusion. On 17 behalf of Columbia Gas of Ohio, we would object on 18 that basis. 19 MR. BOBB: She is a lawyer, your Honor.

EXAMINER PRICE: She is a lawyer but

21 legal conclusions are for briefs, not witnesses.

22 We'll sustain the objection.

Q. (By Mr. Bobb) All right. You have the Stipulation in front of you?

25 A. I do.

Could you turn to page 11 of the 1 Q. 2 Stipulation, please. Are you there? You see Section D starts "Demand Side Management Program and Rider"? 3 EXAMINER PRICE: Let's go off the record 4 5 for a minute. (Discussion off the record.) 6 7 EXAMINER PRICE: Let's go on the record. At this time the Joint Stipulation and 8 9 Recommendation between Columbia and various parties will be marked as Joint Exhibit 1. 10 11 (EXHIBIT MARKED FOR IDENTIFICATION.) 12 MR. BOBB: Thank you, your Honor. 13 Q. (By Mr. Bobb) You are with me on page 11, 14 Section D? There's footnote 15. Could you read that 15 into the record for me. 16 "OMA Energy Group, IEU-Ohio, and Kroger 17 do not take a position on the Demand Side Management 18 provision of this -- of the Stipulation due to the 19 DSM Rider being paid solely by the Small General 20 Service Rate Class." 2.1 And you were involved in taking point on 22 Columbia's behalf for the crafting of this Joint 23 Stipulation; is that right? 24 That's correct. Α.

Do you recall of the remaining signatory

25

Q.

40 parties -- we know OMA Energy Group, IEU-Ohio, and 1 2 Kroger don't have a position on this. Of the 3 remaining signatory parties, do you know which one requested Section D be included? 4 5 MR. PRITCHARD: Objection. 6 MS. O'BRIEN: Objection. 7 MR. GALLON: Objection. Requesting 8 communications that were during the settlement negotiations, outside the scope of evidence. 9 10 EXAMINER PRICE: Sustained. 11 MR. BOBB: All right. I will withdraw 12 the question. 13 All right. I have no fourth questions 14 for the witness at this time, your Honor. 15 EXAMINER PRICE: Thank you. 16 ELPC? 17 18 CROSS-EXAMINATION 19 By Ms. Weber: 20 Q. Good morning. 2.1 A. Good morning. 22 Can you hear me? Q. 23 Α. I can. 24 Okay. Janean Weber on behalf of the Ο. ELPC. Melissa, do you have your testimony handy? 25

41

A. I do.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

19

- Q. Okay. Great. I will be asking you some questions about that if you don't mind turning to your testimony.
- A. Ms. Weber, which testimony would you like me to turn to?
 - Q. Your supplemental testimony that I think was just marked in today. One second while I get organized.
- All right. If you could turn to page 2 of your supplemental testimony, lines 18 through 20. Let me know when you are there.
 - A. I'm there.
- Q. You refer to "parties," and I am using parties with a lower case P. Do you see that?
- 16 A. I do.
- Q. Is this meant to refer to all of the parties in the case?
 - A. That is correct.
 - Q. What is that?
- 21 A. That is correct.
- Q. And that's inclusive of the signatory
 parties and the objecting parties and at the time of
 writing the Stipulation the non-objecting parties; is
 that correct?

42

- A. That is correct.
- 2 Q. Elsewhere in your testimony, for 3 instance, on page -- page 1, line 22, you refer to 4 "Signatory Parties." Are you there?
- 5 A. Yes.

- Q. Signatory Parties is capitalized, each word?
- 8 A. Yes.
- 9 Q. All right. And this is meant to 10 represent only the parties who signed the 11 Stipulation; is that correct?
- 12 A. That's correct.
- Q. So throughout your testimony here today,
 you've carried this naming convention forward; would
 that be accurate?
- 16 A. That's correct.
- Q. So we'll walk through that a little bit just for clarification, okay? So page 2, line 13, "capable and knowledgeable parties," lower case P. Are you there?
- 21 A. I'm there.
- Q. And is that meant to be all parties or just the signatory parties?
- A. All parties.
- Q. Okay. Page 3, line 6, let me know when

you are there.

1

3

4

5

6

7

8

9

10

11

18

19

- 2 A. I'm there.
 - Q. It says "open process in which all parties," I assume you mean all parties there, not just the signatory parties?
 - A. That's correct.
 - Q. And that goes on to say "were represented by able counsel and technical experts." Did you mean to say that all parties in the negotiation were represented by counsel?
 - A. That's correct.
- Q. And all parties in the negotiation were represented by technical experts?
- A. All parties wouldn't be represented by technical experts under the ethics rules.
- Q. What's that? I'm sorry. I didn't hear you.
 - A. I said all parties could not be represented by technical experts under the ethics rules for lawyers.
- Q. I'm sorry. Maybe I don't understand
 that. The sentence says "All parties were
 represented by able counsel and technical experts."
 Is technical experts not meant to apply to all
 parties in this situation?

- A. That's correct, but also technical experts who are non-attorneys cannot represent companies. That's a violation of the ethics rules.
- Q. Understanding that there were counsel involved in representation, are you meaning to say that technical experts were also present as a part of the representation of all of the parties involved in the negotiation?
- A. I think that technical experts were present, but I don't know if they were -- if all parties had technical experts.
- Q. Thank you. Page 3, line 8, "Columbia and other parties engaged in extensive negotiations." Do you see that?
 - A. I do.
 - Q. And is other parties all parties --
- 17 A. Correct.
- 18 Q. -- in this situation? Yes?
- 19 A. Yes.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

20

2.1

22

23

24

- Q. Page 3, line 10, starting on line 9,

 "There were numerous settlement nego -- negotiations
 with the parties." Are you meaning all of the
 parties or the signatory parties in this situation?
- A. All parties.
- Q. Page 3, line 11, "Columbia and the other

- parties." Is other parties meant to signify all parties or just the signatory parties?
 - A. All parties.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

22

- Q. Page 3, line 17, says "including those issues cited by these parties." Who are these parties?
 - A. The signatory parties.
- Q. So in this situation lower case parties means the signatory parties; is that correct?
 - A. That's correct.
- Q. Page 5, line 4, the sentence begins actually on line 3, "The Stipulation reflects a compromise amongst many parties." Parties is lower case there too. Were you meaning all parties or the signatory parties in this situation?
 - A. Signatory parties.
- Q. Thank you for that slog. You are familiar with ELPC, the organization that I represent, correct?
 - A. Correct.
 - Q. And you are familiar with the position of ELPC on energy efficiency; is that right?
 - A. Generally familiar, yes.
- Q. What is your understanding?

 MS. O'BRIEN: Objection, relevance.

MS. WEBER: This is highly relevant.

This proceeding contains an energy efficiency component and that's part of the Stipulation. This is foundation for a line of questioning that I am about to ask.

MS. O'BRIEN: The witness's understanding of ELPC's positions on energy efficiency has no bearing as to whether the settlement satisfies the three-part test the PUCO considers when evaluating settlements.

EXAMINER PRICE: I mean, I think you make a very fair point, but we'll let her answer to the extent she can.

- A. Generally ELPC in this case is advocating for the continuation of the energy efficiency programs, specifically the non-low income energy efficiency program.
- Q. And you are aware that ELPC filed objections to the Staff Report in this case, correct?
 - A. Yes.

2.1

- Q. Are you generally familiar with ELPC's objections to the Staff Report?
- A. In my previous answer I am generally familiar that the position of ELPC is regarding the non-low income energy efficiency program.

Q. So you are familiar that ELPC filed its objection -- its first objection on the need for continuation of the low income and non-low income energy efficiency programs that Columbia had previously been successful in getting through the Commission, correct?

A. Correct.

2.1

Q. And are you also familiar then with ELPC's second objection which is ELPC disagreed with Staff's recommendation to continue the policy of high fixed charges for the residential rate class?

MR. GALLON: Pardon me, your Honors. This might go better if you are going to be asking the witness about ELPC's filed objections in the docket if you provide the witness with a copy of those objections.

MS. WEBER: She hasn't asked for one, but I do have one handy if she needs to refresh her recollection.

- A. I would like a copy.
- O. Sure.

MS. WEBER: I wasn't intending to mark this one, but I do have an extra. Okay.

Q. (By Ms. Weber) If you could just take a minute to refresh your recollection. I promise we

are not going to get into the weeds, so when you are ready, let me know.

A. I'm ready. Thank you.

2.1

- Q. All right. So I presented you with a copy of ELPC's objections to the Staff Report to refresh your recollection on the two objections that ELPC filed. Did this help refresh your recollection?
 - A. It did, thank you.
- Q. And in addition to the objection one, which we already discussed on the energy efficiency portfolio, did you find that ELPC also filed an objection to the Staff Report on the high fixed charges for residential ratepayers?
 - A. That's correct.
- Q. You were aware also that CUB and OPAE filed similar objections in support of energy efficiency and also against the high residential rates for fixed residential charges for residential ratepayers; is that correct?
 - A. That's correct.
- Q. Are you familiar with OCC as an organization?
- MS. O'BRIEN: Objection, your Honor.

 Again, her familiarity with OCC is not relevant to
 the three-part test.

EXAMINER PRICE: Sustained.

2.1

Q. (By Ms. Weber) Let me ask this a different way, are you familiar with OCC's position on non-low income energy efficiency from your experience at Columbia?

MS. O'BRIEN: Again, your Honor, objection, irrelevant as to what OCC's position is.

MR. GALLON: I would also object that the question is ambiguous as to time frame and forum.

MS. WEBER: I can clarify the time frame, if necessary.

EXAMINER PRICE: Please.

Q. (By Ms. Weber) In the last few years, has OCC supported non-low income energy efficiency to your understanding?

MS. O'BRIEN: Objection, vague. OCC takes different positions in different proceedings.

EXAMINER PRICE: Let's rephrase our question sticking to this litigation.

MS. WEBER: Okay.

- Q. (By Ms. Weber) In this litigation,
 Ms. Thompson, has OCC ever supported non-low income
 energy efficiency?
- A. To my recollection, and it's been a while since I've reviewed OCC's filings on the docket, I --

actually I don't remember. I don't recall. I don't recall their positions in this case regarding energy efficiency. I would need to see their objections to refresh my recollection.

Q. What's that?

1

2

3

4

5

6

7

8

9

10

11

12

13

17

18

19

20

2.1

22

23

24

25

- A. I would need to see OCC's objections to refresh my recollection.
- Q. Okay. We will put a pin in this for a moment. Are you generally familiar with OCC's position on energy efficiency for non-low income residential consumers?

MS. O'BRIEN: Objection.

MR. GALLON: Objection.

MS. O'BRIEN: Asked and answered, also irrelevant.

16 EXAMINER PRICE: Sustained.

MS. WEBER: I'm asking -- okay.

- Q. (By Ms. Weber) There were a number of settlement meetings in this case as you note on page 3, line 9, of your testimony; is that correct?
 - A. That is correct.
- Q. And you note this because there is a prong with the test that the Commission applies that requires the Stipulation be a product of serious bargaining; isn't that right?

A. That is correct.

2.1

Q. If I could have you turn your attention to the Stipulation, which I believe was previously marked as Joint Exhibit 1, page 11. And now I've lost it. Thank you. ELPC was not a party to the bargaining that resulted in "Section D Demand Side Management Program and Rider" starting on page 11 of the Stipulation; is that correct?

EXAMINER PRICE: What do you mean by that? Can you rephrase more specifically, please?

MS. WEBER: I can probably speak a little slower too and that might help.

Q. (By Ms. Weber) ELPC, the organization I represent, was not a party to the bargaining that resulted in the section that begins on page 11, "Section D, Demand Side Management Program and Rider"; is that correct?

MR. PRITCHARD: Objection, vague. I am not sure if you are asking if you are a signatory party or were present in settlement negotiations.

EXAMINER PRICE: Sustained.

MS. WEBER: I think she can answer whether or not she knows to her understanding because she was part of the negotiations here whether ELPC was a party to this particular provision.

1 EXAMINER PRICE: I think the proper 2 question to ask her is was ELPC invited to all of the settlement negotiations. I don't really know what 3 you mean by a party to the negotiations in this. 4 5 MS. WEBER: My phrasing was ELPC was not 6 a party to the bargaining that resulted in Section D 7 starting on page 11. 8 MR. PRITCHARD: Your Honor, I have the 9 same objection. 10 MS. WEBER: I can't hear you at all, 11 Matt. 12 MR. PRITCHARD: Same objection. I don't 13 understand if you are asking if you signed that 14 settlement provision or if you are asking if you were 15 invited to the settlement meetings where settlement 16 was discussed. So that's --17 EXAMINER PRICE: Or if you -- or if you 18 declined to participate in the negotiations where the --19 20 MS. WEBER: I think the issue is I'm not 2.1 saying either -- I am not asking either of those 22 three questions. Maybe I could put it a different

EXAMINER PRICE: Yes, please.

way and that would be more helpful.

23

24

25

Q. (By Ms. Weber) ELPC was not consulted

before the language appearing in Section D appeared in the Stipulation; is that correct?

MR. PRITCHARD: Objection.

MS. O'BRIEN: Objection, your Honor.

Consulted, the word consulted is vague.

2.1

2.2

MR. GALLON: We also object to questions regarding the substance of settlement communications.

MS. WEBER: Your Honor, if I can respond to the -- to this --

EXAMINER PRICE: Please.

MS. WEBER: -- because I have a feeling this is going to be an issue moving forward. Rule 408 of the Ohio Rules -- Rules of Evidence does not preclude evidence of settlement negotiations or settlement negotiations at all if they are not presented for the purpose of proving liability as the Ohio Supreme Court has noted in, let me see, Ohio Consumers' Counsel versus the Public Utilities

Commission. That's Supreme Court 2006-Ohio-5789. I have copies for folks if they need to review it.

Here serious bargaining is an element of the test that Columbia has the burden to prove.

EXAMINER PRICE: What's the holding of the Supreme Court case you are citing that you are relying upon?

MS. WEBER: Sure. Would you like me to give you a copy?

2.1

EXAMINER PRICE: No. I just want to know what part of the holding you are relying upon. What proposition of law in the Supreme Court case are you referring to?

MS. WEBER: Sure. There's two things, your Honor. The language of Rule 408 in and of itself supports the inclusion of evidence on settlement negotiations when it's not offered for liability. And that is frankly what's happening here. This is an element of the test. They are required to prove it. And so under 408 --

EXAMINER PRICE: Rule 408 doesn't strictly apply to the Commission. Other than in various complaint cases and perhaps some transportation safety cases, liability is never at issue. You would gut -- if we applied 408 strictly, we would gut any sort of settlement privilege before the Commission. We are not going to do that today.

But what is the holding of the Supreme Court case that you are referring to that does deal directly with the Commission?

MS. WEBER: So -- I'm sorry to interrupt, your Honor.

EXAMINER PRICE: That's okay.

