COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:

Electronic Application of Columbia Gas of Kentucky, Inc. for a Declaratory Order or in the Alternative a Certificate of Public Convenience and Necessity Authorizing the Installation of New Customer Service Software System Upgrades	))))))	Case No. 2026-00129

VERIFIED APPLICATION

Comes now Columbia Gas of Kentucky, Inc. ("Columbia" or the "Company"), pursuant to 807 KAR 5:001 Section 19, KRS 278.020, 807 KAR 5:001, and other applicable law, and hereby respectfully requests the Kentucky Public Service Commission ("Commission") issue an order declaring that a Certificate of Public Convenience and Necessity ("CPCN") is not required to install various upgrades to the NiSource and Columbia IT systems; or in the alternative, granting Columbia a CPCN to install the various IT system upgrades. Columbia is respectfully requesting the Commission to issue its decision as expeditiously as possible, before **August 1, 2026,** because Columbia must begin "implementation" of the various IT upgrades in August in order to address imminent obsolescence of some systems and minimize costs. In support of this Application, Columbia respectfully states as follows:

INTRODUCTION

1. Columbia is a Kentucky Corporation with its headquarters in Lexington, Kentucky. The Company provides natural gas service to approximately 139,000 residential, commercial, and industrial customers in thirty (30) counties across the Commonwealth of Kentucky.[1] Columbia is a "utility" as that term is defined in KRS 278.010(3)(b).

2. In total, Columbia owns and operates approximately 2,650 miles of mains. For more than a century, Columbia and its predecessors provided natural gas distribution service to customers in Kentucky. Columbia built a solid track record for delivering natural gas in a safe, efficient, and reliable manner.

3. Columbia is a subsidiary of NiSource Gas Distribution Group, Inc., which is a subsidiary of NiSource Inc. ("NiSource"), a Delaware corporation registered as a holding company under the Public Utility Holding Company Act of 2005. NiSource's principal office is located at 801 East 86th Street Avenue, Merrillville, Indiana, 46410.

GENERAL FILING REQUIREMENTS

4. Pursuant to 807 KAR 5:001, Section 14(1), Columbia states that its full name, mailing address, and email address are as follows:

[1] Columbia provides natural gas service in Bath, Bourbon, Boyd, Bracken, Carter, Clark, Clay, Estill, Fayette, Floyd, Franklin, Greenup, Harrison, Jessamine, Johnson, Knott, Lawrence, Lee, Letcher, Lewis, Madison, Martin, Mason, Montgomery, Nicholas, Owsley, Pike, Robertson, Scott, and Woodford Counties.

Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P.O. Box 14241
Lexington, Kentucky 40511-4241
Telephone: (800) 432-9345
Fax: (859) 288-0258
pscemailcky@nisource.com

5. Columbia requests the following individuals be included on the service list:

Judy M. Cooper, Director of Regulatory Affairs: jmcoop@nisource.com

Ashley G. LaRock, Senior Counsel: alarock@nisource.com

L. Allyson Honaker, Honaker Law Office: allyson@hloky.com

Heather S. Temple, Honaker Law Office: heather@hloky.com

Meredith L. Cave, Honaker Law Office: meredith@hloky.com

6. Pursuant to 807 KAR 5:001, Section 14(2), Columbia states that it was incorporated on October 11, 1905, is a corporation organized and existing under the laws of the Commonwealth of Kentucky, and is currently in good standing within the Commonwealth. A certificate of Good Standing is attached to this Application at Exhibit A.

7. This Application, including the Exhibits attached hereto and incorporated herein, contain fully the facts on which Columbia's request for relief is based, and an Order from the Commission declaring that a CPCN is not required; or in the alternative, granting the CPCN as requested, consistent with 807 KAR 5:001 Section 19, KRS 278.020 and other applicable law.

BACKGROUND

8. Columbia's various current information technology systems were installed in the 1980s and 1990s. Due to the age of the systems, the software is in danger of no longer being supported by existing providers, the cost to continue operating and patching the systems increases exponentially over time, and it is challenging to find individuals with the technical skills and capabilities to operate the decades old systems.

9. Adding to the challenge of the old software and difficulty finding employees with technical skills, the current systems are obsolete. While customers are reasonably and reliably served with the existing systems, the useful life is dwindling and newer systems provide greater functionality, benefitting customers and Columbia. Columbia incorporated many "patches" to the existing complex network of systems over the last decade to try to prolong the asset lives, but the time has come to replace the obsolete systems with new, updated, customer centered infrastructure anchored around a Customer Information System ("CIS"). The CIS will be complimented by other separate systems that will be built with a common design in mind such that they will be able to integrate and coordinate with one another. The other IT upgrades include the integration of a new Contact Customer as a Service ("CCaaS") with the CIS ("CCaaS-CIS Integration"), a Customer Contact Management ("CCM") system, and a Digital Experience Platform ("DXP").

10. As discussed in Columbia's last base rate proceeding, Columbia, through

its parent company NiSource, is engaging in a multi-year IT transformation project.[2] Columbia informed the Commission in that proceeding that the IT transformation is necessary due to outdated technology systems created in a piecemeal way that can no longer be supported as technology has changed over the years. In fact, NiSource received a letter in October 2025 from one of its current software vendors that it will no longer be providing support for one of the existing technology systems after December 31, 2025, which was later negotiated to Q2 2027.The systems have become so degraded and have reached or passed the end of their useful lives that any investment in the current system would only be a costly and temporary solution.

REQUEST FOR DECLARATORY ORDER

11. KRS 278.020(1)(a) states a utility cannot start construction of plant, equipment, or property, or a facility for furnishing to the public any of those services without obtaining a CPCN from the Commission. KRS 278.020(1)(a) provides an exemption, from the requirement of obtaining a CPCN for ordinary extension of existing systems in the ordinary course of business.

12. In order for a project to qualify for the ordinary course of business exemption the utility must show that the project satisfies the criteria contained in 807 KAR 5:001, Section 15(3) which reads as follows:

[2] Case No. 2024-00092, *Electronic Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates; Approval of Depreciation Study; Approval of Tariff Revisions; and Other Relief*, Application, Volume 2, Tab 23, Direct Testimony of Greg Skinner, pages 5-10.

> Extensions in the ordinary course of business. A certificate of public convenience and necessity shall not be required for extensions that do not create wasteful duplication of plant, equipment, property, or facilities, or conflict with the existing certificates or service of other utilities operating in the same area and under the jurisdiction of the commission that are in the general or contiguous area in which the utility renders service, and that do not involve sufficient capital outlay to materially affect the existing financial condition of the utility involved, or will not result in increased charges to its customers.

13. Columbia has an existing customer service system that is outdated and obsolete. In fact, Columbia will not have support for some its technology systems starting Q2 2027, as at least one vendor will no longer be providing support or patches for the system. Columbia needs to replace its outdated and obsolete technology in its entirety in order to continue to provide safe and reliable service to its customers. Without updating this technology, customers would lose the ability to call in to notify Columbia of emergencies or to receive information regarding disconnections and other important items. Since the new IT upgrades will be replacing the existing IT technology, it will not result in wasteful duplication of plant, equipment, property or facilities and should be exempt from the requirement to obtain a CPCN before construction.

