

TAB 19

807 KAR 5:001 Section 16(7)(a)

Direct Testimony of

Judy M. Cooper

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

In the matter of: )  
)  
ELECTRONIC APPLICATION OF ) Case No. 2026-00099  
COLUMBIA GAS OF KENTUCKY, INC. )  
FOR AN ADJUSTMENT OF RATES; )  
APPROVAL OF DEPRECIATION STUDY; )  
APPROVAL OF TARIFF REVISIONS; AND )  
OTHER RELIEF )

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**PREPARED DIRECT TESTIMONY OF  
JUDY M. COOPER  
ON BEHALF OF COLUMBIA GAS OF KENTUCKY, INC.**

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May 20, 2026

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**VERIFICATION OF JUDY M. COOPER**

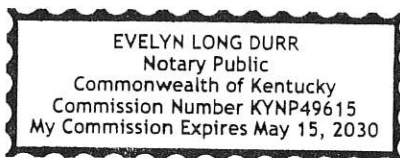
COMMONWEALTH OF KENTUCKY )  
)  
COUNTY OF FAYETTE )

Judy M. Cooper, Director of Regulatory Affairs for Columbia Gas of Kentucky, Inc., being duly sworn, states that she has drafted and/or supervised the preparation of testimony and certain standard filing requirements in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Judy M. Cooper  
Judy M. Cooper

The foregoing Verification was signed, acknowledged and sworn to before me this 13<sup>th</sup> day of May 2026, by Judy M. Cooper.

Evelyn Long Durr  
Notary Commission No. KYNP 49615  
Commission expiration: May 15, 2030



**PREPARED DIRECT TESTIMONY OF JUDY M. COOPER**

1       **I.       INTRODUCTION**

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

3       A:       My name is Judy Cooper and my business address is 2001 Mercer Road,  
4               Lexington, Kentucky, 40511.

5       **Q:       What is your current position and what are your responsibilities?**

6       A:       I am the Director of Regulatory Affairs for Columbia Gas of Kentucky, Inc.  
7               ("Columbia"). I am responsible for the management of Columbia's regulatory  
8               affairs, tariffs and filings with the Kentucky Public Service Commission  
9               ("Commission"), including Safety Modification and Replacement Program  
10              ("SMRP") Rider and Gas Cost Adjustment ("GCA") filings

11      **Q:       What is your educational background and professional experience?**

12      A:       I obtained a Bachelor of Science Degree in Accounting from the University  
13              of Kentucky and a Master's Degree in Business Administration from  
14              Xavier University. My professional experience began as an auditor at the  
15              Kentucky Public Service Commission and progressed in various analyst,  
16              policy, and management positions, ultimately rising to Director of Rates,  
17              Tariffs and Financial Analysis. Subsequently, I have been employed by  
18              Columbia in regulatory and government roles of increasing responsibility  
19              to that of my current position.

1 **Q. Have you previously testified before any regulatory commissions?**

2 A. Yes, I have testified in multiple cases before the Commission. The most  
3 recent case being Case No. 2024-000092.<sup>1</sup>

4 **Q. What is the purpose of your testimony?**

5 A. The purpose of my testimony is to support certain filing requirements  
6 prescribed by the Commission's regulations and the proposed  
7 modifications to Columbia's tariff pages. My testimony will provide a  
8 narrative description, and explanation of the proposed tariff changes. The  
9 proposed revised tariff sheets are filed pursuant to 807 KAR 5:011.  
10 Specifically, I support the proposed revisions to Columbia's tariff pages for  
11 changes in base rates on all rate schedules; the need for and revisions to  
12 Columbia's SMRP Rider, and provisions of Columbia's General Terms,  
13 Conditions, Rules and Regulations and the General Terms Conditions,  
14 Rules and Regulations related to the Delivery Service rate schedules Only.  
15 In addition, my testimony will address Columbia's proposed adjustment,  
16 included in the testimony of Columbia Witness Davis, to provide fee free  
17 payment channels; and the requirement of KRS 278.2205 that requires the

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<sup>1</sup> *Electronic Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates; Approval of Depreciation Study; Approval of Tariff Revision; and Other Relief*

1 filing of a cost allocation manual for non-regulated activity. Finally, I will  
 2 support Columbia’s customer and public notices regarding this case.