2.1

MS. WEBER: Were you finished? Paragraph 92 discusses that "Privilege under Ohio law is governed by statute or 'by principles of common law as interpreted by the courts of this state in light of the reason and experience.' Evidence Rule 501. Yet the commission and intervenors have cited no Ohio statute or case law that expressly creates a 'settlement privilege' pertaining to information sought at the discovery stage. Indeed, 408 -- Evidence Rule 408 provides that evidence of settlement may be used for several purposes at trial, making it clear that discovery of settlement terms and agreements is not always impermissible."

This is -- this case goes on to discuss the terms of side agreements and the agreements of themselves and while -- and discusses Goodyear, the case that came out of the Sixth Circuit which it then distinguishes in Commission cases such as this.

EXAMINER PRICE: Are you alleging that there is a side agreement in this case between Columbia Gas and any of the signatory parties?

MS. WEBER: I think, if I am allowed to pursue my line of questioning, you will find that is the case.

MS. O'BRIEN: Your Honor, if I just may add, I believe that the case that she's citing refers to the discovery of the existence of side agreements, not the substance of side agreements. And if they had questions regarding specific side agreements with other parties, they could have requested those in discovery. And I don't know if they did or not but now is not -- it's irrelevant at this point.

2.1

MS. WEBER: I would add to my -- to my support for -- on some latitude here that even the case that this Supreme Court case distinguishes, Goodyear, discusses that settlement negotiations, the substance of settlement agreements, the existence of settlement talks, all sorts of ancillary things regarding settlement may be admissible under Rule 408. And there's nothing in Ohio law that prohibits this. So I get that we are in a situation where, you know --

EXAMINER PRICE: Let's not try to make any rulings here overly broad. Notwithstanding what Ms. O'Brien said, the Supreme Court holding was the Commission should consider side agreements in the first prong of the three-part test. So if you have a question relating to a possible side agreement, we'll allow that question. But we are not opening the door

to broad exceptions to the settlement privilege before the Commission.

2.1

2.2

MS. WEBER: Okay. Thank you, your Honor.

Q. (By Ms. Weber) Columbia and OCC reached the agreement that's articulated in the Stipulation starting on page 11, demand side management, prior to including ELPC, OPAE, or CUB in settlement discussions surrounding this provision; is that correct?

MS. O'BRIEN: Objection --

MS. BOJKO: Objection.

MS. O'BRIEN: -- your Honor, for several reasons. One, it goes to substance of settlement negotiations. Two, I think it mischaracterizes

Ms. Thompson's testimony. Three, it's -
Ms. Thompson has testified that parties were invited to participate in settlement discussions. To the extent ELPC was or was not there, you know, is -
is -- nobody can do anything about that I guess is what I am saying. It's -- it's irrelevant. It's privileged. There's all sorts of things wrong with it.

MS. BOJKO: Your Honor, I would like to add an objection that it mischaracterizes the Stipulation in its entirety. It is not a Stipulation

between OCC and Columbia.

2.1

MR. GALLON: Your Honor, I would add two objections. One, at the beginning of each settlement conference that was held in this proceeding, the parties agreed to maintain --

MR. KELTER: Can you speak up, please?

MR. GALLON: Sure. Thank you for letting

me know you can't hear me.

At the beginning of each of the settlement conferences in these proceedings, the parties agreed that the settlement negotiations would be kept confidential, so I would add that.

I would also object on the grounds of relevance. While ELPC is attempting to alter the serious bargaining test that the Commission applies, the questions she is asking do not go to the tests that the Commission actually applies which is whether the settlement negotiation was the result of serious discussions between parties represented by able counsel.

Whether or not individual portions of the Stipulation were discussed among a subset of parties before being brought to a larger set of parties is —is nothing the Commission has ever considered in the past in determining whether the first prong of the

three-part test is met.

2.1

2 EXAMINER PRICE: I concur. Sustained.

MR. PRITCHARD: Your Honor, if I may? I would request that the question be stricken from the record given that I believe it reveals the substance of actual settlement communications.

MS. WEBER: Your Honor, I asked the question. It's in the record. You made a ruling. That's also in the record. I don't understand what Mr. Pritchard is trying to do here.

EXAMINER PRICE: There is no net effect.

If I strike the question, it's still in the

transcript, so we are not going to go back and edit

it out. So sorry, Mr. Pritchard, your request is

denied.

- Q. (By Ms. Weber) Ms. Thompson, did Columbia and OCC enter into a side agreement prior to involving ELPC, CUB, and OPAE that appears in -- starts on page 11 of the Stipulation?
 - A. No.
- Q. And what are the grounds on which you are answering no?
- MS. O'BRIEN: Objection, your Honor, vague.
- MS. WEBER: I can ask her to clarify her

answer. She's testimony -- that is not an objectionable question.

1

2

3

4

5

6

7

8

9

10

14

15

16

17

18

19

20

2.1

22

23

24

25

EXAMINER PRICE: Ms. Thompson, is that the best of your knowledge?

THE WITNESS: I'm sorry, your Honor. The best of my knowledge regarding the question there is a side agreement?

EXAMINER PRICE: Did you answer that question to the best of your knowledge?

THE WITNESS: Yes.

11 MS. WEBER: I'm sorry. I missed that.

EXAMINER PRICE: Read the question and answer back, please.

(Record read.)

Q. (By Ms. Weber) Ms. Thompson, does your answer to the last two questions depend on your definition of side agreement?

I could put it differently. How would you define side agreement in the response to my question?

- A. I define a side agreement as an agreement that has not been disclosed to other parties which has been finalized without any revisions.
- Q. So hypothetically if an agreement was reached in principle between two parties and then

there were subsequent revisions before it was presented to other parties, that would not fit your definition of side agreement; is that correct?

THE WITNESS: Would you please read the question back?

MS. WEBER: Would you mind reading it back, the court reporter, please?

(Record read.)

A. That is correct.

2.1

Q. So hypothetically if an agreement were reached with one party and it was announced then to the rest of the parties that that agreement had been reached, but subsequent revisions occurred not changing the substance of the agreement so much as the phrasing --

EXAMINER PRICE: Don't answer that question. That's not the definition of a side agreement as commonly used in practice before the Commission which generally would be an agreement between two or more parties, is not disclosed to the other parties, and includes material incentive in order to sign the actual Stipulation. And that's what the case that you are referring to was dealing with.

So are you asking her if there is an

outside agreement that has not been -- between Columbia and OCC that has not been disclosed to other parties and contains additional incentives to OCC?

2.1

MS. WEBER: No. My question was rather inartfully stated, so I apologize for that.

Q. (By Ms. Weber) Was there a period of time during the negotiations where OCC and Columbia had reached a side agreement that later became part of the Stipulation?

MS. O'BRIEN: Objection --

MR. GALLON: Objection, your Honor.

MS. O'BRIEN: -- your Honor, vague.

EXAMINER PRICE: It violates the settlement. You are still getting into settlement negotiations. It's way more intrusive than anything that's been allowed at this Commission before in investigating the three-part test.

MS. WEBER: Your Honor, I would just argue that, again, the serious bargaining prong is -- is an integral part of the test, and if we can't ask questions about whether or not there was actual serious bargaining among the parties, then frankly this test will never be not met by the signatory parties.

So in the interest of probing whether

there was serious bargaining and under the case that I cited in Rule 408, we believe that this line of questioning should be allowed in.

2.1

EXAMINER PRICE: Response from parties?

MS. O'BRIEN: I have a response. I mean,

I -- I think, you know, ELPC is allowed to ask, you

know, how many -- how many settlement meetings were

held, were all parties invited to attend, were there

other meetings between other parties, technical

parties, things of that nature. Getting into the

actual substance of the settlement negotiations is

improper. And it just is. It's privileged

information.

itself. If ELPC wanted to present testimony from someone who was present at those settlement meetings that says, you know, we weren't included, we weren't -- we weren't there, we weren't invited, they had the opportunity to do so, but they didn't. And now they are trying to probe into confidential settlement -- or privileged settlement discussions and that's improper.

EXAMINER PRICE: Anybody else?

MS. BOJKO: Your Honor, the premise of the question is incorrect, and it's been ruled

against in the Commission. The Commission has specifically stated when looking at the first prong of the test, that one party cannot have veto power over other parties, so every party does not have to agree to every provision in the Stip in order for there to be serious bargaining, and one party cannot veto just because they don't like one provision of the Stip. So this is an improper premise of the question and it is getting into confidential settlement discussions.

2.1

MS. WEBER: I'm not arguing that,

Ms. Bojko. I think that -- you know in the interest
of making sure that we explore what we can, I'm happy
to rephrase some of my questions here to get at the
same point, not disclosing anything that you believe
is confidential but we believe is allowed in under
Rule 408.

EXAMINER PRICE: Ms. O'Brien makes a good point. You can ask questions regarding the form and manner of negotiations. We've never allowed a party to ask whether -- or nor have we ever said there is an issue with a bilateral negotiation as part of the overall negotiations. The question is were you invited to all -- did you have an opportunity to participate in all of the negotiations, and I have

not heard anything on that one way or the other. But so far asking her whether there was a bilateral agreement between two of the parties as part of the negotiations is getting into the actual substance of the negotiations, and it's not proper. So if you can try to rephrase.

2.1

MS. WEBER: Okay. I will try.

- Q. (By Ms. Weber) Melissa, do you recall a meeting -- settlement meeting on October 7 which was a Friday?
- A. We had many settlement meetings, over 40 in this case.
- Q. Not very many of them were on a Friday and I recall that this was really startling because I was in Starbucks in California so it's burned into my memory. So are you -- are you saying you don't recall whether there was a meeting on October 7?
- A. I don't recall. We had very many meetings in this case.
- Q. Okay. Let me put it this way, prior to a meeting, a settlement meeting, on October 7, did OCC and Columbia have any bilateral meetings where ELPC, CUB, and OPAE were not invited?
- MR. GALLON: Objection to the extent assumes there was a settlement meeting on October 7

which the witness has already said she does not recall.

2.

2.1

2.2

MS. WEBER: I could put aside the date if that's an issue here. But, I mean, counsel for OCC just admitted that there is a valid line of questioning around who was invited to when, whether settlement meetings occurred, so I think it's a fair question for me to ask.

EXAMINER PRICE: Let's leave aside the date and go ahead and ask the question.

- Q. (By Ms. Weber) Leaving aside the date, did OCC and Columbia participate in any settlement negotiations where ELPC, CUB, and OPAE were not invited?
- A. Yes. Columbia engaged in negotiations with OCC without the invitation of CUB, OPAE, and ELPC.
- Q. And did those negotiations result substantially in the text on page 11 of the Stipulation for the Demand Side Management and Energy Efficiency Rider?

MS. O'BRIEN: Objection.

MS. BOJKO: Objection.

MR. GALLON: Objection.

EXAMINER PRICE: Sustained.

MS. WEBER: Nothing further, your Honor.

EXAMINER PRICE: Thank you.

Mr. Dougherty?

MR. DOUGHERTY: Thank you.

2.1

CROSS-EXAMINATION

By Mr. Dougherty:

Q. And I apologize for having you careen your head around but this is one of my favorite spots in this room so.

EXAMINER PRICE: It's the structure of the room. It's not you; it's the structure of the room.

MR. DOUGHERTY: Thank you.

- Q. (By Mr. Dougherty) I will try to be very, very quick on this. Ms. Thompson, if you could go to your testimony that was marked as Company Exhibit 35, I believe, this morning. If you go to page -- the question that starts on page 4, the answer on page 5. Are you there?
 - A. I'm there.
- Q. And that question goes to "Does the Stipulation violate any important regulatory principle or practice?" And your answer on page 5 is "No," and then you have here as part of your answer

that it actually "affirms good regulatory principles, such as straight fixed variable rate design for the SGS Class"; is that correct? Did I read that correctly?

A. That is correct.

2.1

2.2

Q. Now, does all of the signatory parties agree to that statement? Do all the signatory parties agree to that statement? Sorry.

MR. GALLON: Objection, to the extent he is asking -- he is asking the witness to speculate as to the mindsets of the other parties.

MR. DOUGHERTY: Fine.

- Q. (By Mr. Dougherty) Let me first go
 then -- sorry. If we can go to Joint Exhibit 1, that
 would be the Stipulation, correct?
 - A. That is correct.
- Q. And if we go to page 2 of the Stipulation, the first full paragraph, last sentence, "The Signatory Parties also agree to urge the Commission to accept and approve the terms hereof as promptly as possible"; is that correct?
 - A. That is correct.
- Q. And one of those terms in here is the straight fixed variable rate design which you refer to on page 5 of your testimony.

- A. That is correct.
- Q. So sticking to the Stipulation, page 3, there is a -- I believe a second sentence, I believe, "Nothing in the Stipulation precludes OCC and NOPEC from arguing against the straight fixed variable rate design and the use of fixed charges in any future proceeding." Did I read that correctly?
 - A. That is correct.
- Q. If that sentence wasn't there, would they -- strike that.
- If that sentence was not there, would OCC

 and NOPEC then be precluded under the terms of the

 settlement?
- MR. GALLON: Objection --
- MS. O'BRIEN: Objection.
- MR. GALLON: -- to the extent it calls
- 17 for a legal conclusion.
- 18 MS. O'BRIEN: It also calls for
- 19 | speculation.

1

2

3

4

5

6

7

8

9

- 20 EXAMINER PRICE: Sustained.
- Q. (By Mr. Dougherty) Under the terms -- so strike that.
- So we have the sentence that "Nothing in the Stipulation precludes OCC and NOPEC." Does that then, the inclusion of that, preclude any of the

other parties from making similar arguments, signatory parties?

- A. May I ask a follow-up to that? Is that within a time frame?
- Q. I don't know. I'm trying to understand what this time frame -- let me ask that question first. What is the time frame of these future proceedings you referred to?
- A. In the Stipulation it would be any future proceedings that don't include this proceeding.
 - Q. That don't include this proceeding.
- A. Correct.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

2.2

Q. Now, is that similar to or inclusive of what is referred to on page 5 -- excuse me, on page 3, footnote 3, last sentence of that footnote that refers to "next base rate case"?

MR. GALLON: Objection, vague.

EXAMINER PRICE: Overruled. She can answer if she knows.

MR. DOUGHERTY: Thank you.

- A. So any future proceedings would also include Columbia's next base rate case.
- Q. Would include that but not necessarily -24 but it could be -- it could be more than that.
- 25 A. Sure.

- Q. Talking about preclusion, let's move to page 12 of the Stipulation. I believe OPAE's counsel asked you a -- or perhaps -- I believe asked you a question about Columbia's agreement not to pursue, if I can sort of shorten this, DSM programs between now and the filing of the next rate case. Is that an okay shortening of that statement?
 - A. I disagree with that shortening.
- Q. How would -- how would you characterize that paragraph?
- A. Characterize the paragraph as its written where it says "Columbia agrees not to pursue (and not to support others' pursuit of) consumer-funded, low-income and consumer-funded non-low-income energy efficiency programs (including demand side management programs) through legislation or other regulatory initiatives until Columbia files its next base rate case."
 - Q. And that precludes Columbia only.
 - A. Correct.
- Q. No other signatory party is -- is precluded from opining on consumer-funded low income and consumer-funded non-low income energy efficiency programs.
- A. Correct.

