

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:)	
)	
THE ELECTRONIC APPLICATION OF)	
COLUMBIA GAS OF KENTUCKY, INC. FOR)	Case No. 2022-00049
APPROVAL OF THE GREEN PATH RIDER PILOT)	
PROGRAM)	
)	

**COLUMBIA GAS OF KENTUCKY, INC.'S
REQUEST FOR DECLARATION OR MOTION FOR DEVIATION**

Comes now Columbia Gas of Kentucky, Inc. (“Columbia” or “Company”), by counsel, respectfully requests a declaration from the Kentucky Public Service Commission (“Commission”) that 807 KAR 5:011 Section 8 does not require customer notice for Columbia’s proposed tariff change to be accepted for filing pursuant to the filing requirements of 807 KAR 5:011 Section 5, 807 KAR 5:011 Section 6(2)(b), and 807 KAR 5:011 Section 9 in the above-referenced case.

1. On December 29, 2022, Columbia submitted its application for a proposed new tariff (“the Application”) in order to pilot a “Green Path Rider” program. The proposal will provide customers, on a purely voluntary basis, an opportunity to reduce their carbon impact. If approved, customers may volunteer to participate in the pilot by contacting Columbia. In the Application, Columbia stated that “[n]one of the costs associated with administering this rider will be recovered from non-participating

customers.”¹ Further, the Application stated, “because of the rider’s voluntary nature, Columbia does not plan to provide formal notice of this Application.”²

2. On January 19, 2023, Commission Staff filed a letter rejecting Columbia’s Application (“the Letter”). In support of this decision, Staff opined that the Application contained a deficiency pursuant to 807 KAR 5:011 Section 8. The Letter required that Columbia submit the information necessary to cure the deficiency within ten days.

3. 807 KAR 5:011 Section 8 (“the Regulation”) reads, *emphasis added*: “Notice. A utility shall provide notice if a charge, fee, condition of service, or rule regarding the provision of service is changed, revised, or initiated and *the change will affect the amount that a customer pays for service* or the quality, delivery, or rendering of a customer’s service.”

4. In previous filings, outside of rate cases, the Commission has not required customer notice pursuant to the Regulation when requesting to initiate the tariff offering of a voluntary program.³ The Regulation contains two triggers. When both are met, a utility is required to provide customer notice of proposed tariff changes. The first is triggered when a utility proposes a change, revision, or initiation of a charge, fee,

¹ *In the Matter of the Electronic Application of Columbia Gas of Kentucky for Approval of the Green Path Rider Pilot Program*, Case No. 2022-00049, Application (Dec. 29, 2022) at ¶5.

² *Id.* at ¶11.

³ See, for example, *In the Matter of the Electronic Tariff Filing of East Kentucky Power Cooperative, Inc. to Implement a New Green Energy Option for Non-Residential Retail Customers*, Case No. 2019-00378 and *In the Matter of the Tariff Filing of Columbia Gas of Kentucky, Inc. to Implement a Small Volume Gas Transportation Service, to Continue its Gas Cost Incentive Mechanisms, and to Continue its Customer Assistance Program*, Case No. 1999-00165.

condition of service, or a rule regarding the provision of service. The second is triggered when this proposal affects the amount a customer pays or affects the quality, delivery, or rendering of a customer's service.

5. While Columbia acknowledges that the Application requests the initiation of a charge or fee, the Green Path Rider will not "affect the amount that a customer pays for service" because it is a purely voluntary proposal. The only customers whose service will be affected if the Commission approves the Application are those who contact Columbia to volunteer to add the Green Path Rider to their bill. Because this impact is not borne by all customers, the expense to publish customer notice is an unreasonable and unnecessary expense.

6. If it is the opinion of the Commission that customer notice is required for Columbia's Application here, it represents a departure from past precedent that Columbia did not anticipate at the time of the filing of the Application. As a result, Columbia respectfully requests that the Commission grant Columbia a deviation from the customer notice component of the Regulation. Good cause exists for this deviation for two reasons. First, and as outlined above, the proposed Green Path Rider will not be applied to any customer, like other charges, as it is a voluntary program. Second, Columbia will be undergoing customer education efforts to inform customers about the pilot and its environmental benefits. As described in the testimony filed in this case, Columbia intends to "provide information on its website, emails to customers, and use

some direct mail to educate customers.”⁴ These efforts will provide opportunities to provide customers with notice of this voluntary program. Finally, should the Commission find that a hearing is necessary for its review of the Application, Columbia will provide customer notice of that hearing pursuant to 807 KAR 5:001, Section 9.