14. Although the various IT upgrades can sometimes be presented as a comprehensive solution, they are, in fact, a series of individual programs and systems that can stand on their own; albeit, they are being built with a common design in mind so that they can interact with one another. By upgrading the various systems at one time

as part of one cohesive project, it allows Columbia to take advantage of economies of scale to lower the costs of the IT infrastructure upgrades to its customers. If Columbia were to have to build and install its own separate customer information system, it would cost its ratepayers more. The costs will be allocated to each of NiSource's operating companies based its allocation methods, typically including the number of customers an operating company serves. Where applicable, the cost of any software that is implemented specifically for any operating company would be direct billed to that operating company based on the actual dollars spent. The amounts allocated to Columbia for the various IT upgrades will be incurred over a period of four years are estimated to be $23.9 million for the CIS, $285,000 for the CCaaS-CIS Integration, and $4.1 million for the CCM and DXP systems.

15. The various IT upgrades will provide benefits to Columbia and its customers, which are discussed in more detail in Exhibit 3 – Direct Testimony of Shannon Banks-Brooks.

16. Columbia will finance the project through the use of internally generated funds and/or through additional funding if it becomes necessary.

17. Due to the high costs to maintain and patch its current obsolete systems, Columbia does not anticipate any increase in the ongoing operation and maintenance ("O&M") costs with the IT upgrades. Columbia also does not anticipate the IT upgrades alone would materially affecting customer rates or Columbia's financial position.

18. The various IT upgrades, as discussed in the Direct Testimony of Kevin Johannsen, will completely replace existing legacy applications which are complex and inefficient to operate. In its place, the IT upgrades will replace the fragmented, aging system with a modernized, cohesive, and enterprise-wide IT solution. The new systems will systematically be implemented over a number of years prior to NiSource's retirement of the existing systems. The costs of the individual phases do not rise to the level that Columbia believes would require the issuance of a CPCN. In fact, other utilities have installed similar technology systems without a CPCN from the Commission.[3]

19. None of the different IT upgrades will result in significant capital outlays, as the CIS upgrade is estimated to require $20.2 million in capital, the CCaaS-CIS Integration is estimated to cost $226,000 in capital, and the CCM and DXP combined are estimated to cost $3.3 million in capital. Columbia's net plant in service is approximately $726.7 million as of December 31, 2025. Based on the estimated capital costs of the various IT upgrade projects, they would be approximately 2.78%, 0.03%, and 0.45% of Columbia's net plant in service, respectively.

20. Columbia believes that the various IT upgrades do not require a CPCN and are an extension in the ordinary course of business. However, if the Commission were to disagree with Columbia, Columbia is providing the information necessary for a CPCN

[3] *See, Duke Energy Kentucky, Inc.'s Request for Staff Opinion – Certificate of Public Convenience and Necessity*, PSC Staff Opinion 2017-006, (Ky. P.S.C., March 10, 2017).

to be granted for the IT upgrades.

OR IN THE ALTERNATIVE, REQUEST FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

21. Although Columbia believes the various IT upgrades fall into the ordinary course of business exemption, if the Commission disagrees Columbia provides the following information for a CPCN to be granted for those respective implementations:

22. Before undertaking a project that is not in the ordinary course of business, a utility must obtain a CPCN from the Commission under the authority of KRS 278.020(1), which states in relevant part:

> No person, partnership, public or private corporation, or combination thereof shall…begin the construction of any plant, equipment, property, or facility for furnishing to the public any of the services enumerated in KRS 278.010…until that person has obtained from the Public Service Commission a certificate that public convenience and necessity require the service or construction.… The commission, when considering an application for a certificate to construct a base load electric generating facility, may consider the policy of the General Assembly to foster and encourage use of Kentucky coal by electric utilities serving the Commonwealth.

23. The leading authority on CPCNs is *Kentucky Utilities Co. v. Public Service Comm'n*, which articulates a two-part test for demonstrating entitlement to a CPCN: (1) need; and (2) absence of wasteful duplication. *Kentucky Utilities Co.* provides guidance as to what further considerations should be taken into account when evaluating a request for a CPCN under these two criteria.

24. As to "need," Kentucky's highest Court wrote:

> We think it is obvious that the establishment of convenience and necessity for a new service system or a new service facility requires first a showing of a substantial inadequacy of existing service, involving a consumer market sufficiently large to make it economically feasible for the new system or facility to be constructed and operated. Second, the inadequacy must be due either to a substantial deficiency of service facilities, beyond what could be supplied by normal improvements in the ordinary course of business; or to indifference, poor management or disregard of the rights of consumers, persisting over such a period of time as to establish an inability or unwillingness to render adequate service.[4]

25. As established by the Commission's decision in *Kentucky Utilities Co.,* need must be shown by an inadequacy of existing service involving such capital outlay that it is economically feasible for the new project to be constructed.[5]

26. "Wasteful duplication" is defined as "an excess of capacity over need" and "an excess investment in relation to productivity or efficiency, and an unnecessary multiplicity of physical properties."[6] To demonstrate that a proposed facility does not result in wasteful duplication, the Commission held that the applicant must demonstrate that a thorough review of all reasonable alternatives has been performed.[7] Selection of a

---

[4] *Kentucky Utilities Co. v. Public Service Commission*, 252 S.W.2d 885, 890 (Ky. 1952).

[5] *Id.*

[6] *Id.*

[7] *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for the Construction of Transmission Facilities in Jefferson, Bullitt, Meade, and Hardin Counties, Kentucky*, Case No. 2005-00142, Order at

proposal that ultimately costs more than an alternative does not necessarily result in wasteful duplication.[8] All relevant factors must be balanced.[9]

27. The various IT upgrades, as discussed in Kevin Johannsen's testimony, will completely replace existing legacy applications which are complex and inefficient to operate. In its place, the IT upgrades will replace the fragmented, aging system with a modernized, cohesive, and enterprise-wide IT solution. The new systems will systematically be implemented over a number of years by Columbia's vendor prior to Columbia completely retiring the existing systems.

28. NiSource reviewed all reasonable alternatives for implementing the upgrades to its IT systems. NiSource's due diligence included reviewing any options to upgrade its existing IT systems, on-premises systems, as well as cloud-based systems. These are more fully discussed in Exhibit B – Direct Testimony of Kevin Johannsen. This led NiSource to issue a Request for Proposal ("RFP") for the various IT infrastructure upgrades.

29. NiSource conducted an RFP process, reviewing the cost, features, and limitations of presently utilized and/or available information technology systems by other utilities across the energy industry. NiSource leveraged the third-party expertise of

11 (Ky. P.S.C. Sept. 8, 2005).

[8] See *Ky. Utils. Co. v. Pub. Serv. Comm'n*, 390 S.W.2d 168, 175 (Ky. 1965); see also, *The Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct a 138 kV Electric Transmission Line in Rowan County, Kentucky*, Case No. 2005-00089 (Ky. P.S.C. Aug. 19, 2005.