3 **Q. What Filing Requirements will you be supporting?**

4 A. I will sponsor and support the following Filing Requirements:

<b>Filing Requirement</b>	<b>Description</b>	<b>Tab</b>
807 KAR 5:001 Section 16(1)(b)(3)	New or Revised tariff sheets, with an effective date not less than thirty (30) days from the date the application was filed.	7
807 KAR 5:001 Section 16(1)(b)(4)	New or Revised tariff sheets showing the proposed additions and striking over the proposed deletions.	8
807 KAR 5:001 Section 16(1)(b)5	A statement that notice has been given in compliance with Section 17 of this administrative regulation with a copy of the notice.	9
807 KAR 5:001 Section 16(2)	A utility with gross annual revenues greater than \$ 5,000,000 shall notify the commission in writing of its intent to file a rate application at least thirty (30) days, but not more than sixty (60) days, prior to filing its application.	10
807 KAR 5:001 Section 16(8)(l)	A narrative description and explanation of all proposed tariff changes.	83

<p>807 KAR 5:001 Section 17(1)(a)</p>	<p>Upon filing an application for a general rate adjustment, a utility shall provide notice as established in this section. (1) Public postings (a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission.</p>	<p>86</p>
<p>807 KAR 5:001 Section 17(1)(b)</p>	<p>A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sties: 1. A copy of the public notice; and 2. A hyperlink to the location on the commission’s Web site where the case documents are available.</p>	<p>86</p>
<p>807 KAR 5:001 Section 17(1)(c)</p>	<p>The information required in paragraph (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.</p>	<p>86</p>
<p>807 KAR 5:001 Section 17(2)(b)</p>	<p>If a utility has more than twenty (20) customers, it shall provide notice by: 1. Including notice with customer bills mailed no later than the date the application is submitted to the commission; 2. Mailing a written notice to each customer no later than the date the application is submitted to the commission; 3. Publishing notice once a week for three (3)</p>	<p>86</p>

	consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or 4. Publishing notice in a trace publication or newsletter delivered to all customers no later than the date the application is submitted to the commission.	
807 KAR 5:001 Section 17(2)(c)	A utility that provides service in more than one (1) county may use a combination of the notice methods listed in paragraph (b) of this subsection.	86
807 KAR 5:001 Section 17(3)	Proof of Notice. A utility shall file with the commission no later than forty-five (45) days from the date the application was initially submitted to the commission: (a) If notice is mailed to its customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, that notice was mailed to all customers, and the date of the mailing; (b) If notice is published in a newspaper of general circulation in the utility's service area, an affidavit	86

	<p>from the publisher verifying the contents of the notice, that the notice was published, and the dates of the notice's publication; or (c) If notice is published in a trade publication or newsletter delivered to all customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, the mailing of the trade publication or newsletter, that notice was included in the publication or newsletter, and the date of mailing.</p>	
<p>807 KAR 5:001 Section 17(4)</p>	<p>Notice content. Each notice issued in accordance with this section shall contain: (a) The proposed effective date and the date the proposed rates are expected to be filed with the commission; (b) The present rates and proposed rates for each customer classification to which the proposed rates will apply; (c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply; (d) the amount of the average</p>	<p>86</p>

	<p>usage and the effect upon the average bill for each customer classification to which the proposed rates will apply...;</p> <p>(e) A statement that a person may examine this application at the offices of (utility name) located at (utility address); (f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at <a href="http://psc.ky.gov">http://psc.ky.gov</a>; (g) A statement that comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; (h) A statement that the rates contained in his notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice; (i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing</p>	
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	the grounds for the request including the status and interest of the party; and (j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.	
807 KAR 5:001  Section 17(5)	Abbreviated form of notice. Upon written request, the commission may grant a utility permission to use an abbreviated form of published notice of the proposed rates, provided the notice includes a coupon that may be used to obtain all of the required information.	86
KRS 278.2205(6)	Cost allocation manual for nonregulated activity – (6) the CAM shall be filed as part of the initial filing requirement in a proceeding involving an application for an adjustment in rates pursuant to KRS 278.190.	87