2.1

Q. One more question, I believe, and just to understand some of the footnotes, and I understand, I don't want to get into settlement negotiations, but if I go to page 22 of the Stipulation, footnote 22, there is a rather long footnote that states that "Staff believes that a Signatory Party should not be permitted to withdraw from a Stipulation prior to an Entry on Rehearing issued by the Commission. Staff further believes that a Signatory Party should not be permitted to terminate a Stipulation supported by more than two parties. However, for the purposes of this Stipulation only, Staff does not object to including those provisions in this agreement." What is the import of that footnote? Why is that there? MS. O'BRIEN: Objection, your Honor, privileged. Seeks substance of privileged settlement communications.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

22

23

24

25

MR. MARGARD: And I will --

MR. DOUGHERTY: They talk about every -- Staff counsel has -- has explained everything from my understanding what their negotiation position is.

MR. MARGARD: Yeah. And if I may, your Honor, not necessarily object but ask for clarification. You asked first what the import was and then you asked why it was there and I think those

are two different questions. I have no objection to the former.

1

2.

3

4

5

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

2.2

23

24

25

MR. DOUGHERTY: Thank you. I was -- I was preempting what I presumed was going to be a question to --

EXAMINER PRICE: Why don't you go ahead and ask.

MR. DOUGHERTY: I will ask both questions.

EXAMINER PRICE: Ask the first question first and then she can answer and then we will ask the second question.

- Q. (By Mr. Dougherty) What is the import of that footnote 22 on page 22?
 - A. I don't -- this is a -- I don't want to speak for Commission Staff.
 - Q. But in here Commission Staff has laid out reasoning for why they are negotiating this provision to be a part of this Stipulation.

EXAMINER PRICE: I am going to apologize to Mr. Lipthratt with this next comment but there is a Staff witness that presented testimony in favor of the Stipulation. These three sentences all appear to address issues regarding specific to Staff. Why don't you just ask Mr. Lipthratt those three

```
questions?
```

1

2

3

4

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

2.2

23

24

MR. DOUGHERTY: I could, but Ms. Thompson is here to support the Stipulation that is the Company's Stipulation.

5 EXAMINER PRICE: It's every signatory 6 parties' Stipulation.

get, the understanding of whether that is true.

There are a number of footnotes in here. I wanted to focus on two of the footnotes just to understand from the Company's perspective whether all parties were -- were supportive of the provisions.

MR. DOUGHERTY: That's what I want to

EXAMINER PRICE: All parties must have agreed to the inclusion of the footnotes. Otherwise, they wouldn't be in the Stipulation.

MR. DOUGHERTY: So then I understand what Staff's testimony would be.

MR. KELTER: Your Honor, she testified in support of the Stipulation. She should be able to answer this question.

EXAMINER PRICE: Do all parties agree to the inclusion of this footnote in the Stipulation?

THE WITNESS: Yes.

EXAMINER PRICE: There you are.

25 | Everybody agrees to it.

75 1 MR. DOUGHERTY: Nothing further. 2 EXAMINER PRICE: Redirect? 3 MR. GALLON: Your Honor, could we have a 5-minute break to discuss whether redirect would be 4 5 necessary? EXAMINER PRICE: Let's go -- let's make 6 7 it a 10-minute break because we have been going for about an hour and a half. The court reporter could 8 probably use a break. Ms. Thompson could probably 9 10 use a break. Just come back at a quarter after 11 11:00. 12 Off the record. 13 (Recess taken.) 14 EXAMINER PRICE: Let's go back on the 15 record. 16 Mr. Gallon, redirect? MR. GALLON: Thank you, your Honor. We 17 18 just have a few questions for redirect for 19 Ms. Thompson. 20 EXAMINER PRICE: Thank you. Please 2.1 proceed. 2.2 23 REDIRECT EXAMINATION 24 By Mr. Gallon: 25 Q. Ms. Thompson, you were asked about the

settlement negotiations that led up to the adoption of the Stipulation that has been introduced into the record as Joint Exhibit No. 1. Do you recall those questions?

A. I do.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

- Q. I believe you said there were over 40 settlement negotiations in the lead up to that ultimate Stipulation; is that correct?
 - A. That's correct.
- Q. Did the parties to this proceeding participate in settlement meetings in which all parties entering -- or intervening in this proceeding were invited?
 - A. Yes.
 - Q. How often were those meetings held?
- A. Columbia scheduled meetings twice a week leading up -- beginning from May 16 to the filing of the Stipulation.
- Q. And again, when was the filing of the Stipulation?
- A. October 31, 2022.
- Q. So the period of time over which
 negotiations took place leading up to the adoption of
 the Stipulation entered into the record as Joint
 Exhibit No. 1 was approximately five-and-a-half

77 1 months? 2 That is correct. 3 MR. GALLON: Thank you, Ms. Thompson. No 4 other questions. 5 EXAMINER PRICE: Cross, Mr. Pritchard? 6 MR. PRITCHARD: No, your Honor. 7 EXAMINER PRICE: Mr. Boehm? MR. BOEHM: No questions, your Honor. 8 9 EXAMINER PRICE: Ms. Petrucci? 10 MS. PETRUCCI: No questions. 11 EXAMINER PRICE: Mr. Margard? 12 MR. MARGARD: No, your Honor. 13 EXAMINER PRICE: Ms. O'Brien? 14 MS. O'BRIEN: No questions. 15 MS. WHITFIELD: No, your Honor. 16 EXAMINER PRICE: Ms. Bojko? 17 MS. BOJKO: No, your Honor. 18 EXAMINER PRICE: Mr. Nugent? 19 MR. NUGENT: No questions. 20 MR. KELTER: Give us one moment, please. 21 EXAMINER PRICE: Mr. Bobb is next 22 anyways. 23 MR. BOBB: No further questions. Thanks. 24 MS. WEBER: Briefly, your Honor. 25 EXAMINER PRICE: Please proceed.

RECROSS-EXAMINATION

2 By Ms. Weber:

1

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

22

- Q. Melissa, I believe you just testified Columbia held meetings twice a week; is that correct?
- A. I testified that Columbia scheduled meetings twice a week.
- Q. Okay. And those scheduled meetings, especially towards the end, went from an hour to two hours each; is that right?
 - A. That's correct.
 - O. And this was for five-and-a-half months?
- A. That's correct.
 - Q. It was Columbia's expectation that all parties attend every single settlement meeting twice a week for five-and-a-half months?
- A. Columbia scheduled these meetings, and the parties could make a choice to come.
 - Q. Isn't it true some parties can't -couldn't make all of the meetings because of
 conflicts and other obligations they may have had?
- A. Some parties voiced conflicts. Others may not have attended for reasons that they did not make known to the Company.
- Q. So not all parties attended all meetings; 25 is that right?

A. That's fair.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

18

19

20

2.1

2.2

- Q. And these were just the scheduled meetings that Columbia put forward for all the parties to attend; is that right?
 - A. That's correct.
- Q. This is exclusive of the settlement meetings that Columbia had with parties apart from these all party settlement meetings; is that correct?
 - A. That's correct.
- Q. And Columbia did, in fact, meet with other parties on an individual basis?
 - A. That is correct.
 - MS. WEBER: Nothing further.
 - MR. DOUGHERTY: No questions.

15 | - -

16 EXAMINATION

17 | By Examiner Price:

- Q. Ms. Thompson, I have a couple questions.

 One is just clarification. The twice-a-week

 negotiations that Columbia scheduled, all the parties

 were invited to all of those meetings?
 - A. That is correct.
- Q. Were they all in person or were they all on Teams now virtually or were they a mix of both?
- 25 A. It was a mix of both.

- Q. Okay. Second, the draft Settlement

 Agreement, were the drafts of the Settlement

 Agreement let's say both -- don't be compound. Was

 the initial draft Settlement Agreement presented to

 all the parties?
- A. Yes.

2.1

- Q. Was the final draft Settlement Agreement presented to all the parties?
 - A. Yes.
- Q. You testified in support of the first prong of the three-prong test.
 - A. Yes.
- Q. Without asking for a legal conclusion, although I know you are a lawyer, and you are here for a -- for facts and for regulatory purposes, not to present legal conclusions, so I am not asking you a legal conclusion, but in your opinion if it were hypothetically true that two parties in a bilateral negotiation agreed to a material term or condition to be included in the settlement and presented that agreement to all remaining parties, does that violate the first prong of the three-part test?
 - A. No.
- Q. Now I am going to go in a totally different direction. You had some questions from

Mr. Bobb related to the fixed charges in this case.

I believe there was a question regarding the initial fixed charge and there was a question regarding the fixed charge at the end of five years.

A. Yes.

2.1

- Q. So with respect to the initial charge, I think you said it was something in the order of \$35?
- A. The initial fixed charge is -- when base rates go into effect, the initial fixed monthly delivery charge for a small general service class will be \$38.62.
- Q. Thank you.
- A. That's contained in the Stipulation Appendix C.
 - Q. Thank you. And if there were a volumetric component, that fixed charge would go down by the equivalent amount of whatever the volumetric component would be; is that correct?
 - A. That is not correct.
 - O. That is not correct?
- A. If a customer such as myself is a Columbia Gas of Ohio customer, I will pay, if base rates go into effect as approved, \$38.62 every month as a customer.
- 25 Q. Right.

- A. In the winter if I use more gas --
- Q. Oh, you're right.
- A. The fixed charges are -- the fixed charge is still charged plus the volumetric charges.
- Q. I inartfully asked my question. So assuming over the course of the entire year 12 times 38.63, which we don't need to do the math, whatever that number is, if the mixed monthly charge were smaller than the volumetric component, at the end of the year the volumetric component would simply offset for the average residential customer the fixed charge?
- 13 A. Yes.

2

3

4

5

6

7

8

9

10

11

12

14

15

16

17

18

- Q. So the average residential customer using the exact Columbia average would pay at the end of the year the same charge if it was all fixed versus it was partially fixed and partially volumetric?
- A. Yes. The rates would be designed in a cost of service to account for that.
- 20 EXAMINER PRICE: Thank you. Thank you.
 21 You may step down.
- 22 THE WITNESS: Thank you.
- Mr. Gallon.
- MR. GALLON: Your Honor, at this point
 Columbia would ask again the Commission admit

```
83
     Columbia Exhibit No. 35.
1
2
                 EXAMINER PRICE: Any objections to
 3
     admission of Columbia Gas Exhibit No. 35?
                 Seeing none, it will be admitted.
 4
 5
                 (EXHIBIT ADMITTED INTO EVIDENCE.)
 6
                 EXAMINER PRICE: Mr. Clark, you had
7
     numerous other exhibits for us?
8
                 MR. CLARK: Your Honor, at this time the
9
     Company would like to move into evidence both the
10
     application, supporting testimony, and some other
11
     documents as well. If it would be helpful, if I may
12
     approach, I prepared an exhibit list, and it kind of
13
     lays it all out.
14
                 EXAMINER PRICE: That would be very
15
    helpful. Thank you.
16
                 MR. CLARK: Would any of the parties like
17
     a copy of this?
18
                 MS. BOJKO: Yes.
19
                 MR. KELTER: Yes.
20
                 MR. CLARK: As you are passing that down,
2.1
     it's double-sided, so it's actually three pages on
22
     two sheets so be careful as you take it.
23
                 EXAMINER PRICE: At this time we will go
24
     ahead and mark Columbia Exhibits 1 through 34 in
```

accordance with the exhibit list -- I'm sorry, 1

through 37, excluding 35, in accordance with the exhibit list provided by Columbia, and we will mark Joint Exhibit 2, the Joint Stipulation of Facts. (EXHIBITS MARKED FOR IDENTIFICATION.) MR. CLARK: Your Honor, there is just one minor correction here looking at the -- for Columbia Exhibit 1, the application, we are going to mark Schedule E-4, the confidential version, as 1A to be consistent with the other markings of confidential testimony -- or confidential evidence, so it's not listed on the chart, but 1A would be the filed in the docket Confidential Schedule E-4. EXAMINER PRICE: It will be so marked. (EXHIBIT MARKED FOR IDENTIFICATION.) EXAMINER PRICE: Do we have any objection to the admission of Columbia Gas Exhibits 1 through 34 -- or 1 through 37, excluding 35, and Joint

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

20

22

23

24

Exhibit 2?

filed.

MR. MARGARD: Except 36 and 37 are late

21 EXAMINER PRICE: 36 and 37, Appendix F to

Joint Exhibit 1 and an updated rate case expense.

Hearing none, all those exhibits will be admitted.

25 (EXHIBITS ADMITTED INTO EVIDENCE.)

1 EXAMINER PRICE: Anything else? 2 MR. CLARK: Your Honor, I think on our 3 side I don't think we have anything else. I think we would be ready for the opposing parties' witnesses if 4 5 you are ready for them. EXAMINER PRICE: Let's take OCC's 6 7 witnesses off the hook first. Ms. O'Brien. 8 9 MS. PETRUCCI: Can I ask a question? 10 Joint Exhibit 1 and 2 get moved in as well? 11 EXAMINER PRICE: Nobody has moved Joint 12 Exhibit 1 yet. 13 MR. CLARK: Sorry. We will move for Joint Exhibit 1 and Joint Exhibit 2. 14 EXAMINER PRICE: I did Joint Exhibit 2 15 16 before. Just to be clear Joint Exhibits 1 and 2 will 17 be admitted at this time. 18 (EXHIBITS ADMITTED INTO EVIDENCE.) 19 MR. CLARK: Thank you. 20 MS. PETRUCCI: I will just note, if I 2.1 may, your Honor, with Joint Exhibit 2, which is the 22 Stipulation of Facts, that was filed this morning. 23 RESA didn't sign. There isn't a signatory line on 24 there but we don't have opposition to it. 25 EXAMINER PRICE: Thank you very much.