[9] *Id*. at 6.

Ernst & Young ("EY"), namely focused on cost benchmarks for similarly situated projects undertaken by other utilities. EY brought its external expertise in fully updating obsolete information technology infrastructure to the planning phase, vetting and validating proposed systems and software so that NiSource had the most accurate components at the best value to enable its operating companies to deliver the desired capabilities for a customer information software system. This allowed NiSource to ensure that the selected platforms were the most reasonable, cost-effective, and provided the needed capabilities for its operating companies, including Columbia.

30. NiSource selected the various replacement IT systems after conducting diligent research of other use cases and recently-deployed customer IT systems at other major utilities. NiSource then issued an RFP seeking a broad suite of potential solutions and offerings at competitive prices. NiSource's RFP process included reviewing the cost, features, and limitations of presently utilized and/or available information technology systems set forth in the various offerings. With the assistance of a third-party evaluator, NiSource carefully selected the best alternatives to deliver value to the Company and its customers. Please see Exhibit B – Direct Testimony of Kevin Johannsen; specifically, Attachment KJ-5 for the RFP associated with the various IT upgrades.

31. Columbia anticipates that the installation of the new software systems will take approximately 4 years.

32. Columbia estimates the cost of the new customer service software systems,

as allocated to Columbia, will be as follows: $23.9 million for the CIS, $285,000 for the CCaaS-CIS Integration, and $4.1 million for the CCM and DXP systems. The annual operating expense are expected to remain neutral after the retirement of the existing customer service software systems.

33. In support of this Application, Columbia is including several Exhibits, including the testimony of Kevin Johannsen and Shannon Banks-Brooks. The Exhibits are as follows:

Exhibit A – Certificate of Good Standing

Exhibit B – Direct Testimony of Kevin Johannsen

Exhibit C – Direct Testimony of Shannon Banks-Brooks

34. In accordance with 807 KAR 5:001 Section 15(2)(a), the Application, Exhibits, and supporting testimony provide evidence to show that the new customer service software systems are required by public convenience or necessity.

35. In accordance with 807 KAR 5:001 Section 15(2)(b), regarding the filing of franchise agreements, Columbia states that it previously filed with the Commission the franchises it has been awarded from the proper public authorities. Because this Application relates to infrastructure technology systems, franchise agreements are not applicable to this Application.

36. 807 KAR 5:001 Section 15(2)(c), requires the Company to provide a full description of the proposed location, route, or routes, including a description of the

manner in which the facilities will be constructed, and Section 15(2)(d)(1) which requires maps to suitable scale showing the location or route as well as the location to like facilities owned by others. Columbia is requesting a CPCN for the installation of new software systems, and, as such, there is not a traditional location, route, description of construction, or maps for this type of project. For details of the software upgrades please see Exhibit B – the Direct Testimony of Kevin Johannsen, specifically Attachments KJ-1 – through KJ-5. Similarly, as this is an infrastructure technology project, this project will not compete with any public utilities, corporations, or persons.

37. In accordance with 807 KAR 5:001 Section 15(2)(d)(2), requiring plans and specifications and drawings of the proposed plant, equipment, and facilities, Columbia states that Exhibit B – the Direct Testimony of Kevin Johannsen; specifically, Attachments KJ-1 through KJ-5 to this Application contain the work specifications for the new customer service software system, including the information regarding the systems being installed each year, the estimated length of time the project will take to complete, and the type of software system to be installed.

38. In accordance with 807 KAR 5:001 Section 15(2)(e), the Company states that it will finance the IT system upgrades through the use of internally generated funds and/or through additional funding if it becomes necessary.

39. In accordance with 807 KAR 5:001 Section 15(2)(f), the Company states that in terms of annual operations and maintenance expense, Columbia does not expect there

to be any incremental increase in the annual cost of IT operations after the various IT upgrades are placed in service, which are approximately $5.7 million annually. However, as is shown on Attachment KJ-1, Columbia anticipates over the 4-year implementation timeline to incur $5,620,160 of one-time O&M expenses.

40. Since this Application is only for replacement of the obsolete customer service software system, energy efficiency and DSM considerations are not applicable to this proceeding.[10]

41. This project will not result in a wasteful duplication of facilities. The new IT upgrades are only intended to replace the existing customer service software systems that are becoming obsolete.

WHEREFORE, Columbia respectfully requests that the Commission:

1) Issue a declaratory order that a CPCN is not required for the replacement and upgrading of its existing customer service software systems as described herein; or in the alternative,
2) Issue a CPCN for replacement and upgrading of its existing customer service software systems as described herein; and
3) Grant any other relief to which the Company may be entitled.

[10] *In the Matter of Consideration of the New Federal Standards of the Energy Independence and Security Act of 2007*, Case No. 2008-00408, Order, (P.S.C. July 24, 2012).

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF FAYETTE)

The undersigned, Kimra H. Cole, first being duly sworn, deposes and says that she is the President and COO of Columbia Gas of Kentucky, Inc., that she has personal knowledge of the matters set forth in the foregoing, and that the information contained therein is true and correct to the best of her knowledge, information, and belief.

COLUMBIA GAS OF KENTUCKY, INC.

By: Kimra H. Cole

Kimra H. Cole
President and COO
Columbia Gas of Kentucky, Inc.

Subscribed and sworn to before me by Kimra H. Cole, President and COO of Columbia Gas of Kentucky, Inc., on this 1st day of June 2026.

Evelyn Long Durr
NOTARY PUBLIC

EVELYN LONG DURR
Notary Public
Commonwealth of Kentucky
Commission Number KYNP49615
My Commission Expires May 15, 2030

Notary ID# KYNP49615

My Commission Expires: May 15, 2030

Respectfully submitted,

Heather S. Temple

L. Allyson Honaker
Heather S. Temple
Meredith L. Cave
HONAKER LAW OFFICE, PLLC
1795 Alysheba Way, Suite 1203
Lexington, KY 40509
(859) 368-8803
allyson@hloky.com
heather@hloky.com
meredith@hloky.com

Ashley G. LaRock
Senior Counsel
290 W. Nationwide Blvd.
Columbus, Ohio 43215
Telephone: (614) 273-4387
alarock@nisource.com

Counsel for Columbia Gas of Kentucky, Inc.

CERTIFICATE OF SERVICE

This is to certify that the foregoing electronic filing was transmitted to the Commission on June 4, 2026, and that there are no parties that the Commission has excused from participation by electronic means in this proceeding. Pursuant to prior Commission Orders, no paper copies of this filing will be made.

Heather S. Temple

Counsel for Columbia Gas of Kentucky, Inc.

EXHIBIT A

Commonwealth of Kentucky
Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
http://www.sos.ky.gov

Certificate of Existence

Authentication number: 363507
Visit https://web.sos.ky.gov/ftshow/certvalidate.aspx to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

COLUMBIA GAS OF KENTUCKY, INC.

COLUMBIA GAS OF KENTUCKY, INC. is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is October 11, 1905 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State; and is therefore in good standing.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 31st day of March, 2026, in the 234th year of the Commonwealth.