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2 **Q. For each of the documents included within the Filing Requirements that**  
3 **you are supporting, were they prepared by you or someone working**  
4 **under your supervision and did you review each of the documents**  
5 **included within the Filing Requirements that you are co-sponsoring?**

1 A. Yes.

2 **Q. What are the rate changes on Tariff Sheets 2, 3, 5, 6, 7, 11, 14, 22, 31, 38, 41,**  
3 **58, 77, and 95**

4 A. The changes on each of these pages are base rate changes. The changes are  
5 supported by the revenue requirement contained in the testimony of  
6 Columbia Witness Davis and the rate design contained in the testimony of  
7 Columbia Witness Amen including the modification to the Customer  
8 Charge provision of Rate Schedule MLDS to segment the applicable rate  
9 into three blocks based upon the Customer's Annual Transportation  
10 Volume. The Gas Cost Adjustment Commodity is revised to reflect the  
11 impact of the proposed change in uncollectible expense in the forecasted  
12 test period as described in the testimony of Columbia Witness Davis. Except  
13 for this change in the uncollectible expense factor, the impacts of quarterly  
14 GCA filings are held constant in both current and proposed rates at the  
15 currently authorized rates which were approved in Case No. 2026-00022<sup>2</sup>,  
16 referred to as the March GCA filing.

17 **Q: Will there be changes in the GCA during the pendency of this case?**

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<sup>2</sup> *Electronic Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.*, filed Jan. 30, 2026.

1 A: Yes, Case No. 2026-00110<sup>3</sup>, referred to as the June GCA filing is pending  
2 before the Commission at the time the Application in this case is submitted.  
3 It is anticipated that the Commission will suspend the proposed effective  
4 date of Columbia’s proposed tariffs for the full six months pursuant to  
5 KRS 278.190(2). That means that there will be quarterly GCA filings for  
6 September and December while this case is pending. The GCA rates in  
7 effect at the time of the Commission’s Order in this case, presumably  
8 December 2026, should be incorporated in the Final Order in this case and  
9 the change in uncollectible expense applied to the GCA rates in effect at that  
10 time.

11 **Q: What are the proposed changes in the SMRP Rider on Tariff Sheet No.**  
12 **58?**

13 A: There are two changes. First, the proposed SMRP rates are revised to  
14 reflect the removal of recovery for investments in calendar years 2023 and  
15 2024 from the Rider to inclusion in base rates as described in the testimony  
16 of Witness Black. Second, a revision is made to allow for future rate changes  
17 to be designed as a fixed rate rather than a volumetric rate.

18 **Q: Does Columbia historically revise its SMRP rates as part of a base rate**  
19 **case?**

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<sup>3</sup> *Electronic Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.*, filed Apr. 29, 2026.

1 A: Yes. In Columbia’s past rate cases, SMRP invested capital has been rolled  
2 in to base rates, it has also not been rolled in to base rates. Originally, the  
3 design was to roll in the past investments into future rate cases. However,  
4 a reading of the Commission’s Order in Case No. 2021-00183<sup>4</sup> resulted in  
5 Columbia not proposing to move investments from the Rider to rate base  
6 in its last base rate case.

7 **Q: How frequently are SMRP Rider rates revised?**

8 A: The rates set forth in the SMRP Rider on Columbia’s Tariff Sheet No. 58 are  
9 revised biannually. An annual filing in October to update the projected  
10 costs for the upcoming calendar year and a balancing adjustment in March  
11 of each year to true-up the actual costs for the most recent twelve months  
12 ended December, with the projected program costs for the same period.

13 **Q: Will there be changes to the SMRP Rider during the pendency of this**  
14 **case?**

15 A: Yes. At the time Columbia began preparing this case for filing, Case No.  
16 2026-00083<sup>5</sup> was pending before the Commission. However, on May 15,  
17 2026, the Commission issued an Order approving that adjustment

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<sup>4</sup> *Electronic Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates, Approval of Depreciation Study, Approval of Tariff Revisions, Issuance of Certificate of Public and Necessity and Other Relief*, Order dated December 28, 2021, page 42.

<sup>5</sup> *Electronic Application of Columbia Gas of Kentucky, Inc. for Annual Balancing Adjustment Pursuant to its SMRP Tariff Rider*, filed March 31, 2026.