86 1 Okay. Ms. O'Brien. 2 MS. O'BRIEN: Yes, your Honor. 3 you. At this time I would like to call -- well, at this time I would like to mark OCC Exhibit No. 1 and 4 5 call to the stand Kerry J. Adkins. EXAMINER PRICE: Let's go off the record. 6 7 (Discussion off the record.) 8 EXAMINER PRICE: Let's go back on the record. 9 10 MS. O'BRIEN: Okay. So we would move OCC 11 Exhibit No. 1 which is the supplemental testimony in 12 support of the settlement by Kerry J. Adkins. 13 EXAMINER PRICE: It will be so marked Exhibit 1. We will do all the admissions at the end. 14 15 (EXHIBIT MARKED FOR IDENTIFICATION.) 16 MS. O'BRIEN: I'm sorry? 17 EXAMINER PRICE: We will do the 18 admissions at the end. Mark all four. 19 MS. O'BRIEN: Sure. I would also like to 20 mark for the record OCC Exhibit 2 which is the direct 2.1 testimony of Roger D. Colton filed on May 3, 2022. EXAMINER PRICE: So marked. 2.2 23 (EXHIBIT MARKED FOR IDENTIFICATION.) 24 MS. O'BRIEN: I would like to mark OCC

Exhibit No. 3 which is the direct testimony of Robert

```
87
 1
     B. Fortney filed on May 3, 2022.
 2
                 EXAMINER PRICE: So marked.
 3
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
                 MS. O'BRIEN: And finally would like to
 4
 5
     mark OCC Exhibit No. 4 which is the direct testimony
     of Zhen Zhu, Ph.D., also filed on May 3, 2022.
 6
 7
                 EXAMINER PRICE: It will be so marked.
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
 8
 9
                 EXAMINER PRICE: Any objection to the
10
     admissions of OCC Exhibits 1 through 4?
11
                 Seeing none, they will be admitted.
12
                 (EXHIBITS ADMITTED INTO EVIDENCE.)
13
                 EXAMINER PRICE: I would just like to
14
     clarify the record. Informally all the parties have
15
     agreed to waive cross-examination of OCC's four
16
     witnesses.
17
                 OPAE, you may call your next witness.
18
                 MR. DOUGHERTY: We are going to -- CUB
19
     Ohio will go first, and I will call Tom Bullock. And
20
     I would like to mark the direct testimony of Tom
2.1
     Bullock -- Thomas Bullock as CUB Exhibit 1.
2.2
                 EXAMINER PRICE: It will be so marked.
23
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
24
                 (Witness sworn.)
25
                 EXAMINER PRICE: Please be seated and
```

88 state your name and business address for the record. 1 2 THE WITNESS: Thank you. I am Tom 3 Bullock, Executive Director of the Citizens Utility Board of Ohio, 1145 Chesapeake, Suite I, Columbus. 4 5 MR. KELTER: I don't think your mic is 6 on. 7 MR. DOUGHERTY: Yeah. Can you turn your 8 mic on? 9 THE WITNESS: Good morning. Can everyone 10 hear me now? Now I have the voice of God. I'm Tom 11 Bullock, Executive Director for Citizens Utility 12 Board of Ohio, and business address is 1145 13 Chesapeake, Suite I, in Columbus, Ohio. 14 15 THOMAS BULLOCK 16 being first duly sworn, as prescribed by law, was 17 examined and testified as follows: 18 DIRECT EXAMINATION 19 By Mr. Dougherty: 20 Ο. Thank you. And, Tom, do you have in 2.1 front of you what we had just marked as CUB 2.2 Exhibit 1? 23 Α. I do. 24 Q. And is that your direct testimony in this

25

case?

A. Yes.

1

2

3

4

5

6

7

8

9

10

- Q. And if I were to ask you these same questions today, would your answers be the same?
 - A. Yes, they would.
- Q. And these -- this testimony was -- is your testimony that you had put together or was put together by your -- under your direction?
 - A. By myself and under my direction, yes.
- Q. And just in case this comes up,
 Mr. Bullock, you are not an attorney, correct?
- A. Correct.
- Q. And so any references of statements

 concerning statutes or three-prong tests is not a

 legal conclusion, correct?
- 15 A. Correct.
- MR. DOUGHERTY: Correct. CUB Ohio moves
 for the admission of CUB Exhibit 1, pending
 cross-examination.
- 19 EXAMINER PRICE: Thank you.
- 20 Company?
- 21 MR. GALLON: Your Honor, no questions.
- 22 Thank you.
- 23 EXAMINER PRICE: Mr. Pritchard?
- MR. PRITCHARD: No questions, your Honor.
- 25 EXAMINER PRICE: Mr. Boehm?

90 1 MR. BOEHM: No questions. 2 EXAMINER PRICE: Ms. Petrucci? 3 MS. PETRUCCI: No questions. EXAMINER PRICE: Ms. O'Brien? 4 5 MS. O'BRIEN: Yes. Thank you, your 6 Honor. 7 8 CROSS-EXAMINATION 9 By Ms. O'Brien: 10 Good morning, Mr. Bullock. How are you? Q. 11 Α. Good morning. 12 My name is Angela O'Brien. I am with the Q. 13 Office of the Ohio Consumers' Counsel. I am just 14 going to ask you a few questions about your 15 testimony. Are you familiar with the PUCO's 16 three-part test to evaluate settlements? 17 Α. I am with the caveat that not to the 18 depth of an attorney. 19 Okay. Could you please tell me what your Ο. 20 understanding of that test is. 2.1 Α. Well, I would refer you to my answer on page 3. Would you like me to read that answer? 22 23 That's the best --That's fine. You don't have to read it. 24 Ο.

25

Α.

Thank you.

Q. Okay. Now, my understanding is your testimony doesn't address whether the settlement is the product of serious bargaining among capable and knowledgeable parties; is that correct?

2.1

- A. Correct. Our testimony -- my testimony here is focused on other elements.
- Q. Okay. And you focus primarily on the settlements provisions regarding demand side management and straight fixed variable rate design; is that right?
- A. Correct. Although we do also describe the problematic nature of very high fixed monthly charges and increases thereto to the small business and residential customers -- consumers in Ohio as well.
- Q. Okay. Thank you for that. So you are not offering an opinion or taking a position with respect to any other provisions of the settlement; is that correct?
- A. Well, I think the answer is no, but I wouldn't want to narrow in my verbal response to you here any of the content in our written statements, so I think that in our narrative we touch on not just DSM and there is some arguments that may stray beyond the bounds of your question.

- Q. Okay. What -- what provisions are you testifying to besides the straight fixed variable, demand side management, and the customer charge?
 - A. Those are the main ones.
 - Q. Okay.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

2.2

- A. Correct.
- Q. There aren't any others in your testimony?
 - A. Correct.
- Q. Okay. Now, your testimony is that Columbia should retain its demand side management program for non-low income customers, right?
 - A. Correct.
- Q. Okay. Is it your -- does Columbia charge residential consumers for its non-low income demand side management program?
- A. My understanding is that on the current bill structure there's financing for the demand side management programs included in the monthly bills.
- Q. Okay. So consumers pay for demand side management programs through Columbia's rates?
- A. I think the word we would use is invest, but yes.
- Q. Okay. But consumers pay for it; is that correct?

- A. Consumers invest in the future savings.
- Q. Okay. So they pay the bill that allows Columbia to invest in demand side management programs; is that correct?

2.1

- A. Consumers -- part of the monthly payments, part of their revenues go to a demand side management program which yields savings on future bills and, therefore, lower their future bills.

 That's how I would answer the question.
- Q. Okay. So I think the answer to my question is yes, that consumers fund demand side management programs through rates.
- A. I would like to stick to the previous answer I gave you.
- Q. And if I refer to demand side management programs as just DSM, will you understand my meaning?
- A. Yes, for the purposes of this conversation.
- Q. Now, your testimony is also that you recommend an increase in Columbia's DSM programs, right?
- A. I think our testimony is that we should not be turning our backs on what is -- Columbia Gas has a proud record and arguably has been conducting a model energy efficiency program in the state for many

years helping tens of thousands of customers saving millions of dollars, improving health and safety, which is something that I think we should not pass too quickly over.

2.1

And then there's the common benefit of reduced emissions, carbon emissions, which we should all care about and be increasingly focused on. What we are saying is you shouldn't walk away from any of that because that harms the consumer, harms consumers' interests. The consumers who have talked to PUCO through public comments have all said they benefit from and like it; and, if anything, we should be increasing our investment in future consumer savings given the fact that winter is coming to quote a great HBO show and that --

- Q. Excuse me, Mr. Bullock.
- A. -- costs are going up.

EXAMINER PRICE: Please don't interrupt. Let him finish and then you can modify.

A. So the timing of this is that we are going to potentially -- what is being proposed is to remove a critical savings program that we have demonstrated data from the Company itself that shows that it's effective, that it works, it delivers consumer benefits, and we are doing this at a time

during uncommon to historic energy price inflation right before winter. So, yes, our testimony is that we should not be walking away from Columbia Gas's very commendable record of energy efficiency as they initially proposed in this case. We agreed in this case that this is something that should continue; and, if anything, yes, we should expand the investment in this because heaven knows consumers need it, safety calls for it, and so does, while we are at it, reduce CO-2 emissions.

Q. Thank you. Are you finished?

EXAMINER PRICE: Can I have the question back, please?

MS. O'BRIEN: Your Honor, I was just -- well, go ahead.

16 EXAMINER PRICE: Thank you.

17 (Record read.)

2.1

EXAMINER PRICE: Mr. Bullock, every witness deserves one warning and this is yours. In order to get you up and down as quick as possible, please answer counsel's questions directly, only the questions she asks. If you have a desire to expand further on what she asks, your counsel will ask you questions on redirect.

THE WITNESS: Thank you.

EXAMINER PRICE: Thank you.

2.1

MS. O'BRIEN: So, your Honor, I would respectfully move to strike his response. I tried to cut him off midway. It was nonrespons -- well, it was responsive, but my question called for a yes or no answer, and he pontificated until he was done. So I would respectfully request that his answer be stricken from the record.

MR. DOUGHERTY: Your Honor, the question, however, misrepresented a yes or no straight answer of his testimony. The testimony on 11 explains the issue of an increase was what we had -- what CUB Ohio had presented in its -- in its objections to the Staff Report. Then he went on to explain, as you can see, that part of his testimony itself is beyond just a yes or no, understanding your warning that I -- I also agree with.

EXAMINER PRICE: I don't think the question strictly called for a yes or no answer. And we are going to deny the motion to strike, but we have cautioned the witness, and he will do much better with the rest of your questions.

MS. O'BRIEN: Thank you, your Honor.

Q. (By Ms. O'Brien) Okay. Could you turn to page 8 of your testimony, please.

A. Yes, ma'am.

- Q. Let me know when you are there.
- A. I am there.
- Q. Okay. And I am referring to the portion of your testimony where you testify -- where you testify regarding the settlements provision where Columbia has agreed not to pursue and not to support others' pursuit of energy efficiency and demand side management programs through legislation or regulatory initiatives until the -- until Columbia's next rate case. Do you see that?
 - A. I do.
- Q. Okay. Now, as an initial matter, would you agree with me that Columbia's commitment pertains only to consumer-funded energy efficiency and demand side management programs?
 - A. I don't know.
- Q. Well, do you have a copy of the Joint Stipulation and Recommendation?
- A. I do not have a full copy of the 100 pages in front of me.
 - Q. Okay. Do you have the terms, the provisions, like 1 -- page 1 through, let's see, 28?
- 24 A. I could --
- MR. DOUGHERTY: Hang on. Can I ask a

fellow party for a copy? I can give it to him. I can give you the whole copy.

THE WITNESS: Thank you.

- A. Page 28?
- Q. No. If you could turn to page 12 --
- 6 A. Okay.

1

2

3

4

5

7

8

9

10

22

- Q. -- of what's been marked as Joint Exhibit

 1 which is the Joint Stipulation and Recommendation.
 - A. Okay.
 - Q. Let me know when you are there.
- 11 A. I am on page 12.
- Q. Okay. Do you see the second paragraph from the bottom that starts "Columbia agrees"?
- 14 A. Yes.
- 15 Q. Could you please read that?
- A. "Columbia agrees not to pursue (and not to support others' pursuit of) consumer-funded,
 low-income, and consumer-funded, non-low-income energy efficiency programs (including demand side management programs) through legislation or other regulatory initiatives until Columbia files its next
- Q. Okay. Thank you. So these are the terms of the settlement, correct?
- A. Understood.

base rate case."

- Q. Okay. And so you would agree with me, based on these terms, that Columbia's commitment applies only to consumer-funded, low income and consumer-funded, non-low income energy efficiency and demand side management programs?
- A. Yes.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

- Q. Okay. Now, also on page 8, you testified that Columbia's commitment to pursue consumer-funded energy efficiency and DSM programs is, to use your terms, a gag order; is that right?
- A. Can you repeat the question, please?

 MS. O'BRIEN: Karen, could you please reread the question?

(Record read.)

- A. I think the answer is yes, although I don't know -- I'm not certain about the context of your question so.
 - Q. Okay. Well, take a look at line 11 --
- 19 A. Yeah.
- Q. -- on page 8 of your testimony.
- A. Uh-huh.
- Q. And it says here, "This one-sided silencing" --
- A. Correct.
- 25 Q. -- "a gag order" --

A. Right.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

19

20

2.1

- Q. -- "of a utility has successful -- who has successfully offered energy savings," and it goes on. So you are not -- you are disputing -- you are not disputing that you use the term gag order?
- A. That I wrote what I wrote, correct. I am not disputing that.
- Q. Okay. So now you would agree with me though that Columbia voluntarily entered into the Joint Stipulation and Recommendation, wouldn't you?

 THE WITNESS: Your Honor, I want to stick to the answer.
 - MR. DOUGHERTY: Objection. That's speculation.
- 15 EXAMINER PRICE: Sustained.
- Q. (By Ms. O'Brien) Okay. Well, I'll rephrase it. Did Columbia sign the settlement?
- 18 A. Yes.
 - Q. Okay. Do you have any reason to believe that any other party who signed the settlement somehow coerced Columbia to sign the settlement?
- A. I have no evidence when you use the word "coerced."
- Q. So you have no reason to believe that
 Columbia signed the settlement involuntarily,

101 1 correct? 2 Correct. So to put it another way, no signatory 3 forced Columbia to make a commitment not to pursue 4 5 consumer-funded energy efficiency and demand side 6 management programs; isn't that right? 7 MR. DOUGHERTY: Objection. That's vague, forced. I don't understand --8 9 EXAMINER PRICE: He can answer. 10 MR. DOUGHERTY: -- the context. Is forced --11 12 EXAMINER PRICE: He can answer if he 13 understands. 14 Can you repeat the question one more time? 15 MS. O'BRIEN: Karen, could you reread the 16 17 question, please? 18 (Record read.) 19 I need to understand more clearly what 20 you mean by forced to answer that. 2.1 Ο. Do you have a common understanding of the 2.2 term forced? 23 Α. I do.

have no reason to dispute that Columbia voluntarily

Well, I think you just testified that you

24

signed the settlement, right?

A. Correct.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

19

20

- Q. Okay. I think that's fine. So now you would agree with me the settlement does not preclude Columbia from pursuing energy efficiency or DSM legislative or regulatory initiatives that are not funded by consumers, right?
- A. I agree that that's an accurate description of what is in the Stipulation.
- Q. So can you point me to something in the settlement that precludes Columbia from pursuing energy efficiency or demand side management legislative or regulatory initiatives that aren't funded by consumers?

MR. DOUGHERTY: Objection, it's asked and answered. She asked if there was, and he said no.

EXAMINER PRICE: You can answer the question.