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
363507/0010555

EXHIBIT B

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

Electronic Application of Columbia Gas of Kentucky, Inc. for a Declaratory Order or in the Alternative a Certificate of Public Convenience and Necessity Authorizing the Installation of New Customer Service Software System Upgrades	))))))	Case No. 2026-00129

PREPARED DIRECT TESTIMONY OF KEVIN JOHANNSEN ON BEHALF OF COLUMBIA GAS OF KENTUCKY, INC.

L. Allyson Honaker
Heather S. Temple
Meredith L. Cave
HONAKER LAW OFFICE, PLLC
1795 Alysheba Way, Suite 1203
Lexington, Kentucky 40509
Telephone: (859) 368-8803
allyson@hloky.com
heather@hloky.com
meredith@hloky.com

Ashley G. LaRock
Senior Counsel
290 W. Nationwide Blvd.
Columbus, Ohio 43215
Telephone: (614) 273-4387
alarock@nisource.com

Attorneys for Applicant
COLUMBIA GAS OF KENTUCKY, INC

June 4, 2026

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:	)	
	)	
Electronic Application of Columbia Gas of Kentucky, Inc. for a Declaratory Order or in the Alternative a Certificate of Public Convenience and Necessity Authorizing the Installation of New Customer Service Software System Upgrades	)	Case No. 2026-00129

VERIFICATION OF KEVIN JOHANNSEN

STATE OF OHIO)
)
COUNTY OF FRANKLIN)

Kevin Johannsen, Vice President, Digital Transformation for NiSource Corporate Services Corporation, on behalf of Columbia Gas of Kentucky, Inc., being duly sworn, states that he 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 his knowledge, information and belief, formed after reasonable inquiry.

Kevin Johannsen

The foregoing Verification was signed, acknowledged and sworn to before me this 2 day of June 2026, by Kevin Johannsen.

Ashley G. LaRock
Attorney At Law
Notary Public, State of Ohio
My Commission has no expiration date
Sec. 147.03 R.C.

Notary Commission No. NA

Commission expiration: NA

PREPARED DIRECT TESTIMONY OF KEVIN JOHANNSEN

Q: Please state your name and business address.

A: My name is Kevin Johannsen and my business address is 290 W. Nationwide Blvd. Columbus, OH 43215.

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

A: Through my role as Vice President, Digital Transformation, for NiSource Corporate Services Company ("NCSC"), which is a service company that serves Columbia Gas of Kentucky, Inc. ("Company" or "Columbia"). I am responsible for developing information technology ("IT") strategy and corresponding integrated IT roadmap investments to support NiSource Inc.'s ("NiSource") multi-year business and IT transformation effort. I am responsible for the successful design, development, and implementation of the various upgrades to the NiSource and Columbia IT systems.

Q: What is your educational and professional background?

A: I graduated from Baylor University in Waco, TX, with a Bachelor's Degree in Business Administration and Management Information Systems. I began my career in 2000, where I worked for Hewitt Associates and then Deloitte Consulting for approximately eight years as a Business Analyst and then as a Technology Consulting Manager. In 2008, I was hired by NiSource, where I have worked in various capacities over the last seventeen years. From

August 2008 to September 2012, I worked as the Manager of IT Service Delivery; from October 2012 to May 2015, I worked as the Director of IT Service Delivery; from June 2015 to December 2020, I worked as the Vice President of IT Strategy & Service; from January 2021 to May 2022, I worked as the Vice President of IT Applications; and from June 2022 to December 2025, I worked as the Vice President of IT Customer & Corporate Systems. I have served in my current role at NiSource as Vice President of Digital Transformation since January 2026.

Q: Have you previously testified before any regulatory commissions?

A: No.

Q: What is the purpose of your testimony?

A: My testimony will provide the following:

- A description of NiSource and Columbia Gas of Kentucky's current customer service IT systems;
- A description of the various planned customer service IT upgrades;
- Technology and vendor selection process;
- Costs associated with the various IT upgrades; and
- Timing of implementing the various IT upgrades.

Q: What Filing Requirements will you be supporting?

A: I sponsor all Filing Requirements necessary for this Application.

Q: For the Filing Requirement that you are co-sponsoring, was it either prepared by you, by someone at your direction, or did you review and concur with the response?

A: Yes.

Q: Have you included any attachments with your testimony?

A: I will sponsor and support the following Attachments:

Attachment KJ-1 – Pricing Information

Attachment KJ-2 – Proposed Project Timeline

Attachment KJ-3 – Service Agreements (Confidential)

Attachment KJ-4 – Software Agreements (Confidential)

Attachment KJ-5 – Request for Proposal Documentation (Confidential)

I. THE NEED FOR IT UPGRADES GIVEN THE CURRENT STATE OF COLUMBIA'S IT SYSTEMS

Q: Is there a need for the various customer service IT upgrades?

A: Yes. The decision to replace Columbia's existing customer service IT systems is not only prudent but also absolutely necessary. Columbia's current it systems are at or near the end of their useful lives and must be replaced, as described in further detail below.

For example, Columbia's current call center technology is comparable to an aging vehicle that remains operable but was designed for a different era and lacks the capabilities required to meet today's performance, safety, and reliability expectations. Compounding this risk, the original manufacturer no longer produces replacement parts or provides service for the vehicle—meaning that if it fails, repairs would be increasingly difficult, delayed, or in some cases not possible.

The loss of vendor support for the existing system materially increases the risk of prolonged service disruption and limits Columbia's ability to reliably maintain or restore operations.

Q: Please provide a comprehensive overview of the current status of IT systems at NiSource (and by extension, Columbia Gas of Kentucky).

A: Columbia's existing IT architecture system is a fragmented patchwork of old legacy systems that consists of multiple redundant applications that are increasingly difficult to support because they are 30 to 40 years old, which is far beyond typical lifecycle expectations. Columbia's IT infrastructure was built and designed as independent IT systems across the multiple platforms of multiple operating companies that are part of the NiSource enterprise. Due to the age and design of Columbia's current IT systems,

there is declining vendor support and decreasing availability of work force expertise and skills.

In addition, because Columbia's custom-developed IT solutions were not built as part of a unified IT system, they are not integrated with each other, resulting in complex customizations and manual workarounds. The legacy systems are independent systems that are challenging to integrate.

As the systems have aged and have become obsolete or on the verge of obsolescence, operational, cybersecurity, and compliance risks have grown more pronounced. Additionally, the aged systems hinder the ability to meet changing customer expectations and integrate with modern technologies, driving increased complexity, risk, and cost.

The legacy systems include three custom built Customer Information Systems originally deployed in the 1980s and 1990s to support billing and customer operations. The three systems are:

- Distributive Information System ("DIS") – Core customer information system;
- Gas Transportation System ("GTS") – Billing system for large volume customers and CHOICE and GTS Suppliers; and

- Gas Measurement Billing ("GMB") – Billing system for customers using large volumes of gas GTS customer classification.

Q: Can you further describe the obsolescence of the legacy IT systems?