1 proposed in Case No. 2026-00083. The Order was issued after the revenue  
2 requirement was determined, the cost-of-service study was completed and  
3 customer notice was provided to the Kentucky Press Association for  
4 publishing in Columbia's service territory. The customer notice had  
5 already been published on May 14<sup>th</sup> and 15<sup>th</sup> in eight newspapers.  
6 Therefore, Columbia's current and proposed rates, set forth in its  
7 Application and its customer notice in this case, do not include the  
8 balancing adjustment revision proposed in Case No. 2026-00083. The  
9 customer notice did contain a footnote that pointed out that Case No. 2026-  
10 00083 was pending before the Commission. The final rates authorized by  
11 the Commission in this case would need to be adjusted to reflect the impact  
12 of approved changes in the SMRP Rider in Case No. 2026-00083 and any  
13 other cases that may be decided during the pendency of this case.

14 **Q: Is the SMRP still an effective mechanism for customer safety?**

15 A: Yes, the SMRP is a vital mechanism to continue the purpose for which it  
16 was created. The ability to plan replacement of pipeline programmatically  
17 with an established and known recovery mechanism provides ongoing  
18 improvements in safety and reliability to customers and the communities  
19 in which Columbia serves. The ability to include other safety modifications  
20 upon Commission review and approval allows more timely recovery for

1 actions that may be needed or required to address regulatory requirements  
2 or mandates for safety and reliability improvements or efficiencies.

3 **Q. Why is Columbia proposing changes to the SMRP Rider rates in this**  
4 **case?**

5 A: The rate design associated with the recovery of SMRP investments has been  
6 an effort in refinement from the original design of the program. The  
7 understanding gained from these iterations has informed the proposal to  
8 move purely historical SMRP investment from the Rider rates into base  
9 rates and provide for recovery of present and future investments in the  
10 proposed Rider rates.

11 In addition, Columbia is proposing to delete the word, “volumetric” on  
12 Tariff Sheet 58, so that it may propose to return to a fixed rate in future  
13 SMRP annual filings.

14 **Q: Why might Columbia propose to return to a fixed rate in future SMRP**  
15 **filings?**

16 A: A fixed rate would decrease the volatility in customer bills by returning the  
17 rate design of the SMRP Rider to a fixed amount per meter rather than a  
18 volumetric rate. This spreads the cost recovery out evenly over the course  
19 of a year rather than concentrating the recovery during the heating season.  
20 A volumetric rate places a larger burden on customer bills in the winter

1 months when customer usage is higher than in non-heating months when  
2 usage is lower. The rate design theory and impacts of fixed versus variable  
3 rates is also addressed in the testimony of Witness Amen. For the SMRP  
4 specifically, a fixed rate is more accurate for forecasting the expected  
5 recovery than a volumetric rate because the volumetric rate is subject to  
6 weather variations. A more precise revenue recovery forecast is important  
7 for stability in mitigating variation in the balancing adjustment calculation  
8 of the SMRP.

9 **Q: What is the change to Tariff Sheet No. 77 and Tariff Sheet No. 95?**

10 A. The change on both of these tariff sheets is to modify the General Terms and  
11 Conditions to provide for future modifications to the provisions of  
12 Columbia's rate schedules, subject to the Commission's approval should any  
13 of the Company's interstate pipeline suppliers modify their policies, practices  
14 or procedures. The proposed insertion is termed, "Interstate Pipeline  
15 Supplier Tariff Modifications".

16 **Q: Why is it necessary to include a provision for Interstate Pipeline Supplier**  
17 **Tariff Modifications in Columbia's tariff?**

18 A: It is necessary for Columbia to better position itself to address possible  
19 operational requirements of its interstate pipeline suppliers. Interstate  
20 pipelines are regulated by the Federal Energy Regulatory Commission

1 (“FERC”) and the pipelines file applications before FERC to make changes to  
2 both rate and non-rate terms of their tariff. In some ways the FERC rules are  
3 similar to those of the Kentucky Public Service Commission but there are also  
4 significant differences.