- A. I'm sorry. Would you mind repeating it one more time?
- MS. O'BRIEN: Karen, could you reread the question, please?
- 23 (Record read.)
- 24 A. No, I can't.
- Q. And would you agree with me too that

under the settlement Columbia can pursue even consumer-funded energy efficiency and demand side management programs after it files its next rate case?

A. Yes.

2.1

2.2

- Q. So based on that, would you agree with me that the settlement does -- doesn't silence Columbia at all, right?
- MR. DOUGHERTY: Objection. That mischaracterizes his testimony.
- MS. O'BRIEN: Your Honor, I am asking -
 MR. DOUGHERTY: It says what it says.
 - EXAMINER PRICE: He can answer the question if he understands.
 - A. I think the answer is no because it -the Stipulation terms were developed such that the
 champion of demand side management programs, Columbia
 Gas, is on the sidelines for some of the most
 important parts of the discussion about energy
 efficiency and demand side management. So it's a
 little like saying other than that, Ms. Lincoln, how
 was the play?
 - Q. Okay. But I think you just testified, right, that you don't have any reason to believe that Columbia didn't voluntarily enter into this provision

```
or the settlement?
```

2.1

- A. Correct.
- Q. Okay.
- A. Correct.

EXAMINER PRICE: Before we leave this topic, if you are --

MS. O'BRIEN: Oh, no. Go ahead.

EXAMINER PRICE: Before we leave this topic, I am curious, the qualification on line 12 to your statement, it starts at the beginning of line 11 actually, "of a utility who has successfully offered energy savings to its customers," if a utility had not successfully offered energy savings, would you think a gag order is okay then?

THE WITNESS: No, no, I wouldn't.

EXAMINER PRICE: So you don't believe the Commission's Stipulation should ever preclude a party from advocating something at the General Assembly?

THE WITNESS: I wouldn't go that far,
your Honor. I would say that in this testimony we're
arguing -- we're making an argument about the fitness
for the opposite there of this element of the
Stipulation which, as we've discussed, and with
previous witnesses and cross -- cross questioning is
the joint authorship of joint parties. And so if one

party, namely, the Company were to draft it itself, it would look differently. And, in fact, we know that the Company did propose DSM in a meaningful and robust manner originally which is --

EXAMINER PRICE: That's not my question.

THE WITNESS: Okay.

2.1

EXAMINER PRICE: My question is this a matter of principle to you that you don't think the Commission should approve Stipulations which restricts parties' advocacy at the General Assembly, or is this a matter of we care about this issue, therefore, please do not restrict Columbia's advocacy at the General Assembly?

THE WITNESS: I would say it's a matter of principle that almost never should be violated, I guess, in my term.

EXAMINER PRICE: Almost never?

THE WITNESS: I can think of certain cases with certain electric distribution utilities that -- where the fact pattern is particularly pronounced.

EXAMINER PRICE: Because you don't like them it's okay to gag them?

THE WITNESS: No, because the -- well,
this is where my not being an attorney either gets me

```
into trouble or might bail me out of this question
 1
 2
     card. The point is that in those very unique cases
     and circumstances, it may be appropriate, for
 3
     example, to -- when a federal corruption
 4
 5
     investigation is underway, et cetera, to not have
 6
     that untrampled advocacy principle that I have
 7
     included in my arguments here. I hope that's --
                 EXAMINER PRICE: Anybody not under a
 8
9
     federal corruption investigation.
                 THE WITNESS: Very well said.
10
11
                 EXAMINER PRICE: That's a principle.
12
                 THE WITNESS: Although we reserve the
13
     right to refine after we can think it through a
14
     little more clearly. Thanks.
                 EXAMINER PRICE: There is no reservation
15
16
     of rights. This is your chance.
17
                 THE WITNESS: Okay.
18
                 EXAMINER PRICE: Thank you, Ms. O'Brien.
19
                 MS. O'BRIEN: Thank you, your Honor.
20
     thank you, Mr. Bullock. That is all I have.
2.1
                 THE WITNESS: Thank you.
2.2
                 MS. O'BRIEN: Thank you for your time.
23
                MS. WHITFIELD: No questions --
24
                 EXAMINER PRICE: Ms. Whitfield?
25
                 MS. WHITFIELD: -- your Honor.
```

107 1 EXAMINER PRICE: Ms. Bojko? 2 MS. BOJKO: No questions. 3 EXAMINER PRICE: Mr. Nugent? MR. NUGENT: No questions. 4 5 EXAMINER PRICE: ELPC? OPAE? 6 MR. BOBB: No questions for OPAE, your 7 Honor. 8 EXAMINER PRICE: Mr. Margard? 9 MR. MARGARD: No questions, your Honor. 10 Thank you. 11 12 EXAMINATION 13 By Examiner Price: 14 Mr. Bullock, nothing in the Stipulation Ο. 15 precludes a consumer from getting DSM from a 16 competitive retail natural gas supplier, does it? 17 Α. Correct. That's correct. 18 And there is nothing in the Stipulation Q. 19 that precludes a competitive retail natural gas 20 supplier from offering in the marketplace demand side 2.1 management services to their customers. 2.2 Α. True. 23 EXAMINER PRICE: Thank you. 24 Redirect? 25 MS. O'BRIEN: No, your Honor.

108 MR. DOUGHERTY: That would be me. 1 2 EXAMINER PRICE: Mr. Dougherty is doing 3 redirect. MR. DOUGHERTY: Can I get 2? Don't move. 4 5 I don't need any more. Like a couple minutes. 6 EXAMINER PRICE: You may. 7 MR. DOUGHERTY: Thanks. EXAMINER PRICE: Go off the record for 2 8 minutes. 9 (Discussion off the record.) 10 11 EXAMINER PRICE: Let's go back on the 12 record. 13 Mr. Dougherty. 14 MR. DOUGHERTY: No direct -- no redirect. 15 Excuse me. 16 EXAMINER PRICE: You are excused. 17 THE WITNESS: Thank you, sir. 18 MR. DOUGHERTY: And with that CUB Ohio renews its motion to admit CUB Exhibit 1. 19 20 EXAMINER PRICE: Any objection? 2.1 MS. O'BRIEN: No objection. 22 EXAMINER PRICE: Seeing none, it will be admitted. 23 24 (EXHIBIT ADMITTED INTO EVIDENCE.) MR. DOUGHERTY: May I approach Mr. Clark? 25

109 1 EXAMINER PRICE: You may. 2 Who is your next witness? 3 MR. DOUGHERTY: We are moving to OPAE. MR. BOBB: OPAE would call Nicole 4 5 Peoples. 6 EXAMINER PRICE: Ms. Peoples. 7 (Witness sworn.) 8 EXAMINER PRICE: Please be seated and 9 state your name and business address for the record. 10 THE WITNESS: My name is Nicole Peoples, and my business address is 1 Pinchot Place, Athens, 11 12 Ohio 45701. 13 EXAMINER PRICE: Please proceed. 14 MR. BOBB: Thank you, your Honor. 15 16 NICOLE PEOPLES 17 being first duly sworn, as prescribed by law, was examined and testified as follows: 18 19 DIRECT EXAMINATION 20 By Mr. Bobb: 2.1 Q. Ms. Peoples, do you have what has been 22 marked as OPAE Exhibit 2 in front of you? 23 Α. I do. 24 MR. BOBB: Okay. Your Honor, at this

time we would like to mark Ms. Peoples' direct

- 1 testimony as OPAE Exhibit 2.
- 2 EXAMINER PRICE: It will be so marked.
- 3 (EXHIBIT MARKED FOR IDENTIFICATION.)
 - Q. (By Mr. Bobb) Is Exhibit 2 a true and accurate copy of your testimony in this case?
 - A. It is.

4

5

6

7

8

9

10

11

12

13

14

15

- Q. And did you prepare Exhibit 2 or have it prepared under your direction?
 - A. Yes.
 - Q. If I asked you the same questions and answer -- contained in Exhibit 2 today, would you give me the same answers contained therein?
 - A. Yes.
- Q. Any changes or corrections you would like to make to Exhibit 2?
- A. Not to my knowledge.

MR. BOBB: Your Honor, at this time I

would move for the admission of OPAE Exhibit 2,

subject to cross, and would note we've marked it as

Exhibit 2 because we expected Ms. Peoples to go

second today, but for childcare purposes we moved her

first.

- EXAMINER PRICE: We can keep it straight in our heads.
- MR. BOBB: Thank you.

111 1 EXAMINER PRICE: Thank you. 2 Company, cross? 3 MR. GALLON: No questions, your Honor. Thank you. 4 5 EXAMINER PRICE: Mr. Pritchard? 6 MR. PRITCHARD: No questions. 7 EXAMINER PRICE: OEG? 8 MR. BOEHM: No questions. 9 EXAMINER PRICE: Ms. Petrucci? 10 MS. PETRUCCI: No questions. 11 EXAMINER PRICE: Ms. O'Brien? 12 MS. O'BRIEN: Thank you, your Honor. 13 14 CROSS-EXAMINATION 15 By Ms. O'Brien: Good morning, Ms. Peoples. How are you 16 Q. 17 today? 18 Good. Α. 19 My name Angela O'Brien. I am an Ο. 20 Assistant Consumers' Counsel with the Office of the 2.1 Ohio Consumers' Counsel. Just going to ask you a few 22 questions about your testimony that was prefiled in 23 this case. 24 Before I start, do you have a copy of

what's been marked -- or actually admitted as Joint

- Exhibit 1, which is the Stipulation and
- 2 Recommendation?

1

3

4

5

6

7

8

9

- A. I do not.
- Q. Okay. Does your counsel maybe?

 THE WITNESS: Thank you.
- Q. I may ask a couple questions. Okay. Can you tell me, are you familiar with the Commission's -- with the Public Utilities Commission of Ohio, the PUCO's three-part test to evaluate settlements?
- 11 A. Somewhat.
- Q. Okay. And can you tell me what your understanding of that test is?
- A. I am not a legalee, and so I cannot speak to them specifically.
- 16 O. Okay. So --
- A. I know that there's three things that you are trying to look at and prove against.
- Q. Okay. So is your -- is your testimony in opposition to the settlement?
- A. It is in opposition to the Stipulation regarding the low income program.
- Q. Okay. And what specific part of the PUCO's three-part test are you testifying to today?
- A. I'm not specific. I'm not sure.

Q. Okay.

2.1

MS. O'BRIEN: Your Honor, at this time I would like to move to strike Ms. Peoples' testimony in its entirety as irrelevant because it doesn't address the three-part test that the PUCO considers regard -- evaluates when it considers settlements.

MR. BOBB: If I could respond, your Honor, just because Ms. Peoples doesn't know which prong her testimony affects doesn't mean it doesn't address them. It's certainly argument that we'll make on brief.

MS. O'BRIEN: Your Honor, I -- the irrelevant -- at this point in the game we are not litigating the merits of Columbia's WarmChoice program. What is at issue here is whether the settlement meets the standards of the Commission's three-part test. Ms. Peoples has testified that she doesn't know the specifics of the Commission's three-part test nor does she testify to any of the parts of the Commission's three-part test in her testimony. So for that reason, I would strike her testimony in its entirety as irrelevant to this case.

MR. BOBB: Again, your Honor, she testified to modify the Stipulation as presented, and certainly the substance of her testimony goes to the

prongs.

2.1

2.2

EXAMINER PRICE: I think that she certainly expresses in the answer beginning on line 9 on page 3 what her concerns are with the Stipulation. It's not necessary for her to pronounce a magic incantation against the public interest. It's up to Mr. Bobb to argue in his brief that her testimony supports why it's not in the public interest. Your motion to strike is denied.

MR. BOBB: Thank you, your Honor.

MS. O'BRIEN: Thank you, your Honor.

- Q. (By Ms. O'Brien) So I believe you just testified that your testimony concerns the settlement's WarmChoice provisions; is that right?
 - A. The low income provisions.
- Q. Okay. And by low income provisions, what are you referring to?
 - A. The WarmChoice program.
- Q. Okay. And tell me -- tell me your understanding of what the settlement provides for with respect to the WarmChoice programs for low income consumers.
- A. It provides for a cap on any increases over the five years. It also provides money from the WarmChoice program to be taken away from actual

weatherization measures being installed in customers' homes to go and provide an energy rate adjustment or -- to their bill, so it provides money toward the customer's bill. It also provides that the OCC is part of determining the administrative and programmatic pieces of the program.

- Q. Okay. Thank you. And we will touch on that last point in a few minutes, but I want to ask you am I correct that you don't take a position in your testimony regarding any other provisions in the settlement?
- A. That's correct.

2.1

2.2

- Q. Did you participate in any of the settlement negotiations in this case?
 - A. I did not.
- Q. And so am I correct that your testimony does not take a position with respect to whether the settlement is the product of serious bargaining?
 - A. I did not address --

MR. BOBB: I would just like to object. She is not a lawyer and shouldn't be asked questions about whether this addresses that.

EXAMINER PRICE: Well, it's entirely fair for her to ask questions whether she's presenting any facts relevant to the first prong is what she said

so.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

Why don't you give the question back and you can go ahead and provide an answer.

(Record read.)

- A. I did not address that in my testimony.
- Q. Now, I think you just mentioned you testify that you are not aware of OCC designing or administering the WarmChoice program; is that correct?
 - A. Correct.
- Q. Okay. Can you identify where in the settlement it says that OCC will design or administer Columbia's WarmChoice program?
 - A. Page 12 into 13.
- Q. Okay. And are you referring to the paragraph that begins at the bottom "Columbia agrees to meet with the Commission"?
 - A. Correct.
- Q. And moving on? Where specifically in this paragraph does it say that OCC will design or administer Columbia's WarmChoice program?
- A. It says that OCC will discuss potential
 WarmChoice program improvements.
- Q. Okay. So it says that OCC will discuss
 WarmChoice, and I'll just -- it says OCC will discuss

improvements, but it also says that OCC will discuss that with Columbia and the PUCO Staff; isn't that correct?

A. That's correct.

2.1

Q. So nothing in the paragraph that you just referenced to me specifically says that OCC will either design or administer the WarmChoice program; is that right?

MR. BOBB: Objection, asked and answered.

Misstates her testimony.

11 EXAMINER PRICE: Overruled.

- A. It's vague. It's alluding to the fact that potential administrative and operational changes may be made resulting from those discussions.
- Q. Okay. But again, nothing in this paragraph says design or administer.

MR. BOBB: Same objection.

EXAMINER PRICE: I don't believe she has answered the question yet. Overruled.

- A. Not directly.
- Q. Thank you. Now, are you aware that the settlement provides for an independent management auditor hired by the PUCO to review and determine whether the policies, practices, and organization of the WarmChoice program are prudent?