A: Several legacy systems are no longer supported by vendors and cannot be upgraded without major investment, while others cannot be upgraded at all. For example, Columbia's core customer technology environment, DIS, was implemented nearly four decades ago in 1987. The legacy architecture of the current DIS, including reliance on mainframe technology, relies on COBOL,[1] VisualAge, and Smalltalk programming languages; IMS and DB2 hierarchical databases; and terminal based "green screen" user interfaces, which are outdated technologies. Many of these do not have the ability to integrate with modern systems making ongoing maintenance and support increasingly difficult.

Independent assessments of NiSource's enterprise-wide IT systems (i.e., operating systems, servers, and mission critical applications that support customer billing, service requests, outage communications, and customer data management, etc.) confirmed that significant portions of

[1] Common Business-Oriented Language

Columbia's technology environment—particularly within customer facing and administrative domains—have reached or are nearing obsolescence.

Q: What are the cybersecurity and compliance risks of the legacy IT systems?

A: Columbia's current IT systems are at, or rapidly approaching, the end of their useful lives and are increasingly vulnerable to failure. Due to their age and fragmented architecture (created by the complex customizations), recovering these systems after an outage or cyber event would require a series of manual workarounds that are extraordinarily burdensome and expensive. This is largely due to the fact that several legacy systems are no longer supported by vendors and cannot be upgraded without major investment, while others cannot be upgraded at all. This not only constrains Columbia's ability to adopt new capabilities and technologies but also limits opportunities to integrate the independent legacy systems and thereby enhance customer experience. Thus, these systems must be replaced in the ordinary course of business to ensure continued IT support and functionality for Columbia and its customers.

Q: What are the evolving customer expectations that the existing systems are not able to accommodate?

A: Customer systems supporting billing, service requests, communications, and customer data were developed under earlier service models and are no

longer aligned with customer expectations emphasizing accessibility, timeliness, and ease of interaction. For example, billing systems may only provide static monthly statements with limited transparency, requiring customers to contact Columbia's customer support team to understand charges, rather than offering the customer real-time account status updates, alerts, and proactive communication expected today.

Q: How do these aging and obsolete systems affect Columbia's operations and customer service?

A: Because these platforms were built decades ago, they were not designed to scale to today's customer expectations or operational demands. Even modest increases in workload can strain their limited processing capacity, leading to slower performance, delays, and a heightened risk of technology system failures. Given the rigidity of the dated programming of Columbia's current IT systems, introducing new features poses unique challenges and are often not even possible. Enhancements that would be routine in modern environments often require extensive custom coding, manual workarounds, or complex integration efforts that are costly and high risk. This is so because a change in one area can create unintended impacts elsewhere in the system. For example, the current IT systems are challenged to support a modern and flexible, weather-normalized budget

billing and customer value programming for natural gas customers—where customers can enroll digitally, receive proactive alerts, and have payment arrangements calculated automatically based on defined rules—without significant customization and heightened risk of billing accuracy and downstream impacts to collections and customer communications.

Continued reliance on these aging platforms presents escalating risks, including an increased likelihood of technology system outages, reduced ability to apply timely responses to implement critical cybersecurity patches, growing dependence on increasingly scarce legacy technical skillsets, and costs associated with maintaining redundant and outdated systems.

Q: Do the current IT systems create operational challenges that affect overall efficiency and the ability to perform work effectively?

A: Yes. While the current IT systems are sufficient to meet basic operational requirements, they lack the capabilities, scalability, and resilience of modern systems, resulting in significant operational challenges.

As a result of system age and fragmentation, customer service processes have become complex and inconsistent. Customers today expect efficient, intuitive, and seamless service experiences, including streamlined access to billing information, enrollment in programs, and service requests.

Existing systems hinder the Company's ability to meet these expectations and introduce unnecessary complexity and customer frustration into customer interactions.

The limitations of the current architecture also affect employee effectiveness. Customer information is dispersed across multiple non-integrated platforms. Employees must navigate several systems to assemble a complete view of a customer's history and circumstances. This fragmentation reduces the Company's ability to consistently assess and respond to customer needs in a timely and accurate manner.

These conditions will continue to impact Columbia's ability to maintain its standard of providing reliable, consistent, and compliant customer service in the ordinary course of business. Accordingly, the various IT upgrades are a targeted component of the Company's broader IT modernization strategy, designed to mitigate obsolescence-related risk, improve operational reliability, reduce customer burden, enhance service quality, and support continued compliance with service obligations and regulatory expectations.

II. OVERVIEW OF THE IT UPGRADES

Q: Please provide a high-level overview of the proposed IT upgrades?

A: NiSource/Columbia intends to replace the fragmented aging system with modernized cohesive enterprise-wide IT solutions anchored around a new Customer Information System. This includes using a common design approach to create the foundation for IT upgrades so that the various separate systems can integrate and coordinate with each other. A common design approach is the structured method used to design the future solution—so all IT upgrades move forward in a coordinated, consistent way across NiSource and all of its operating companies, including Columbia. Common design also reduces complexity, eliminates duplication, and enables unified customer experience across digital channels, contact centers, and customer operations. While a common design approach will guide the IT upgrades, the systems will still provide flexibility to allow for unique regulatory requirements specific to individual jurisdictions, including Kentucky.

The IT upgrades translate customer and business objectives into a modern, integrated technology platform. This disciplined approach reduces implementation risk while ensuring the new systems deliver improved customer experience, operational efficiency, and regulatory compliance.

Q: Please describe the key IT upgrades at issue in this Application.

A: The IT upgrades primarily include implementation of the following different solutions:

Customer Information System ("CIS"): A customer information system is the core platform used to manage customer accounts, billing, and service-related information. It serves as the system of record for customer data, enabling accurate billing, payment processing, and tracking of services. The CIS also supports customer service operations by providing timely, reliable information needed to respond to inquiries and maintain compliance with regulatory requirements. The CIS system will be integrated with a new Contact Center as a Service ("CCaaS-CIS Integration"), which a cloud-based platform that enables the CIS to manage customer interactions—including voice, chat, email, SMS (text messages), and social channels—from a single unified platform.

After conducting a comprehensive RFP process, SAP was selected as the lowest cost, best fit CIS solution. SAP supports the complete meter to cash lifecycle—including customer data management, metering, billing, payments, service orders, and customer service operations within one cohesive system rather than the fragmented DIS, GTS, and GMB legacy systems it will replace. This will improve performance and scalability while

minimizing complexity, reducing IT maintenance, enhancing data quality, and enabling a more consistent customer and employee experience.

SAP works with Salesforce, NICE CXone, and SEW/Adobe delivering the customer-facing and operational capabilities. Salesforce provides the cloud-based customer relationship management functionality, while SEW and Adobe together support digital self-service, outage and usage tools, and personalized customer communications.