5 In 2020 and 2024, one of Columbia’s suppliers – Columbia Gas  
6 Transmission LLC (“TCO”) a subsidiary of TC Energy Corporation, proposed  
7 non-rate modifications to its tariff that would require substantial changes to  
8 Columbia’s operational requirements in order to comply with the proposed  
9 changes, and require a substantial increase in contractual capacity needed to  
10 reliably serve its customers. These proposed changes were rescinded in the  
11 Settlement Agreements that resolved those rate cases but TCO has the ability  
12 to file the tariff changes again either as part of its next rate case or in a stand-  
13 alone tariff change filing of “live” tariff provisions.

14 As the utility city-gate operator, Columbia is responsible for the  
15 collective volumes flowing through the meter from the interstate pipeline to  
16 Columbia for all of its sales and transportation customers. The meter at the  
17 interstate pipeline is the point of demarcation where compliance with the  
18 interstate pipeline’s requirements is determined.

19 **Q: What is a “live” tariff change and why is that important?**

1 A: The FERC rules allow an interstate pipeline to make a filing of proposed tariff  
2 changes outside of a rate case. The rules also allow the proposed tariff  
3 changes to become effective on an interim basis, prior to FERC issuing its final  
4 order, after a statutory five-month suspension period from the date of filing  
5 on an interim basis. These interim rate changes are commonly referred to  
6 as “live” tariff provisions at FERC.

7 **Q: What is the nature of the modifications that were proposed by TCO in the**  
8 **prior rate cases that would substantially change Columbia’s operational**  
9 **requirements and increase in contractual capacity if presented as a live**  
10 **tariff change in a future FERC proceeding?**

11 A: TCO’s non-rate related tariff changes, from the two most recent FERC rate  
12 cases (and potentially in a future FERC filing), basically limit the hourly flow  
13 rights, essentially the delivery commitment to utilities like Columbia, to only  
14 1/24th of the daily contractual transportation quantities of Maximum Daily  
15 Delivery Obligations (“MDDO”) or Design Daily Quantities (“DDQ”). This  
16 means that effectively Columbia’s contractual rights have a daily limit and an  
17 hourly flow limit equal to 1/24th of its daily contract quantity.

18 If the pipeline requires an hourly determination of compliance then  
19 Columbia must be able to cover the maximum hourly demand of its sales and  
20 transportation customers and the capability to measure the hourly

1 consumption of its customers. Currently, Columbia's delivery commitments  
2 with its customers are specified only on a daily basis, not an hourly basis.  
3 Columbia needs the ability to amend its own tariff to be prepared and thus  
4 mitigate the impact of its interstate supplier's actions.

5 **Q: What is the change to Tariff Sheets 2 and 3?**

6 A: Columbia's Tariff Sheets 2 and 3 set forth the Index to its tariff. The changes  
7 are to correct references and page numbers that need to be cleaned up. The  
8 changes are marked in red-line on the proposed tariffs in Tab 8.

9 **Q: Please explain Columbia's proposal regarding fee-free payment**  
10 **channels?**

11 A: As explained in the testimony of Columbia witness Jonda, Columbia  
12 proposed to include to offer fee-free payment channels to its customers.  
13 Currently, customers that wish to remit payment via a third-party  
14 processor and debit card, credit card or other electronic means of payment  
15 incur a service fee. This is a chronic friction point with customers.  
16 Removing the service fee would mean all payment channels are equally  
17 available to customers and increase customer satisfaction.

18 **Q: Please explain Columbia's non-regulated activity as it relates to the filing**  
19 **requirement of KRS 278.2205(6) that requires the filing of a cost allocation**

1           **manual for nonregulated activity as part of the initial filing requirement**  
2           **for an adjustment in rates pursuant to KRS 278.190.**

3    A:    Columbia does not maintain a cost allocation manual pursuant to the ex-  
4           emption provisions of KRS 278.2203 and KRS 278.2205. The only  
5           nonregulated activity that Columbia engages in is the provision of  
6           incidental billing services for two non-affiliate entities. Columbia's  
7           rendering of billing services is "incidental" as defined in KRS 278.2203(4),  
8           and Columbia is not required to file a cost allocation manual.

9    **Q:    Does this complete your Prepared Direct Testimony?**

10   A:    Yes.