A. Yes.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

19

20

2.1

- Q. Okay. Is it your testimony that the PUCO is incapable of overseeing an independent management audit of the WarmChoice program?
 - A. No, not at all.
- Q. Can you turn to page 12 of your testimony and let me know when you are there?
 - A. Yes, I'm there.
- Q. Okay. And if you can look at lines 7 and 8, here you are -- you testify in support of an increase in the budget for the WarmChoice program; is that correct?
- A. Correct.
- Q. And can you tell me how Columbia would recover the cost for your proposed increase in the WarmChoice budget?
- A. I would assume as part of their original proposal for the program, ratepayer.
 - Q. Okay. So it's your understanding that consumers would pay for that increase?
 - A. Correct.
- Q. Now, I think you previously testified about the bill payment assistance --
- A. Correct.
- 25 Q. -- while you were on the stand, right?

Okay. Are you -- so are you familiar with the settlements provisions regarding the bill payment assistance to consumers?

A. Yes.

1

2

3

4

5

6

7

8

9

10

13

14

15

16

17

18

19

20

22

23

24

25

Q. And are you aware that it provides 3.5 million --

A. Yes.

- Q. -- to consumers? Does -- let's see, does the Corporation for Ohio Appalachian Development oppose bill payment assistance going to consumers?
- 11 A. As part of a reduction in the WarmChoice 12 budget, we do.
 - Q. So you oppose Columbia providing \$3.5 million in bill payment assistance to consumers?

 MR. BOBB: Objection, misstates her prior testimony.

EXAMINER PRICE: Sustained.

MS. O'BRIEN: Thank you, Ms. Peoples. I have nothing further. Thank you for your time.

EXAMINER PRICE: Ms. Whitfield?

21 MS. WILCOX: I'm representing Kroger Co.

I switched with Angie.

EXAMINER PRICE: Kroger?

MS. WILCOX: No questions.

MR. WYGONSKI: OMAEG has no questions,

your Honor.

1

3

4

5

6

7

8

9

12

2.2

23

2 EXAMINER PRICE: Mr. Nugent?

MR. NUGENT: No questions, your Honor.

EXAMINER PRICE: The ELPC?

Mr. Dougherty?

MR. DOUGHERTY: No.

EXAMINER PRICE: Redirect?

MR. BOBB: I have no redirect for the

witness, your Honor.

10

11 EXAMINATION

By Examiner Price:

13 I have only one question, and you may not be able to answer it. It's fine if you can't. Page 14 15 8, question beginning on line 18 to line 20, "Is WarmChoice the only available funding source for home 16 17 weatherization assistance," you indicate there is 18 several other areas that fund weatherization 19 assistance. Can you give me an understanding of the 20 approximate percentage WarmChoice provides for the 2.1 overall pie?

- A. Less than 50 percent -- well, you mean as a -- as a stand-alone weatherization?
- Q. In the context of what you have here. I mean, you say WarmChoice providers in the state also

```
121
     operate the U.S. Department of Energy's Home
 1
 2
     Weatherization assistance program which is coupled
     with the HWAP Enhancement program, the HWAP
 3
     Weatherization Readiness Program and the USF Electric
 4
 5
     Partnership program." Taking those three programs
 6
     and WarmChoice, what percentage of WarmChoice of that
 7
     total funding pie?
 8
            Α.
                 In dollar amount I can't give you that.
 9
     I can, however, tell you that we combine leverage
10
     funds from these other programs. Over 50 percent of
     our clients with that -- we complete under
11
12
     WarmChoice.
13
                 EXAMINER PRICE: Okay. Thank you.
                                                      You
14
     are excused.
15
                 Mr. Bobb?
                 MR. BOBB: Thank you, your Honor.
16
17
     this time we would like to move for the -- renew our
18
     motion for the admission of Exhibit No. 2.
19
                 EXAMINER PRICE: Any objection?
20
                 MS. O'BRIEN: No objection.
2.1
                 EXAMINER PRICE: It will be admitted.
2.2
                 (EXHIBIT ADMITTED INTO EVIDENCE.)
23
                 MR. BOBB: Thank you, your Honor. We are
24
     ready to call Mr. -- excuse me, Mr. Sarver. Given
25
     the time though, I don't know if it makes sense to
```

```
122
 1
     call him now and try to get it done before the
 2
    meeting or?
                 EXAMINER PRICE: I think what makes the
 3
     most sense is let's call him and we will see as far
 4
 5
     as we can get, and then we will pick up after the
 6
     Commission meeting.
 7
                 MR. BOBB: Understood. At this point
     OPAE would like to call John Sarver to the stand.
 8
9
                 MR. SARVER: Your Honor.
10
                 EXAMINER PRICE: Mr. Sarver.
11
                 (Witness sworn.)
12
                 EXAMINER PRICE: Please be seated and
13
     state your name and address -- and business address
14
     for the record. If you could turn on your microphone
15
    button. Right in the middle.
16
                 THE WITNESS: Yeah.
                                      There we go.
                                                    MV
17
     name is John Sarver. Business address is P.O. Box
18
     1793, Findlay, Ohio 45839.
19
                 MR. BOBB: All right. At this point,
20
     your Honor, OPAE would like to mark the direct
2.1
     testimony of John Sarver as OPAE Exhibit 1.
2.2
                 EXAMINER PRICE: It will be so marked.
23
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
24
                 MS. O'BRIEN: Your Honor, would you
```

entertain any motions to strike at this time?

123 EXAMINER PRICE: Let's let Mr. Bobb 1 2 finish his direct and then we will move on -- go on 3 to the motion to strike. MR. BOBB: Thank you, your Honor. 4 5 JOHN F. SARVER, III 6 7 being first duly sworn, as prescribed by law, was examined and testified as follows: 8 9 DIRECT EXAMINATION 10 By Mr. Bobb: 11 Mr. Sarver, do you have in front of you 0. 12 what has been marked as OPAE Exhibit 1? 13 Α. Yes. And is OPAE Exhibit 1 a true and accurate 14 Ο. 15 copy of your testimony in this case? 16 Α. Yes. 17 Did you prepare OPAE Exhibit 1 or have it Q. prepared under your direction? 18 19 Α. Yes. 20 Ο. If I asked the questions contained in 2.1 OPAE Exhibit 1 today, would you give me the answers 2.2 contained therein? 23 Α. Yes. 24 Do you have any changes or corrections to 0. 25 make to OPAE Exhibit 1?

124 1 Α. No. MR. BOBB: All right. At this time, your 2 3 Honors, I would move for the admission of OPAE Exhibit 1, subject to cross. 4 5 EXAMINER PRICE: Thank you. 6 Company? 7 MR. GALLON: No questions, your Honor. EXAMINER PRICE: Mr. Pritchard? 8 9 MR. PRITCHARD: No questions, your Honor. 10 EXAMINER PRICE: Mr. Boehm? 11 MR. BOEHM: No questions, your Honor. 12 MS. PETRUCCI: No questions, your Honor. 13 EXAMINER PRICE: Ms. O'Brien? 14 MS. O'BRIEN: Thank you. 15 EXAMINER PRICE: Do you have motions to 16 strike? 17 MS. O'BRIEN: I do have a motion to 18 strike. OCC moves to strike Exhibit JFS-2 attached 19 to Mr. Sarver's testimony which contains the joint 20 comments of Dominion, Vectren, and Columbia for the 2.1 PUCO's energy efficiency workshops. These comments are irrelevant to the PUCO's three-part test to 22 23 evaluate settlements and, thus, inadmissible under

First, JFS-2 reflects comments and

Ohio Evidence Rules 401 and 402.

24

positions of utilities that are not parties to this case and not parties to the settlement at issue in this case. Dominion's and Vectren's views regarding energy efficiency are wholly irrelevant as to whether the settlement in this case satisfies the PUCO's three-part test.

2.1

Second, the portions related to Columbia in JFS-2 are also irrelevant as to whether the settlement as a package satisfies the Commission's three-part test. The very nature of a settlement is to compromise your litigation positions.

For these reasons JFS-2 should be stricken.

EXAMINER PRICE: Mr. Bobb.

MR. BOBB: Thank you, your Honor. This is part of the Commission's record so certainly judicial notice could be taken of it if we have to go that route. But Mr. Sarver relied on it just to show what Columbia's position has been in the past, certainly nothing objectionable. That's not admitted for the truth of the matter asserted.

MS. O'BRIEN: And I believe, your Honor, it -- if he -- if OPAE wants to stipulate that it's not being admitted for the truth of the matter asserted, that's one thing. However, I think your

Honor previously sustained objections to testimony regarding Columbia's positions in other matters outside of the settlement context. So we would request that the whole JFS-2 be stricken.

EXAMINER PRICE: We are going to deny the motion to strike, and we will take administrative notice of the documents in Exhibit JFS-2. They are pleadings that have been filed before -- comments that have been filed before the Commission. They are fair game to bring into the case.

Anything else?

MR. BOBB: Thank you, your Honor.

MS. O'BRIEN: Thank you, your Honor. No.

I do have cross.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

18

15

16 CROSS-EXAMINATION

17 By Ms. O'Brien:

- Q. Good morning, Mr. Sarver. How are you?
- 19 A. Good, thank you.
- Q. As you may have heard, my name is Angela
 O'Brien. I am with the Office of the Ohio Consumers'
 Counsel, and I am an Assistant Consumers' Counsel.
 So I am just going to ask you some questions about
 your testimony.
- 25 First of all, are you familiar with the

PUCO's three-part test to evaluate settlements?

A. No.

1

2

3

4

5

6

7

8

9

10

11

12

13

- Q. Okay. And you offer no testimony regarding whether this settlement is the product of serious bargaining?
 - A. No.
- Q. Do you offer any testimony regarding whether the settlement benefits consumers or is in the public interest?
- MR. BOBB: Objection, your Honor. He just said he -- I don't think that's in his testimony whether it goes to one of those two -- prongs two or three. And again, I don't know whether his opinion on whether it does is relevant at all.
- EXAMINER PRICE: She can ask him for clarification.
- 17 You can answer if you know.
- THE WITNESS: Pardon me?
- 19 EXAMINER PRICE: You can answer if you
- 20 know.
- 21 A. Oh, no.
- Q. And do you testify at all whether the settlement violates any regulatory practice or principle?
- MR. BOBB: Same objection, your Honor.

He is not familiar with the three-prong test so whether his testimony goes to one of those prongs I think is an unfair question for him.

EXAMINER PRICE: I disagree. She is not asking him -- quizzing him on what are the three prongs. She is simply asking his opinion as to whether he's presenting any facts that relate to any of the three -- one of the three prongs. Overruled.

You can answer if you know.

A. Okay. I don't, no.

2.1

MS. O'BRIEN: Okay. So, your Honor, based on his testimony, I would again move to strike the entirety of Mr. Sarver's testimony as irrelevant to the three-part test the PUCO considers to evaluate testimony. By his own admission he is not testifying with respect to any of the three prongs; and, thus, the testimony itself is irrelevant.

MR. BOBB: Your Honor, that's the same objection that Ms. O'Brien raised and was overruled before. Whether he knows how his testimony applies to the three-prong test is irrelevant to whether his testimony does, in fact, apply to any of the prongs in the three-prong test.

And as you correctly noted before, your Honor, that's a labor for us to take up on brief

after the testimony has been submitted before the Commission.

2.1

MS. O'BRIEN: And, your Honor, the reason I am raising this objection is because the PUCO has in the past always stricken testimony for failure to address the PUCO's three-part test so.

EXAMINER PRICE: Do you have a citation of that?

MS. O'BRIEN: Actually it's Northeast
Ohio -- Northeast and Orwell Natural Gas case. I can
pull up the citation right now. It's 2015. PUCO
wholly -- wholly struck OCC Witness Greg Stone's
testimony for failing to address the three prongs of
the settlement. And I don't have the specific
citation handy right now, but I can pull it up if you
give me a moment.

EXAMINER PRICE: That's okay.

MS. O'BRIEN: I'm sorry, your Honor. I don't have the cite handy.

EXAMINER PRICE: I can find the case. I don't know what happened in Northeast Orwell, but in this case the witness is talking about provisions within the Stipulation. It's up to Mr. Bobb and Mr. Dove to make the argument as to why this fits into the second prong, so the motion to strike will

be denied.

1

3

4

5

6

7

8

9

10

11

12

13

14

15

20

2.1

22

MS. O'BRIEN: Okay.

MR. BOBB: Thank you, your Honor.

MS. O'BRIEN: Thank you, your Honor.

- Q. (By Ms. O'Brien) Okay. So, Mr. Sarver, your testimony, as I understand it, pertains only to the provisions in the settlement regarding demand side management and bill payment assistance, correct?
 - A. Correct.
- Q. Okay. And if I refer to demand side management as DSM, will you understand my meaning?
 - A. Yes.
- Q. So you are not offering any testimony today regarding any other provisions in the settlement; is that correct?
- 16 A. I don't believe so.
- Q. Now, the settlement provides for \$3.5 million of bill payment assistance to Columbia consumers; is that your understanding?
 - A. Yes.
 - Q. Does OPAE oppose Columbia consumers receiving 3.5 million in bill payment assistance?
- 23 A. No.
- Q. Okay. Can you turn to page 4 and 5 of your testimony. Let me know when you are there.

- A. I'm there on page 4.
- Q. So beginning on page 4, you criticize the bill payment assistance program agreed to in the settlement, right?
 - A. Correct.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

2.1

- Q. Okay. And I believe specifically you believe the bill payment assistance program is unclear; is that correct?
 - A. Yeah, correct.
- Q. Okay. But would you agree with me the settlement specifically provides that the bill payment assistance program is subject to reasonable and appropriate yearly audits?
 - A. Yes.
- Q. And the settlement requires Columbia to make audit and oversight information available to the PUCO Staff?
 - A. Correct.
- 19 Q. Now, on page 5 of your testimony, lines 2 20 to 5, okay.
 - A. Go ahead.
- Q. Here you state that PUCO Staff and OCC
 have not been able to craft a cohesive bill payment
 assistance plan in months and months of negotiating
 the Stipulation.

- A. I believe that's true.
- Q. Okay. Is it your testimony that the PUCO Staff is incapable of developing or implementing along with Columbia a bill payment assistance plan for consumers?
- 6 A. No.

1

2

3

4

- 7 MR. BOBB: Object. Misstates his prior 8 testimony.
- 9 MS. O'BRIEN: I am asking him what his testimony is.
- 11 EXAMINER PRICE: Overruled.
- 12 Q. I'm sorry. I didn't get your answer.
- 13 A. No.
- Q. Okay. Were you present at the settlement negotiation meetings?
- 16 A. No.
- Q. Okay. But are you generally aware that the settlement concerns more than just bill payment assistance to consumers?
- 20 A. Yes.
- Q. Okay. For example, the settlement addresses the Columbia revenue requirement, right?
- A. Correct.
- Q. Return on equity and capital structure;
 is that correct?

- A. I'm not sure.
- Q. Okay. Do you have -- do you have any reason to dispute that?
 - A. No.