Customer Contact Management ("CCM"): CCM is comprised of processes, systems, and technologies used to manage, track, and optimize all customer interactions across every communication channel. Its purpose is to ensure customers can easily reach Columbia and Columbia can respond efficiently, consistently, and intelligently. CCM capability will be delivered through Salesforce Marketing Cloud, Salesforce Customer Data Cloud, and Salesforce Energy & Utilities Cloud. The CCM will replace Columbia's current customer communication platform, which consists of primarily email and text functions through a mix of legacy Oracle systems supplemented by spreadsheets and a variety of bespoke, disparate systems. Replacing the existing various existing CCM tools will create a unified customer view that will allow for streamlined operations, improved communication capabilities, and a better customer experience. The new

CCM platform will provide a single, efficient, integrated system that manages and optimizes all customer interactions across channels.

Digital Experience Platform ("DXP"): DXP enables Columbia to create, manage, deliver, and continuously optimize digital experiences across all customer touchpoints—including websites, mobile apps, and customer portals. DXP will implement SEW/Adobe as its new platform, replacing multiple aging legacy systems.

For additional information on the IT upgrade software, vendors, and costs, please see Attachments KJ-3 through KJ-5, which are being filed under seal pursuant to a Motion for Confidential Treatment.

Q: Are the aforementioned systems separate IT systems?

A: Generally speaking, yes, they are separate solutions that can function independently on their own. But as I previously mentioned, the different IT upgrade components are being built with common design in mind so that they can interact with one another; thereby, providing a cohesive experience for customers and employees alike.

Q: How will NiSource and Columbia ensure that the various IT systems integrate with each other to avoid the issues associated with the current fragmented structure?

A: A system integrator was hired to ensure integration of the various IT system upgrades. A system integrator is a specialized company that designs, builds, and connects all the different technologies so they work together as one coordinated solution. Having a third-party system integrator with expertise and experience is a best practice when implementing various IT upgrades that seek to provide a cohesive IT solution. They develop technical architecture, configure and implement software platforms, and integrate systems through Application Programming Interfaces ("API") and data connections. System integrators also manage project delivery—handling requirements, testing, and deployment—and will provide ongoing support after implementation. In essence, they serve as the technical "general contractor," ensuring that multiple vendors, platforms, and systems operate as a unified ecosystem.

Accenture was selected as the system integrator. As a global IT services and consulting firm, Accenture delivers strategy, digital, technology, and operations solutions across industries. With decades of experience implementing large scale IT transformations, Accenture brings the expertise needed to integrate complex platforms and help organizations improve performance and realize value from their technology investments.

Q: How are NiSource and Columbia employees participating in the design and implementation of the new IT systems?

A: NiSource has established a transformation organization that is responsible for planning, executing, and overseeing the various IT upgrades for all NiSource operating companies, including Columbia. The organization consists of cross functional leaders, program managers, technology experts, and change management professionals to drive a coordinated shift in how the business operates. This group consults with Columbia employees along every step through design and implementation.

Q: What are some of the high-level benefits of the IT upgrades?

A: Over time, the IT upgrades deliver operational, customer-focused, and strategic benefits, discussed further by Witness Banks-Brooks. Key advantages include:

- Enhanced reliability and resilience of customer service systems, which will lead to fewer technology outages, faster recovery when technology service interruptions occur, and a more stable experience for both customers and internal resources;
- Uniform service experience by standardizing workflows and integrating data across one cohesive system; and

- Modernized, flexible technology supporting a more proactive approach to changing policies, customer expectations, and industry trends.

Q: Why is Columbia prioritizing updates to its IT systems now?

A: As previously discussed in Section I, the current IT systems are at end of life. Columbia directed a substantial portion of its capital and organizational focus toward modernizing its physical infrastructure necessary to provide safe and reliable service to customers and meet regulatory obligations, following a risk-based approach. As a result, investments in new IT systems were made incrementally and, in many cases, postponed, while pipeline replacement and compliance initiatives took precedence. Now, based on a risk-based approach, many platforms are outdated and reaching the end of their life such that simple tasks (i.e., routine maintenance, updates, etc.) carry a heightened risk of system failure; they must be replaced in the ordinary course of business. The IT upgrades will allow Columbia to retire approximately 15 to 20 complex, obsolete and inefficient applications and replace it with less than a handful of new systems. If not addressed in the near term, the various existing systems will begin to present material risks to operational continuity, including heightened cyber security vulnerabilities. Modernizing these

systems has now become a top priority. Once implemented, the new systems will streamline and standardize applications, providing a better customer experience and improving service delivery. Witness Banks-Brooks discusses the benefits of the IT upgrades to the customer.

Q: Will the solutions being implemented as part of the IT upgrades be aligned with utility industry standards?

A: Yes. The core platform being implemented—a modern CIS leveraging technologies such as SAP—is fully aligned with standard utility industry practices and reflects what U.S. utilities are deploying today. The supporting systems—Salesforce, SEW, NICE, and Adobe—also represent widely-adopted market standard solutions used across major utilities for digital engagement, contact center operations, and customer communications. These platforms form a modern industry-standard IT architecture widely used by utilities across the country to support reliable operations and improved customer experience.

III. PROCESS FOR SELECTING THE VARIOUS IT UPGRADE SOLUTIONS

Q: Please provide a high-level overview of how NiSource and Columbia approached upgrading the various IT systems.

A: NiSource has taken a holistic look at the software needs of the entire company, including Columbia, and selected solutions that will meet the customer service, safety, and technology reliability needs of all customers now and in the future. The existing legacy systems will be completely replaced with new modern systems. The IT upgrades involve the implementation of robust, integrated software platforms. NiSource/Columbia engaged in competitive requests for proposal to acquire the most reasonable solutions to replace the aging infrastructure. As indicated below, the costs of the IT upgrades are reasonable and the implementation team will carefully manage the costs of the IT upgrades to provide its customers and other stakeholders with the greatest value at a reasonable cost.

Q: What other IT solutions did the Company consider and what were the costs associated with those alternative solutions?

A: NiSource conducted an RFP process, reviewing the cost, features, and limitations of presently utilized and/or available information technology systems by other utilities across the energy industry. NiSource leveraged the third-party expertise of Ernst & Young ("EY"), namely focused on cost benchmarks for similarly situated projects undertaken by other utilities. EY brought its external expertise in fully updating obsolete IT infrastructure to

the planning phase, vetting and validating proposed systems and software so that NiSource had the most accurate components at the best value to enable its operating companies to deliver the desired capabilities for a customer information software system, among other IT updates described throughout my testimony. This allowed NiSource to ensure that the selected platform was the most reasonable, cost-effective, and provided the needed capabilities for its operating companies, including Columbia.

Q: What steps and considerations led to the Company issuing an RFP for the various selected IT solutions rather than other solutions?

A: Before committing to the RFP process, NiSource, both internally and with the help of EY, conducted a thorough review of potential alternatives to the outdated IT systems that are currently in place. An example of alternatives that were reviewed but not pursued include upgrading current legacy systems. Given the age, limitations, and cybersecurity risks of Columbia's current IT systems, as well as the cost of maintaining and enhancing them, it is not reasonable to continue serving the legacy system. The systems are so outdated that some would require extensive upgrades while others cannot be upgraded at all. Any investment would provide only short-term life extensions without delivering meaningful functional improvements or addressing the concerns of obsolescence, ongoing support, and risks.

