

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the matter of:)
)
ELECTRONIC TARIFF FILING OF) Case No. 2021-00386
COLUMBIA GAS OF KENTUCKY,)
INC. TO EXTEND ITS SMALL)
VOLUME GAS TRANSPORTATION)
SERVICE)

**SUPPLEMENTAL TESTIMONY OF
JUDY M. COOPER
ON BEHALF OF COLUMBIA GAS OF KENTUCKY, INC.
IN SUPPORT OF THE JOINT STIPULATION**

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September 27, 2022

1 I. INTRODUCTION

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

3 A: My name is Judy M. Cooper and my business address is 2001 Mercer Rd.,
4 Lexington, KY 40511.

5 **Q: Did you provide Direct Testimony and Rebuttal Testimony in this**
6 **proceeding?**

7 A: Yes I did.

8 **Q: What is the purpose of this Testimony?**

9 A: My testimony is filed in support of the Joint Stipulation and Settlement
10 Agreement (“Stipulation”) filed with the Public Service Commission on
11 September 22, 2022 in this proceeding. The purpose of my testimony is to
12 explain how, in Columbia’s opinion, the Stipulation is fair, just and
13 reasonable.

14 **Q: Please explain how the terms of the proposed Stipulation can be**
15 **considered fair, just and reasonable and the services provided be**
16 **considered adequate, efficient and reasonable.**

17 A: Whether the terms and services are fair, just and reasonable is a somewhat
18 subjective determination. It is not a mathematical formula and is a matter
19 on which reasonable minds (and experts) can differ. The initial proposal by

1 each party in this proceeding represented the desired outcome based on the
2 facts, as they were understood by each of the parties at the commencement
3 of this case. Since that time, substantial data has been exchanged and the
4 parties have engaged in numerous negotiations in an attempt to arrive at
5 an outcome that is fair, just and reasonable to Columbia's customers and its
6 shareholders, an outcome which the Commission could, and should,
7 approve. As more thoroughly outlined below, not only is the Stipulation,
8 as a package, fair, just and reasonable, but each individual component
9 provides benefits to Columbia's customers.

10 **Q: Why would the parties be willing to reach a compromise?**

11 A: Each of the parties to the Stipulation has vigorously pursued its respective
12 positions in testimony, exhibits, and responses to data requests. However,
13 despite the sincerity of these individual positions, each party recognizes
14 that the final outcome in this proceeding could result in a decision with
15 which neither it nor the other parties would be totally satisfied. By reaching
16 this compromise, each party has determined that the proposed Stipulation
17 outcome is preferable to other, less favorable outcomes that could result.
18 Through negotiation, each party was able to prioritize its goals in this
19 proceeding and ensure that those priorities are reflected in the final
20 Stipulation.

1 **Q: What are the primary elements of the Stipulation that the parties have**
2 **agreed upon and recommended to the Commission?**

3 A: The primary elements of the Stipulation are:

- 4 • Columbia will continue to offer its voluntary Customer CHOICE
5 program through March 31, 2030
- 6 • On or before September 30, 2029, Columbia will file an application
7 to allow the Commission and interested stakeholders to evaluate and
8 consider extending the CHOICE program and accompanying tariffs
9 beyond March 31, 2030
- 10 • Suppliers participating in the Customer CHOICE program that offer
11 “green gas” or carbon neutral products will report annually to
12 Columbia each supplier’s greenhouse gas reductions associated with
13 retail natural gas products in Columbia’s service area during the
14 preceding calendar year
- 15 • A Gas Choice Working Group (“GCWG”) will be created comprised
16 of interested stakeholders to review the CHOICE program
17 performance and foster continued dialogue on matters of consumer
18 protections, education and customer participation

- 1 • The GCWG will hold its first meeting within ninety (90) days of the
2 entry of the Final Order in this case. The GCWG will meet at least
3 biannually

4 **Q: Why is the pilot term extension to March 31, 2030 fair, just and**
5 **reasonable?**

6 A: As indicated in my direct testimony, Columbia’s CHOICE program is an
7 option that participating customers have expressed a desire in maintaining.
8 The Stipulation’s seven-year extension of this program allows Columbia’s
9 participating customers to enter into longer term contracts than would
10 otherwise not be possible under the previous review cadence. It allows the
11 opportunity for a greater variety of product offerings to customers and
12 innovation in offerings, such as “green gas” or renewable natural gas
13 products. Permitting this option for customers is a fair, just and reasonable
14 compromise between Columbia and the intervenor’s positions.

15 **Q: Why is the September 30, 2029 application commitment fair, just, and**
16 **reasonable?**

17 A: Columbia’s filing commitment provides the Commission with an
18 opportunity to evaluate the CHOICE program, as it has done so
19 periodically throughout the pilot’s history. The September 30, 2029 filing
20 commitment ensures that this Commission will have the ability to evaluate

1 the program once again from a holistic perspective. As a result, providing
2 this certainty of Commission review is fair, just and reasonable.

3 **Q: Why is the “green gas” and carbon neutral programming reporting fair,**
4 **just and reasonable?**

5 A: The dialogue surrounding the effects of climate change and desires to take
6 steps to address it continue to expand in both Wall Street and Washington,
7 D.C. Access to information about more environmentally friendly natural
8 gas products may become very useful to both Columbia and this
9 Commission. It is not impossible to imagine a near future where
10 distribution utilities may be required through federal regulation or law to
11 either highlight the availability of such projects, or report them to some
12 regulatory authority. Having ready access to this information would
13 reduce the cost associated with gathering this data, and thus reduce
14 potential costs to be passed along to customers. For this reason, this
15 provision of the Stipulation is fair, just and reasonable.

16 **Q: Why is the creation of and meeting requirements for the GCWG fair, just**
17 **and reasonable?**

18 A: The GCWG is not a new idea. In the early days of the CHOICE pilot,
19 Columbia and interested stakeholders, previously met as a group to
20 discuss potential program improvements and consumer protections. These

1 previous meetings were informative. However, much time has passed
2 since a working group like the GCWG has been formed in the
3 Commonwealth of Kentucky. Given updates to technology and the
4 maturity of similar programming in other jurisdictions, the parties to this
5 case have determined that it would be worthwhile to begin meeting again
6 to discuss the issues the GCWG determines may be of importance for the
7 success of the CHOICE program and beneficial to Columbia's customers
8 who participate in the CHOICE program. The gathering of information and
9 sharing of ideas is always a fair, just and reasonable idea.

10 **Q. Is the Joint Stipulation and Settlement Agreement fair, just and**
11 **reasonable and do you support the Commission accepting the Joint**
12 **Stipulation and Settlement Agreement in its entirety?**

13 A. Yes. When looking at the Joint Stipulation and Settlement Agreement as a
14 whole, it is fair, just and reasonable. It is my opinion that the Commission
15 should accept the Joint Stipulation and Settlement Agreement in its
16 entirety. This was the result of many discussions and negotiations between
17 Columbia and the marketers that intervened in this proceeding. Each of the
18 parties were willing to give and take in order to reach an agreement. Taking
19 in its entirety, the Joint Stipulation and Settlement Agreement is fair, just
20 and reasonable and should be approved by the Commission.

1 **Q: What changes are proposed to Columbia's tariff?**

2 A: Columbia's Small Volume Aggregation Service and Small Volume Gas
3 Transportation Service tariffs are amended to reflect the expiration date of
4 March 31, 2030.

5 **Q. Does this conclude your Testimony?**

6 A: Yes.