1

- Q. Okay. Operations and maintenance expense, does it address that?
- 7 A. Yes.
- 8 Q. Okay. Columbia's riders, does it address
 9 that?
- 10 A. I believe so.
- 11 Q. Okay. What about deferral authority?
- 12 A. I am not sure about that.
- Q. Okay. But do you have any reason to dispute or address those issues?
- 15 A. No.
- Q. So you are not testifying that OCC, the
 PUCO Staff, and other parties only discussed bill
 payment assistance throughout the settlement
 negotiation, right?
- 20 A. No.
- Q. Okay. Could you turn to page 7 of your testimony, please.
- 23 A. Okay.
- Q. Okay. At the bottom of the page, you testify that the bill payment assistance program

lacks key details necessary for the Commission to consider it to the extend the Commission has authority to authorize it. Is that your testimony?

A. Yes.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

2.2

- Q. Okay. Is it your testimony that the PUCO does not have authority to determine whether the bill payment assistance provisions as part of a package satisfies the PUCO's three-part test to consider settlements?
- A. Can you repeat that?

 MS. O'BRIEN: Karen, could you please reread the question?

(Record read.)

- A. I'm not sure.
- Q. So -- so is it your belief, your opinion, that the PUCO doesn't have authority to approve the settlement?
 - A. I'm sorry. I believe the PUCO will.
- Q. And here where -- in your testimony on page 7 where you say "to the extent the Commission has authority to authorize it," what -- what authority are you referring to?
- A. Oh, at the time wondering if the PUCO does have that authority to approve in this Stipulation.

- Q. Okay. And when you were wondering that, why -- why were you wondering that?
- A. Because the way it's phrased in the Stip, it's vague.
 - Q. So what specifically is vague?
- A. I don't have it in front of me at this time.
 - Q. You don't have the settlement?
 - A. No.

1

2

3

4

5

8

9

10

11

13

- Q. Okay. Does your counsel have?

 MS. O'BRIEN: Thank you.
- 12 THE WITNESS: Thank you.
 - Q. (By Ms. O'Brien) So can you look through there and tell me what you think is unclear or vague?
- A. Could you repeat the question for me?

 MS. O'BRIEN: Karen, could you please
 reread the question?
- 18 (Record read.)
- THE WITNESS: The question before that, sorry.
- Q. (By Ms. O'Brien) I think I can probably
 reask the question. You just testified, I believe,
 and you can correct me if I am wrong, that the -- you
 think that the bill payment assistance provisions are
 unclear.

136 1 Α. Correct. 2 Q. Okay. 3 Α. Okay. And I followed that up with a question 4 Ο. 5 regarding why --Where is it? 6 Α. 7 Q. I'm sorry? 8 Where in the Stip? Α. 9 I am not referring to the Stipulation Ο. 10 right now. 11 Α. Okay. 12 What I had previously asked you, I am Q. 13 going over that. So I followed that up with a 14 question as to why you were wondering if the 15 Commission had authority to approve the settlement in 16 this bill payment provision. And I believe your 17 testimony was that it was vague. So what I am asking 18 is what portion of the customer bill payment 19 assistance program do you believe is vague or 20 unclear? Okay. Well, I don't see it here so. 2.1 Α. 22 Q. Well, the -- it starts at page 19. 23 Α. Okay.

Okay. It states here "If agreement

Thank you.

Ο.

Α.

24

cannot be reached between Columbia and OCC, the
funding shall be used to expand upon bill payment
assistance available through the HeatShare program."

Oversight and advertising allowed by Columbia to
cover the costs administering the program. It
doesn't say it needs approved by the PUCO in here
that I see.

- Q. You would agree with me that this provision and the settlement itself would -- needs to be approved by the PUCO; that's why we are all here today, right?
- 12 A. I would assume so, but I am not an attorney.
 - Q. Okay. Thank you. Okay. If you could turn to page 11 of your testimony and let me know when you're there.
 - A. Okay.
 - Q. And on line 12, you testify that bill payment assistance should be reserved to emergency situations; is that right?
 - A. Correct.
 - Q. Would you agree with me that the coronavirus pandemic we've experienced the past couple years is an emergency situation?
- 25 A. Yes.

8

9

10

11

14

15

16

17

18

19

20

2.1

22

23

```
And would you also agree with me the gas
 1
            Q.
 2
     and energy prices in general are increasing for
     consumers?
 3
            Α.
 4
                Yes.
 5
            Q.
                 And would you agree with me that
     inflation has increased?
 6
 7
            Α.
               Correct.
 8
                 MS. O'BRIEN: Thank you, Mr. Sarver.
     That's all I have. Thank you for your time today.
 9
10
                 THE WITNESS: Thank you.
11
                 EXAMINER PRICE: Kroger?
12
                 MS. WILCOX: No questions, your Honor.
13
                 EXAMINER PRICE: OMAEG?
14
                 MR. WYGONSKI: OMAEG has no questions,
15
     your Honor.
16
                 EXAMINER PRICE: IGS?
17
                 MR. NUGENT: No questions, your Honor.
18
                 EXAMINER PRICE: ELPC?
19
                 MR. ABRAMS: No.
20
                 EXAMINER PRICE: Mr. Dougherty?
21
                 MR. DOUGHERTY: No. No, thank you.
2.2
                 EXAMINER PRICE: Redirect?
23
                 MR. BOBB: No redirect at this time.
24
                 EXAMINER PRICE: I have no questions.
25
     You may step down.
```

```
139
 1
                 THE WITNESS: Thank you.
 2
                 EXAMINER PRICE: Mr. Bobb.
 3
                 MR. BOBB: Thank you, your Honor. At
     this time OPAE would renew its motion to admit OPAE
 4
     Exhibit 1.
 5
 6
                 EXAMINER PRICE: Any objections?
 7
                 Hearing none, it will be admitted.
                 (EXHIBIT ADMITTED INTO EVIDENCE.)
 8
 9
                 EXAMINER PRICE: Let's go off the record
10
     now.
11
                 (Discussion off the record.)
12
                 EXAMINER PRICE: Let's go back on the
13
     record.
14
                 We have a couple housekeeping matters to
15
    take on before we adjourn for the day.
16
                 Mr. Kelter.
                 MR. KELTER: Thank you, your Honor. We,
17
18
     Environmental Law & Policy Center, moves for the
19
     admission of ELPC Exhibit 1.0, the supplemental
20
     direct testimony of Karl Rabago.
2.1
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
22
                 EXAMINER PRICE: I understand we have a
    motion to strike?
23
24
                 MR. GALLON: Yes, your Honor. Thank you.
     Our motion to strike relates to the testimony on
25
```

pages 12 to 15 of Mr. Rabago's testimony. Page 12, beginning on line 14.

MR. KELTER: Slow down.

2.1

MR. GALLON: Motion to strike relates to the question on page 12 that begins on line 14. The answer to that question that begins on line 6 and continues on to pages 13 and 14, Table KRR-1, and the question and answer that follow that table which concludes on page 15, line 2.

So the topic of these questions and answers are the residential customer charges that Columbia Gas of Ohio's affiliates have charged in other states. Columbia Gas of Ohio would argue that the charges of other companies in other states with different customer bases, different sets of laws are irrelevant.

Some of the charges listed here have not even been charged. They are simply stipulated. Much of what Mr. Rabago relies on for this testimony is hearsay. There is, I believe, one citation to a Commission order from the Indiana Utility Regulatory Commission. The remainder are citations to it appears settlements, applications, ALJ recommended decisions, and such, direct testimony in a Columbia Gas of Virginia case, that kind of thing.

So Columbia Gas would move to strike all of this testimony as irrelevant. The charges of other companies in other jurisdictions subject to entirely different sets of laws are not relevant to the Commission's decision in this case.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

2.1

We would also move to strike the majority of this testimony on the basis of hearsay. The statements of employees of different companies' filings in other commissions are all statements of nonparties outside this proceeding and, therefore, would not be admissible under the Commission's general policies as hearsay.

EXAMINER PRICE: And do you have a second part for your motion to strike?

MR. GALLON: No, your Honor.

EXAMINER PRICE: That's solely it?

MR. GALLON: Yes, sir.

EXAMINER PRICE: Mr. Kelter, response?

MR. KELTER: A couple things, your Honor.

First of all, Mr. Rabago's testimony goes to whether

the settlement is actually in the public interest

22 which is one of the prongs of the three-prong test.

Second of all, he should be allowed to

24 make the point that Columbia doesn't need to have all

of that revenue in the fixed customer charge in order

to collect the revenue because it collects the revenue that it needs in other states through volumetric rates.

2.1

Also it goes to -- his testimony goes to the issue of whether there was -- goes to the issue of the negotiations between the parties which he talks about in this -- when he discusses these issues. And I would add all the things he relies on are public filings, and witnesses typically rely on public filings in other states routinely in their testimony.

EXAMINER PRICE: Any other parties care to respond?

MR. KELTER: You know what? I do want to add one other thing here.

EXAMINER PRICE: Sorry.

MR. KELTER: We asked Columbia Gas a question about this in discovery. We said what are the fixed comparable -- what are the comparable fixed charges residential customers will pay for other natural gas utilities owned by NiSource in 2023, 2024, 2025, 2026, and 2027? NiSource refused to answer those questions, so we found the answers to those questions in publicly available information.

EXAMINER PRICE: Well --

1 MR. GALLON: Your Honor, may I respond? 2 EXAMINER PRICE: I mean, they declined to 3 respond because they didn't think it was relevant. They didn't think it was 4 MR. KELTER: 5 relevant. It may not be relevant in their eyes, but we are the ones who decide what's relevant to our 6 7 arguments that we are going to make in briefs. EXAMINER PRICE: The Commission decides 8 what's relevant to decide this outcome. 9 10 Mr. Gallon. 11 MR. GALLON: Your Honor, may I respond? 12 One, I don't believe those discovery requests were 13 posed to NiSource. They were posed to Columbia Gas of Ohio. 14 15 Two, if you wished -- if ELPC wished to 16 challenge Columbia's objections to discovery, the time to do so was through a motion to compel before 17 18 this hearing and not during the hearing. 19 Three, I believe counsel for ELPC 20 indicated that this testimony was important because 2.1 it showed that other companies had agreed to 22 volumetric rates in other proceedings in other 23 states. 24 ELPC does not need to rely on filings

from other companies in other public utilities

commissions in other states to demonstrate volumetric rates exist. And to the extent that he believes this testimony shows anything regarding whether if the Stipulation provides benefits to consumers or anything about bargaining, he did not indicate how it does so.

2.1

2.2

And we don't see how, again, filings in other states relating to other companies under entirely different sets of laws and different sets of customers would demonstrate anything about the benefits provided by the Stipulation filed in this case or for that matter whether serious bargaining occurred.

MR. KELTER: Your Honor, I believe they have cross for Mr. Rabago. They seem to want to ask him questions about why he thinks this relates to the serious bargaining test, and we are happy to have him available for cross.

EXAMINER PRICE: Well, they won't have cross if they win the motion to strike. I think that's their point.

Any other parties care to respond to the motion to strike?

Okay. We are going to grant the motion to strike on the basis of relevance. Even to the

extent that this is a matter of rate design rather than revenue requirement, which is not clear from the testimony, he doesn't indicate what the offsetting volumetric rates are so there is no way for the Commission to make a comparison as to the fixed rates versus what some hypothetical volumetric rate might also be. Accordingly, the motion to strike will be granted.

2.1

MR. KELTER: Your Honor, wouldn't that go to the weight the Commission gives it?

EXAMINER PRICE: No. It is going to the relevance of it. Motion to strike has been granted.

Mr. Kelter, it's my understanding that based on conversations off the record that Mr. Rabago has not had a final chance to review his testimony for corrections and errors. If there is any corrected testimony, please go ahead and file a late-filed exhibit within a week of the hearing.

MR. KELTER: Thank you, your Honor.

EXAMINER PRICE: Thank you.

Any objection?

MR. KELTER: We have -- your Honor, we also have ELPC Exhibit 2 which is the discovery responses to our discovery requests submitted to Columbia that Columbia has agreed to allow us to

```
146
     submit for the record.
 1
 2
                 EXAMINER PRICE: Okay. Thank you.
 3
     you have copies?
                 MR. KELTER: We just filed them this
 4
 5
    morning.
 6
                 EXAMINER PRICE: Okay. That's fine.
 7
     Columbia, you have no objection to the admission of
     these discovery responses?
 8
 9
                 MR. GALLON: That's correct, your Honor.
10
                 EXAMINER PRICE: Okay. They will be
11
     marked as ELPC 2.
12
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
13
                 EXAMINER PRICE: Any objection to the
     admissions of ELPC 1 and 2?
14
15
                 Hearing none, they are admitted, subject
16
     to the motion to strike.
17
                 (EXHIBITS ADMITTED INTO EVIDENCE.)
18
                 EXAMINER PRICE: Mr. Margard.
                 MS. PETRUCCI: Can I ask what's in ELPC 2
19
20
     that apparently was filed this morning while we
2.1
     were -- I don't know if it was while we were here.
22
                 EXAMINER PRICE: They are discovery
```

you'll -- I am not sure anybody has seen it is all I

MS. PETRUCCI: Columbia, okay. I quess

23

24

25

responses from Columbia.

am asking and there is no copy available? I just find that very unusual.

2.1

 $$\operatorname{MR.}$$ KELTER: I'm sorry. I missed the question.

EXAMINER PRICE: I agree with

Ms. Petrucci and we are getting this late and this is
taking longer than we had hoped. We are going -sorry to do this to the parties. We are going to go
off the record until 2 o'clock. In that time frame
the parties will have a chance to review ELPC
Exhibit 2 and determine whether they have any
objections to its admission, it should be up on the
docket system now at this point, and then we will go
ahead and deal with the Staff witnesses at 2 o'clock.

MR. KELTER: Your Honor, I just wanted to point out that we didn't bring copies because we didn't think we were going today, so I apologize for that.

EXAMINER PRICE: Let's not apologize for the fact we got this hearing done quickly. It's in everybody's benefit we are not doing this the next four days until Monday, wraparound to Monday, so it was well done by everybody to get it done.

Let's go off the record.

(A lunch recess was taken.)

Wednesday Afternoon Session,
November 16, 2022.

- -

2.1

EXAMINER PRICE: As a first matter, in my haste to wrap up quickly, I feel upon reflection I did not give a very clear ruling to ELPC on the motion to strike. So in case they desire to challenge it, I'm clarifying the ruling as the motion to strike was granted on two grounds. One, relevance, the rates are taken from other states subject to different governing laws and, second, on prejudice because the testimony did not present the volumetric rates along with the fixed rates, the unfair prejudice to Columbia outweighed the probative value of the evidence. Thank you.

Ms. Petrucci.

MS. PETRUCCI: Thank you, your Honor. Right before the break we were discussing admission of ELPC 2, and I appreciate the indulgence of the Bench and everybody else for an opportunity to review exactly what that document was. I'll just note it was filed at like 11:10 this morning, so I do appreciate the opportunity.