System upgrades would fail to address fundamental design limitations or the significant risks they pose, including cybersecurity vulnerabilities.

The evaluation demonstrated that incremental upgrades would not resolve fundamental limitations or position the company to meet evolving customer and regulatory expectations. As a result, NiSource determined that continuing with legacy platforms would introduce unacceptable operational and risk exposure.

As an alternative, the Company also considered on-premises solutions (as opposed to the cloud-based options that was ultimately selected and described above) as well as utility-specific solutions. But, an assessment of leading, proven enterprise platforms broadly adopted within the utility industry, particularly for customer information systems, proved that such solutions were not viable. Specifically, on-premises solutions have limit market offerings as the industry has shifted to cloud-based solutions. This market scan highlighted solutions with demonstrated scalability, modern architecture, and successful implementation track records. Based on this analysis, NiSource determined that issuing an RFP for cloud-based IT solutions that could be integrated into a enterprise platform was the most effective path to identify a solution capable of delivering long-term value, reducing risk, and enabling future customer and operational capabilities.

Q: Please describe how NiSource approached planning for the IT system upgrades, including the assessments performed, the involvement of Company personnel, and the steps taken to evaluate and select the software platforms and service providers.

A: Planning for the IT upgrades began in 2024 with assessments conducted alongside peer utilities to understand their IT system upgrade practices, evaluate whether their platforms were meeting performance expectations, and capture key lessons learned from their implementation experiences. Team members, advisory council participants, and other NiSource employees (including myself) were directly involved in these evaluations. The team attended software demonstrations, reviewed core platform capabilities, and assessed optional bolt on functionality that allows additional software features or modules that can be attached to a core system to extend its capabilities with minimal disruption.

Additionally, team members conducted site visits and reviews with organizations currently using these enterprise platforms, performed telephone reference checks, and held on site sessions with software providers to further validate product capabilities and implementation approaches.

NiSource then issued an RFP seeking a broad suite of potential solutions and offerings. Key service providers and software platforms were selected through competitive RFP processes. The IT upgrade implementation team, advisory council members, and other NiSource employees (including myself) participated in this process. Team members also participated in peer discussions with companies using SAP and conducted on-site demonstrations with the various software providers.

Q: How were the various IT software platforms and service providers selected?

A: NiSource performed a competitive RFP process to select the most reasonable options, which included a scoring process that evaluated both quantitative and qualitative factors. The RFP packages are attached as Attachment KJ-5, which are being filed under seal pursuant to a Motion for Confidential Treatment. The chosen platforms for the various IT solutions —SAP, Salesforce, SEW, NICE, and Adobe —were selected only after a comprehensive and competitive review. The RFP process, vendor assessments, contract evaluations, and industry benchmarking all confirm that NiSource thoroughly evaluated multiple alternatives for various IT solutions.

IV. COST AND FINANCIAL OVERSIGHT

Q: What is the estimated cost of the various IT system upgrades?

A: The IT system upgrades will be incurred over a four-year period and Columbia will only be allocated less than 4% of the costs. As set forth in Attachment KJ-1 the total four-year costs of the IT upgrades as follows:

- CIS – $23.9 million, comprised of approximately $20.2 million in capital and $3.7 million in O&M;
- CCaaS-CIS Integration – $285,000, comprised of approximately $226,000 in capital and $59,000 in O&M; and
- CCM/DXP – $4.1 million, comprised of approximately $3.3 million in capital and $0.85 million in O&M.

As further set forth in Attachment KJ-1, the estimated costs for each of the separate IT system upgrades at the NiSource enterprise-wide level are as follows:

- CIS – $651.1 million, comprised of approximately $550.6 million in capital and $100.5 million in O&M;
- CCaaS-CIS Integration – $7.7 million, comprised of approximately $6.1 million in capital and $1.6 million in O&M; and
- CCM/DXP – $111.7 million, comprised of approximately $88.5 in capital and $23.2 million in O&M.

Q: Are there any ongoing costs associated with the various IT upgrade solutions?

A: Columbia does not expect there to be any material changes to its approximately $5.7 million of ongoing forecasted annual IT operation costs after the various IT systems are placed in service.

Q: What are the primary cost components of the various IT upgrades?

A: Each IT system upgrade is comprised of seven main cost components as seen in Attachment KJ-1, which include:

- **Hardware**: Hardware addresses all infrastructure components needed to support the selected solutions and ensure stable performance across all environments. This includes servers, storage, networking equipment, cloud infrastructure capacity, backup and recovery systems, and required security appliances. It also accounts for the development, testing, training, and production environments, based on vendor architecture guidance and capacity requirements. These costs were developed using the solution's architectural specifications, vendor sizing recommendations, and pricing sourced from standard enterprise procurement catalogs.
- **Software**: Software is applications and supporting components that users interact with to support business processes and organizational needs. Software cost estimates were developed using detailed pricing provided

directly by each solution vendor, covering licenses, subscriptions, environment needs, and any required add on components. The team relied on vendor sizing guidance—such as expected user volumes, transaction throughput, and integration requirements—to determine the appropriate license tiers and capacity levels.

- **Outside Services**: Outside services costs represent the labor expenses for the third-party vendors contracted by NiSource to deliver the various IT upgrades. These costs were developed using detailed vendor statements of work aligned to each workstream's scope and were then validated against benchmarks from comparable large scale utility transformation programs.
- **Other Categories**: Other categories include supporting program costs that are required to enable and sustain the respective IT upgrades but do not fall within core software, implementation, or hardware components. These costs include items such as: employee-related expenses, data capabilities, archiving and retention requirements, and virtual desktop infrastructure necessary to support secure and scalable operations. These elements are standard components of these types of IT upgrades and are included to ensure the environment is properly supported, compliant, and capable of meeting both operational and regulatory requirements. The Company has

scoped these costs based on defined program needs and will manage them through established governance and cost control processes.

- **Contingency**: Contingency is included to address reasonable and identifiable risks inherent in IT upgrades, including estimate variability (pricing and quantities), defined scope gaps, escalation uncertainty, project assumptions and schedule-related impacts. Consistent with utility best practices, contingency also accounts for potential external factors such as supply chain constraints, labor availability, force majeure events, and inflation. The Company has applied a disciplined and risk-informed approach to establishing contingency levels and will actively manage these amounts through established project governance, cost controls and ongoing risk monitoring to ensure prudent use of funds.
- **Internal Labor**: Internal labor represents the Company's expected internal staffing costs required to implement the various IT upgrades. It was developed using a detailed, bottom-up approach that mapped workstream activities and modeled effort by role across design, build, testing, and deployment phases, then validated against benchmarks from similar utility transformation programs. These internal resources are essential because only Company staff possess the subject matter expertise, decision making authority, operational knowledge, and regulatory understanding needed to

define requirements, validate designs, support testing, and ensure the new systems align with business and customer needs. Internal teams also play a critical role in change management, adoption, and post–go live stabilization—functions that cannot be effectively outsourced.

