

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Co- )  
lumbia Gas of Ohio, Inc. for an Adjust- ) Case No. 23-0621-GA-RDR  
ment to the CEP Rider Rate. )

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**PREPARED DIRECT TESTIMONY OF  
MELISSA L. THOMPSON  
ON BEHALF OF COLUMBIA GAS OF OHIO, INC.**

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**February 24, 2023**

**PREPARED DIRECT TESTIMONY  
OF MELISSA L. THOMPSON**

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1 **I. INTRODUCTION**

2

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

4 A. Melissa L. Thompson, 290 W. Nationwide Blvd., Columbus, Ohio 43215.

5

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

7 A. I am employed by Columbia Gas of Ohio, Inc. ("Columbia").

8

9 **Q. Will you please state briefly your educational background and experi-**  
10 **ence?**

11 A. I attended Marietta College, earned a Bachelor of Arts in Communications  
12 and Political Science, and graduated magna cum laude from Capital Uni-  
13 versity Law School. I worked for two years in private practice with law  
14 firms in Columbus, and joined the NiSource Legal Department in 2012. In  
15 2015, I transitioned to my role as the Director of Regulatory Policy with Co-  
16 lumbia.

17

18 **Q. What are your job responsibilities as Director of Regulatory Policy?**

19 A. My primary responsibilities include the planning, supervision, preparation,  
20 and support of Columbia's regulatory filings before the Public Utilities  
21 Commission of Ohio ("Commission"). I also develop policy to support  
22 Columbia's energy efficiency programs and drive Columbia's regulatory  
23 initiatives to ensure execution of Columbia's business strategy.

24

25 **Q. What is the purpose of your testimony in this proceeding?**

26 A. The purpose of my testimony is to support the reasonableness of Colum-  
27 bia's request for the proposed rate adjustments to the Capital Expenditure  
28 Program ("CEP") Rider, as well as to support and sponsor the Application  
29 and Attachment A filed on February 24, 2023. My testimony also discusses  
30 the impacts of Case Nos. 21-0637-GA-AIR, *et al.* to the CEP Rider.

1 **II. EXPLANATION OF CEP RIDER SCHEDULES**

2

3 **Q. What schedules are you sponsoring in this proceeding?**

4 A. The following is a list of the CEP Rider schedules that I am sponsoring,  
5 which were filed on February 24, 2023:

6

Schedule	Description
Attachment A	Proposed Rate Schedules

7

8 **Q. How was the CEP Rider authorized by the Commission?**

9 A. The Commission authorized the establishment of the CEP Rider in its Opin-  
10 ion and Order dated November 28, 2018 in Case No. 17-2202-GA-ALT. This  
11 authorization was recently extended in a January 26, 2023 Opinion and Or-  
12 der in Columbia’s most recent rate case, Case No. 21-0637-GA-AIR, *et al.*

13

14 **Q. Please describe the CEP Rider.**

15 A. The CEP Rider recovers the post-in-service carrying costs, incremental de-  
16 preciation expense, and property tax expense directly attributable to Co-  
17 lumbia’s CEP. The CEP Rider also provides for a return on and of the assets  
18 included in the CEP program.

19

20 **Q. Would you please provide a brief explanation of Attachment A?**

21 A. Attachment A details the rate schedules to which the CEP Rider applies.

22

23 **III. IMPACTS OF COLUMBIA’S RATE CASE, 21-0637-GA-AIR, *et al.***

24

25 **Q. Did Columbia file a rate case?**

26 A. Yes. Columbia filed its Notice of Intent on May 28, 2021, and its Application  
27 on June 30, 2021 to adjust its base rates, continue its Infrastructure Replace-  
28 ment Program (“IRP”) Rider, continue its Capital Expenditure Program  
29 (“CEP”) Rider, continue its DSM Rider and energy efficiency program, and  
30 address other regulatory items.

31

32 **Q. Did the Commission’s Order in Case No. 21-0637-GA-AIR, *et al.* impact  
33 the CEP Rider?**

34 A. Yes. On January 26, 2023, the Commission approved a Joint Stipulation and  
35 Recommendation filed on October 31, 2022, in Case Nos. 21-0637-GA-AIR,  
36 *et al.* (“Rate Case Order”). The Rate Case Order continued the CEP Rider  
37 with a few modifications, three of which are relevant to my testimony in

1 this proceeding. First, the Rate Case Order established caps for the CEP  
2 Rider rate to be charged to the Small General Service (“SGS”) rate class. For  
3 rates effective September 2023, which recovers CEP eligible investments  
4 from calendar year 2022, the cap for the SGS rate class is \$3.41 per month.  
5 Second, the annual CEP Rider revenue is to be allocated based on the fol-  
6 lowing table:  
7

Rate Class	Allocation Percentage
Small General Service	87.00%
General Service	9.21%
Large General Service	3.79%
Total	100.00%

8  
9 Lastly, the annual CEP Rider rate for the GS and the LGS rate classes shall  
10 be the percentage of the allocated CEP Rider revenue requirement for the  
11 GS and LGS rate classes divided by the anticipated base rate revenue for  
12 the GS and LGS rate classes, respectively.  
13

14 **IV. REASONABLENESS OF REQUESTED ADJUSTMENT**

15  
16 **Q. Are Columbia’s proposed rates within the permitted caps?**

17 A. Yes. Columbia’s proposed, 12-month SGS class rate is \$3.02 per month, GS  
18 class surcharge is 3.75% per month, and LGS class surcharge is 6.28% per  
19 month beginning with Unit 1 billing for September 2023. These values con-  
20 form to the requirements from the Rate Case Order.  
21

22 **Q. Do you have an opinion regarding whether Columbia’s request to adjust  
23 the CEP Rider is reasonable?**

24 A. Yes. I believe Columbia’s request to adjust its CEP Rider is fair and reason-  
25 able. I believe that the costs of service are properly allocated to the appro-  
26 priate customer classes and the rate design was properly computed in ac-  
27 cordance with the terms and conditions of prior Commission orders. Fur-  
28 thermore, the proposed CEP Rider rates are within the rate caps established  
29 in Case Nos. 21-0637-GA-AIR, *et al.*  
30

31 **Q. Does this complete your Prepared Direct Testimony?**

32 A. Yes, it does.

## CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document is also being served via electronic mail on the 24th day of February, 2023, upon the persons listed below.

*/s/ John R. Ryan*

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John R. Ryan

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Summary: Testimony Prepared Direct Testimony of Melissa L. Thompson  
electronically filed by Mr. John R. Ryan on behalf of Columbia Gas of Ohio