7. As a final matter, compliance with the Letter’s ten-day deadline to cure the deficiency presents practical issues. The public notice component of the Regulation has been completed as of January 30, 2023 through Columbia’s placement of the required notice at its office. A copy of said notice is attached hereto as Attachment A. The same notice and a hyperlink to the docket for this case on the Commission’s website are posted on Columbia’s website. However, the customer notice poses practical and timing issues that are outside Columbia’s control. For example, in several counties served by Columbia, the local newspaper is published on a weekly, or bi-weekly basis. Effectuating newspaper notice to these customers can require thirty days. Thus, Columbia is unable to comply within 10 days due to these constraints outside of Columbia’s control.

WHEREFORE, on the basis of the foregoing, Columbia respectfully prays the Commission make a declaration that the requirements in 807 KAR 5:011 Section 8 not apply to the Application filed in this matter, or in the alternative, grant the requested deviation for the good cause outlined herein.

This 30th day of January 2023.

⁴ *Supra* Note 1, Prepared Direct Testimony of Erich A. Evans at 9.

Respectfully submitted,

/s/ John R. Ryan _____

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CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on January 30, 2023; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a copy of the filing in paper medium will be filed with the Commission within thirty days of the current state of emergency for COVID-19 being lifted.

/s/ John R. Ryan _____
Counsel for Columbia Gas of Kentucky, Inc.

Notice of Columbia Gas of Kentucky, Inc.

On December 29, 2022 Columbia Gas of Kentucky, Inc. tendered an application with the Kentucky Public Service Commission Case No. 2022-00049. Columbia proposes to adopt a five-year pilot for a **voluntary** program whereby eligible residential and commercial customers may opt-in to a volumetric rate, the collections of which are used to offset the carbon emissions generated by customer usage. The rider will be called the “Green Path” Rider. The complete text of the proposed tariff is shown below. Only customers that sign up for this voluntary program will be impacted by the proposed Rider rates. There is no impact on the existing rates of any customer.

Columbia’s application and any related documents that Columbia Gas of Kentucky, Inc. has filed with the Kentucky Public Service Commission may be viewed here <https://www.columbiagasky.com/our-company/about-us/regulatory-information> or through the Commission’s website at <http://psc.ky.gov>.

Any person may submit a timely written request to intervene to the Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request and including the status and interest of the party. If the Commission does not receive a request to intervene within thirty (30) days of the initial publication of this notice, the Commission may take final action on the application. Any comments regarding this application may be submitted through the Commission’s Web site at <http://psc.ky.gov>/ or by mail to P.O. Box 615, Frankfort, Kentucky 40602.

Notice of Columbia Gas of Kentucky, Inc.

GREEN PATH RIDER

APPLICABILITY

Applicable to all electing residential sales service customers and commercial sales service customers throughout the entire service territory of Columbia Gas of Kentucky. See Sheet No. 8 for a list of communities.

PURPOSE

Columbia proposes to adopt a five-year pilot for a voluntary program whereby eligible customers may opt-in to a volumetric rate, the collections of which are used to offset the carbon emissions generated by customer usage. The rider will be called the "Green Path" Rider.

AVAILABILITY

Available to any customer which receives service under the GS Rate Schedule and meets the following requirements:

- (1) Customer agrees to enroll in the program with the Company for a minimum term of one month.
- (2) Customer is current on their natural gas bill and does not have an outstanding balance,
- (3) Customer selects either the Net Zero Option or the 50% Option by contacting Columbia's call center

GREEN GAS PROGRAM RATES

Company shall file an annual report with the Commission which shall contain an updated Green Path Rider rate and shall be filed at least ninety (90) days prior to the beginning of each annual period. The Green Path Rider will follow the rider surcharge schedule as set forth below:

Green Path Rider 50% Option	1.7883 per Mcf
Green Path Rider Net Zero Option	3.5766 per Mcf