Having looked at it, I -- there is one page within the 390 plus pages of that exhibit with

which we have an objection. It is page 30. I do have a non-downloaded copy if anybody needs to see page 30. I've handed it to the Bench and ELPC's counsel and a couple -- a couple others in the room. If anybody wants it, I'll be happy to share.

2.1

And page 30 is the Columbia response to ELPC's Set 1, Interrogatory No. 6. The objection is with regard to relevance. As the information in the -- that's being requested is with regard to competitive supply charges, and as everybody I think understands, that this case is about base rates and is not at all related to supplier rates on top of the two other cases that are involved are the IRP Rider and CEP Rider which are also unrelated to supply -- competitive supplier rates.

So -- and as the Bench has already taken and ruled on the grounds of relevancy that other rates involving different companies from other states, also not relevant to this proceeding.

So on that ground page 30 of what has been marked as ELPC is one page in which we have an objection. We would request it not be included in ELPC Exhibit No. 2.

EXAMINER PRICE: Any party care to respond?

MR. NUGENT: IGS would join in that objection, your Honor.

2.1

MR. ABRAMS: Yeah, I would like to respond, your Honor. Can you hear me?

EXAMINER PRICE: Yes.

MR. ABRAMS: I would just like to point out, first of all, the Company didn't object. And then, second and third, this relates to our arguments around prong two and prong three. We are going to argue about inflation and rising prices and energy burden for customers, and this information fits into that context.

MR. PRITCHARD: Your Honor, I don't have a specific response on this page, but I do have an overarching response. I am happy to save it to the end or chime in whenever you feel appropriate.

EXAMINER PRICE: Let's finish this page and then we will take up.

Any other party care to respond?

MS. PETRUCCI: If I can just reiterate

that the case is about base rates and the IRP and CEP

Riders. It is not about the overall customer bill.

And so again, this goes to relevance and it's

irrelevant information for the case.

MR. ABRAMS: May I respond?

EXAMINER PRICE: Yes.

2.1

MR. ABRAMS: I just, again, would argue that, you know, in the context of the Stipulation removing energy efficiency programs, it's just all the more important for consumers to save gas as gas prices are rising so that's why this is relevant to the larger argument around the public interest in this case.

EXAMINER PRICE: But you would agree that as a proxy for gas prices, you can use the historic Standard Choice Offer price which nobody is objecting to.

MR. ABRAMS: I guess I'm a little unclear.

there is two parts to this response. The first is here is a web link to the historic Standard Choice Offer price 2018 to present. And those are on -- it's a link to the Commission website and you can -- you know, if you need us to take administrative notice of that, we'll do so. But you can use that as a proxy for rising gas prices rather than the average supplier price which is being objected to.

MR. ABRAMS: That would be a fine resolution for me.

EXAMINER PRICE: Okay. At this time we will go ahead and strike from ELPC Exhibit 2 page 30, the response to interrogatory Set 1, No. 6, and we will take administrative notice of historic Standard Choice Offer prices from 2018 to present found on the Commission website.

2.1

Mr. Pritchard, more global objection.

MR. PRITCHARD: Yes, your Honor. It's —
typically in these proceedings to the extent a party
wants to present discovery, it's either a request for
admission which under the Commission's rules are
treated as evidence and admissible, or they are
presented by a witness. I'm not — I don't recall
anyone filing a 390-page discovery exhibit live
during a hearing. I've not had an opportunity to
review in full detail all 390 pages. I'm not sure
what vehicle or appropriateness or relevance all of
this information has, but I — it seems to run afoul
of the Commission's rule on prefiling expert witness
testimony and I'm not sure what prejudice it may or
may not be to my client having it been submitted live
while we were all in the hearing today.

So on that grounds I am not sure that there is a basis -- demonstrable basis that all this information is relevant and that the parties in the

```
room had an opportunity to review and object or not object.
```

MS. O'BRIEN: I would agree with that. I am -- you know, this was filed today at 11 o'clock.

While I have had a chance to scroll threw it, I mean,
I would generally object on the grounds it doesn't
have a vehicle for admission and basically support
IEU's comments or objections on that ground.

MR. WYGONSKI: OMAEG would join that as well.

MS. WILCOX: Kroger would join that as well.

MR. DOUGHERTY: Can I ask a question? What was the objection on the table?

MS. O'BRIEN: I think --

2.1

EXAMINER PRICE: They are objecting to the admission in general of this exhibit.

MR. DOUGHERTY: I wasn't sure whether I heard those words, that's all.

MS. O'BRIEN: I can't imagine -- for example, I can't imagine a situation where like we would be able to come in and just file 300 pages of discovery and just say request for admission for them even -- even if the utility agreed with us, right?

We would have to have some sort of vehicle for

getting them into evidence and, you know, whether that's through the Respondent who helped draft the -- draft the discovery responses or what have you or through another witness.

MR. ABRAMS: May I respond?

EXAMINER PRICE: Let's see who else is -I heard a lot of people say they were joining the
objection, but I am not sure the court reporter
caught them or if I caught them. So Kroger and OMAEG
are joining the objection?

MR. WYGONSKI: Yes.

2.1

12 EXAMINER PRICE: Do you care to speak to 13 it?

MR. WYGONSKI: I have nothing to add to that, your Honor.

EXAMINER PRICE: Anybody else?

Now you may respond.

MR. ABRAMS: Yeah. Again, I just want to point out sort of the context we are working in here where our witness was originally going to Monday only because of a death in the family and then moved it up to today to accommodate finishing the proceeding earlier, so I think we apologize for the -- the pace at which we just had to file this, but we were planning to get -- to get our discovery responses in

on Monday and give parties time to review them. It was more a matter of convenience in order to expedite the proceeding.

2.1

So our intention was not to file this at 11:00 and have everyone review it over lunch. Our intention was to file on -- to have hearing room exhibits, talk about them with our witness on Monday, and then file this into testimony or into the record.

MR. PRITCHARD: May I briefly respond, your Honor?

EXAMINER PRICE: You may.

MS. PETRUCCI: The deadline to file the Intervenor -- or the Intervenor in Opposition testimony was Monday. To the extent this was going to be adopted by the witness, it should have been filed with his testimony. But, for example, the first page of the exhibit says the Respondent is Melissa Thompson, so to the extent that it was needed to be sponsored by a Company witness, she was on the stand this morning; so, you know, it's -- I don't know, again --

EXAMINER PRICE: And that -Mr. Pritchard, that is the problem with the unfair
surprise part is if they had brought the 300
exhibits, they could have just gone through them with

Ms. Thompson, and she could have -- they could have had her sponsor every one, and we would -- that would have taken a long time and but it could have been done that way and that would have been proper.

So I am not sure people are being prejudiced, but in order to avoid that, we are going to grant --

MR. ABRAMS: Your Honor, can I make just one more --

EXAMINER PRICE: No. You are about to win. Stop.

We are going to grant admission of ELPC 1 and 2 if we haven't said it yet. We are going to grant admission of ELPC 1 and 2. If any parties wish to file motions to strike specific discovery responses in there, they should certainly do so within the near term. We are going to rule on those so the parties will properly understand which should be in the briefs, what should not be in the briefs.

MS. PETRUCCI: Can I ask a clarifying questioning, your Honor?

22 EXAMINER PRICE: You may.

MS. PETRUCCI: Page 30 I think you ruled

24 on.

1

2

3

4

5

6

7

8

9

12

13

14

15

16

17

18

19

20

2.1

25 EXAMINER PRICE: You've already won.

157 1 MS. PETRUCCI: 31, I'm sorry? 2 EXAMINER PRICE: 30, you've already won. 3 MS. PETRUCCI: You are not expecting --4 EXAMINER PRICE: No. We have already 5 ruled on that one, but we will entertain motions to 6 strike next week if any parties have objections to 7 specific pages. I do understand this is done a little bit out of the norm, but in ELPC's defense, if 8 9 they had filed it this morning and brought it up on 10 Monday, we would have had the weekend to review it, 11 and it would have been fine. So, you know, we are 12 all pleasantly surprised that this hearing is 13 wrapping up today and nobody -- we are not having to 14 come back again in future days. 15 With that, Mr. Margard. 16 MR. MARGARD: Thank you, your Honor. 17 this time Staff has eight exhibits that it intends to 18 offer, and I would like to mark those, if I may. 19 EXAMINER PRICE: You may. 20 MR. MARGARD: Your Honor, I would like to 2.1 have marked as Staff Exhibit No. 1, the Staff Report 22 of Investigation filed in this case on April 6 of 23 2022. 24 EXAMINER PRICE: So marked. 25 (EXHIBIT MARKED FOR IDENTIFICATION.)

```
MR. MARGARD: And Staff Exhibit No. 2,
 1
 2
     the prefiled testimony in response to objections to
     the Staff Report of James Zell filed on November 9,
 3
     2022.
 4
 5
                 EXAMINER PRICE: So marked.
 6
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
 7
                 MR. MARGARD: As Staff Exhibit No. 3, the
 8
     prefiled testimony in response to objections to the
 9
     Staff Report of Craig Smith filed on November 9,
10
     2022.
11
                 EXAMINER PRICE: So marked.
12
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
13
                 MR. MARGARD: As Staff Exhibit No. 4, the
14
     prefiled testimony in response to objections to the
15
     Staff Report of Krystina Schaefer filed on
16
     November 9, 2022.
17
                 EXAMINER PRICE: Can you spell Schaefer
18
     for us? There's multiple different spellings.
19
                 MR. MARGARD: Yes, S-C-H-A-E-F-E-R.
20
                 EXAMINER PRICE: So marked.
2.1
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
22
                 MR. MARGARD: Thank you. As Staff
23
     Exhibit No. 5, prefiled testimony in response to
24
     objections to the Staff Report of Jennifer Mocniak.
25
     That's M-O-C-N-I-A-K.
```

```
EXAMINER PRICE: So marked.
1
2
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
 3
                 MR. MARGARD: As Staff Exhibit 6,
     prefiled testimony in response to objections to the
 4
 5
     Staff Report of James Ripke.
                 EXAMINER PRICE: So marked.
 6
7
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
8
                 MR. MARGARD: Both of those filed on
9
     November 9, 2022. As Staff Exhibit No. 7, the
10
     prefiled testimony in response to objections to the
11
     Staff Report of Dorothy Bremer filed on November 9,
12
     2022.
13
                 EXAMINER PRICE: So marked.
14
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
15
                 MR. MARGARD: And as Staff Exhibit No. 8,
     the prefiled testimony in support of the Stipulation
16
17
     of David Lipthratt filed on November 7, 2022.
18
                 EXAMINER PRICE: Also be so marked.
19
                 (EXHIBIT MARKED FOR IDENTIFICATION.)
20
                 MR. MARGARD: Thank you, your Honor.
2.1
     respectfully move for the admission of these
     exhibits. The parties have indicated that they did
22
     not have cross for Staff witnesses. If that remains
23
24
     the case, I would respectfully move for admission.
25
     All of those witnesses are available should the
```

```
parties or your Honors have any questions.
```

2 EXAMINER PRICE: We have no questions.

3 | Any parties object to the admission of Staff Exhibits

4 1, 2, 3, 4, 5, 6, 7, and 8?

5 Hearing no objections, all exhibits will

6 be admitted.

1

7

8

(EXHIBITS ADMITTED INTO EVIDENCE.)

MR. MARGARD: Thank you, your Honor. I

9 have nothing further.

10 EXAMINER PRICE: Let's go off the record

11 to discuss briefs.

12 (Discussion off the record.)

13 EXAMINER PRICE: Let's go back on the

14 record.

15 After spirited discussion regarding

16 | briefs, initial post-hearing briefs will be due

17 December 9, 2022, and post-hearing reply briefs will

18 be due December 23, 2022, at which point this case

19 | will be submitted to the Commission on the record.

20 We are adjourned for the day. Thank you

21 all.

MR. CLARK: Sorry. Before you adjourn

23 | just a friendly reminder about the motions for

24 | protective order. I don't know if you want to do

25 | that now or a written order, but I wanted to remind

```
you of that.
```

2.1

2 EXAMINER PRICE: No. Let's do it now.

3 | Any -- what days were they filed?

MR. CLARK: They were filed on June 30, 2021, the first one. The second one was filed on July 14, 2021. The third was filed on May 3, 2022. And I believe there is a fourth one in the docket as well related to the Schools Council pursuant to

protective agreement filing as well for those so.

Those are all -- I believe those cover all of the protective orders.

EXAMINER PRICE: Do we have any objections to the granting of those four protective orders?

Seeing none, they will be -- they will be granted.

MR. CLARK: Your Honor, I have one last clarification just to make sure for the record. For the joint exhibit that was admitted earlier, I just want to be clear there was a clarification filed on November 3 and another clarification filed on November 9, the correction, and I just want to make sure those were considered part of the Joint Stipulation and Recommendation that was put into the record.

EXAMINER PRICE: That was a -- did the 1 2 copy you gave the court reporter have those corrections? 3 MR. CLARK: If it did not, we will 4 5 furnish one promptly. I know it's in the docket. 6 Then additionally, your Honor, similarly Columbia 7 Exhibit 1, which is the application, there was an Amended Schedule C-9 and D-1B filed on July 14. Want 8 9 to make sure that is also part of the admitted 10 Columbia Exhibit 1. 11 EXAMINER PRICE: Just to clarify, that 12 will be part of Columbia 1 as to the Stip. It's what 13 you give to the court reporter that counts so. 14 MR. CLARK: Thank you, your Honor. I 15 appreciate those cleanup items. 16 EXAMINER PRICE: Thank you. 17 Anything else before we adjourn? 18 MS. PETRUCCI: Did you set a deadline for the motions to strike associated with the ELPC? 19 20 EXAMINER PRICE: No. I just suggested 2.1 sometime next week would be appropriate. 22 MS. PETRUCCI: Okay. Thank you. 23 EXAMINER PRICE: Anything else? 24 Okay. Now we are adjourned. Thank you 25 all.

```
163
 1
                 Let's go off the record.
                  (Thereupon, at 2:28 p.m., the hearing was
 2
 3
     adjourned.)
 4
 5
                           CERTIFICATE
 6
                 I do hereby certify that the foregoing is
 7
     a true and correct transcript of the proceedings
     taken by me in this matter on Wednesday, November 16,
 8
 9
     2022, and carefully compared with my original
10
     stenographic notes.
11
12
                           Karen Sue Gibson, Registered
13
                           Merit Reporter.
14
15
     (KSG-7371)
16
17
18
19
20
21
22
23
24
25
```

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

11/21/2022 9:59:58 AM

in

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

Summary: Transcript November 16th 2022 - In the Matter of the Application of Columbia Gas of Ohio, Inc., for Authority to Amend its Filed Tariffs to Increase the Rates and Charges for Gas Services and Related Matters. - In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of an Alternative Form of Regulation. - In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of a Demand Side Management Program for its Residential and Commercial Customers. - In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval to Change Accounting Methods. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Gibson, Karen Sue Mrs.