- **AFUDC (Allowance for Funds Used During Construction):** Represents the financing costs associated with capital invested during the construction period of the project. Consistent with established regulatory and accounting practices, AFUDC reflects the cost of debt and equity funds used to finance construction activities prior to the assets being placed in service. Including AFUDC ensures that the total project cost appropriately reflects the time value of money during construction and aligns with standard utility ratemaking principles.

Q: How are the IT upgrade costs allocated to Columbia?

A: Whenever feasible, costs are directly charged to the applicable NiSource operating company; however, it is anticipated that the majority of costs for the various IT system upgrades will be charged to Columbia on an allocated basis. Attachment KJ-1 summarizes the expected capital and O&M amounts allocated to Columbia by cost category and year.

V. TIMING OF IMPLEMENTATION

Q: Why has Columbia requested an Order by August 1, 2026?

A: NiSource and Columbia plan to begin implementation of the various IT system upgrades by August 1, 2026, in order to address imminent obsolescence of some systems and minimizing costs. Understanding the vintage of the various IT systems and the threat of discontinued support and/or solutions, NiSource commenced the process for finding replacement IT solutions that are previously described in my testimony.

Q: What do you mean when you refer to "implementation"?

A. Implementation refers to the phase of the program in which the approved solution is configured, developed, integrated, and deployed into the Company's operating environment. This phase begins only after vendor selection, contract execution, and completion of necessary planning and readiness activities, and includes system configuration, coding, testing, data conversion, and deployment. Implementation is executed through a structured and governed process to ensure the solution meets defined business, regulatory, and operational requirements.

Q: Why can't Columbia wait longer to implement the upgraded IT systems?

A: There are two primary reasons for commencing implementation on August 1, 2026**.** First, there is a significant and increasing operational and support risk associated with the Company's existing legacy IT systems. This risk is not hypothetical. In late 2025, the vendor supporting Columbia's legacy

CCaaS platform notified the Company that support would be discontinued effective December 31, 2025; albeit, the Company was able to negotiate only a limited extension through the second quarter of 2027. While Columbia successfully secured that extension, it is clear that no further extensions will be granted. Because the vendor retains ownership of the proprietary code, Columbia is dependent on that vendor for system fixes and security updates. Once support ends, the Company will no longer receive regular patches or cybersecurity updates. At that point, Columbia would be required to independently address system defects and security vulnerabilities, increasing the risk of system instability, cyber exposure, and potential disruption to critical customer functions such as emergency and outage reporting, billing, payments, and service management. Initiating implementation on August 1, 2026, mitigates both systems and operational risks by ensuring a timely transition to supported, modern platforms.

Second, delaying implementation would likely increase overall program costs. The Company conducted a competitive RFP process to secure commercially reasonable pricing; however, those bids are time-limited and contingent on near-term execution. If work does not commence by August 1, 2026, there is a risk that pricing will no longer be valid, requiring re-bidding or renegotiation at potentially higher cost. In addition, delays could

necessitate retaining key vendor and project resources to preserve continuity, further increasing costs without corresponding progress. Commencing work as planned allows the Company to realize the benefits of the competitive procurement process and maintain cost discipline.

Q: Is there an alternative if Columbia is not a part of NiSource's enterprise-wide implementation of the various IT upgrade?

A: While there is an alternative in concept, it would be the utility-specific solution that I described earlier in my testimony. Namely, Columbia would need to develop its own IT upgrade solutions separate from the NiSource enterprise-wide solutions. This would mean that Columbia would not be able to leverage the economies of scale that are associated with the current enterprise-wide solution that the Company plans to pursue August 1, 2026. While Columbia has not solicited bids to build these separate IT upgrade solutions for Columbia specifically, based upon my experience, I would expect it to be a significantly more expensive solution for Columbia and its customers.

XI. CLOSING

Q: Do you have any final comments to provide regarding NiSource's IT Upgrades?

A: Yes. The decision to replace the existing customer service IT systems is both prudent and necessary. Many of these legacy systems are at or near the end of their useful life and must be upgraded to continue to maintain safe, reliable, and efficient IT service. NiSource has taken a comprehensive, enterprise-wide view of its technology needs and developed a modern solution that will support customer service, safety, and reliability for all customers—now and into the future, including those served by Columbia.

Q: Does this conclude your pre-filed direct testimony?

A: Yes.

ATTACHMENT KJ-1

Line No.		A Capital	B Cloud Computing Capital	C O&M	D Total
	NiSource IT Upgrades Estimated Costs				
	NiSource IT Upgrades Estimated Total				
	CIS				
1	Hardware	$ 8,928,812	$ -	$ 4,346,953	$ 13,275,765
2	Software	89,038,889	14,713,036	25,937,981	129,689,905
3	Outside Services	237,149,819	-	30,048,523	267,198,342
4	Other Categories	9,544,631	-	10,784,845	20,329,476
5	Contingency	107,036,102	-	3,250,720	110,286,822
6	Internal Labor	67,759,463	-	26,180,691	93,940,154
7	AFUDC	16,418,187	-	-	16,418,187
8	Total CIS Estimate	$ 535,875,903	$ 14,713,036	$ 100,549,713	$ 651,138,652
	CCaaS-CIS Integration				
9	Hardware	$ -	$ -	$ -	$ -
10	Software	-	2,815,366	703,842	3,519,208
11	Outside Services	-	1,798,925	449,731	2,248,656
12	Other Categories	-	168,369	61,612	229,981
13	Contingency	-	-	-	-
14	Internal Labor	-	1,121,760	410,490	1,532,249
15	AFUDC	232,806	-	-	232,806
16	Total CCaaS-CIS Integration Estimate	$ 232,806	$ 5,904,420	$ 1,625,674	$ 7,762,900
	CCM/DXP				
17	Hardware	$ -	$ -	$ -	$ -
18	Software	-	37,487,834	9,371,958	46,859,792
19	Outside Services	-	32,581,819	8,145,455	40,727,273
20	Other Categories	-	1,942,201	710,717	2,652,918
21	Contingency	-	-	-	-
22	Internal Labor	-	13,610,624	4,980,585	18,591,208
23	AFUDC	2,907,829	-	-	2,907,829
24	Total CCM/DXP Estimate	$ 2,907,829	$ 85,622,477	$ 23,208,715	$ 111,739,021
	Total				
25	Hardware	$ 8,928,812	$ -	$ 4,346,953	$ 13,275,765
26	Software	89,038,889	55,016,236	36,013,781	180,068,906
27	Outside Services	237,149,819	34,380,743	38,643,709	310,174,272
28	Other Categories	9,544,631	2,110,570	11,557,174	23,212,375
29	Contingency	107,036,102	-	3,250,720	110,286,822
30	Internal Labor	67,759,463	14,732,383	31,571,765	114,063,612
31	AFUDC	19,558,822	-	-	19,558,822
32	Total Estimate	$ 539,016,538	$ 106,239,933	$ 125,384,102	$ 770,640,573
33	**Total NiSource Estimates**	**$ 539,016,538**	**$ 106,239,933**	**$ 125,384,102**	**$ 770,640,573**
		A	B	C	D

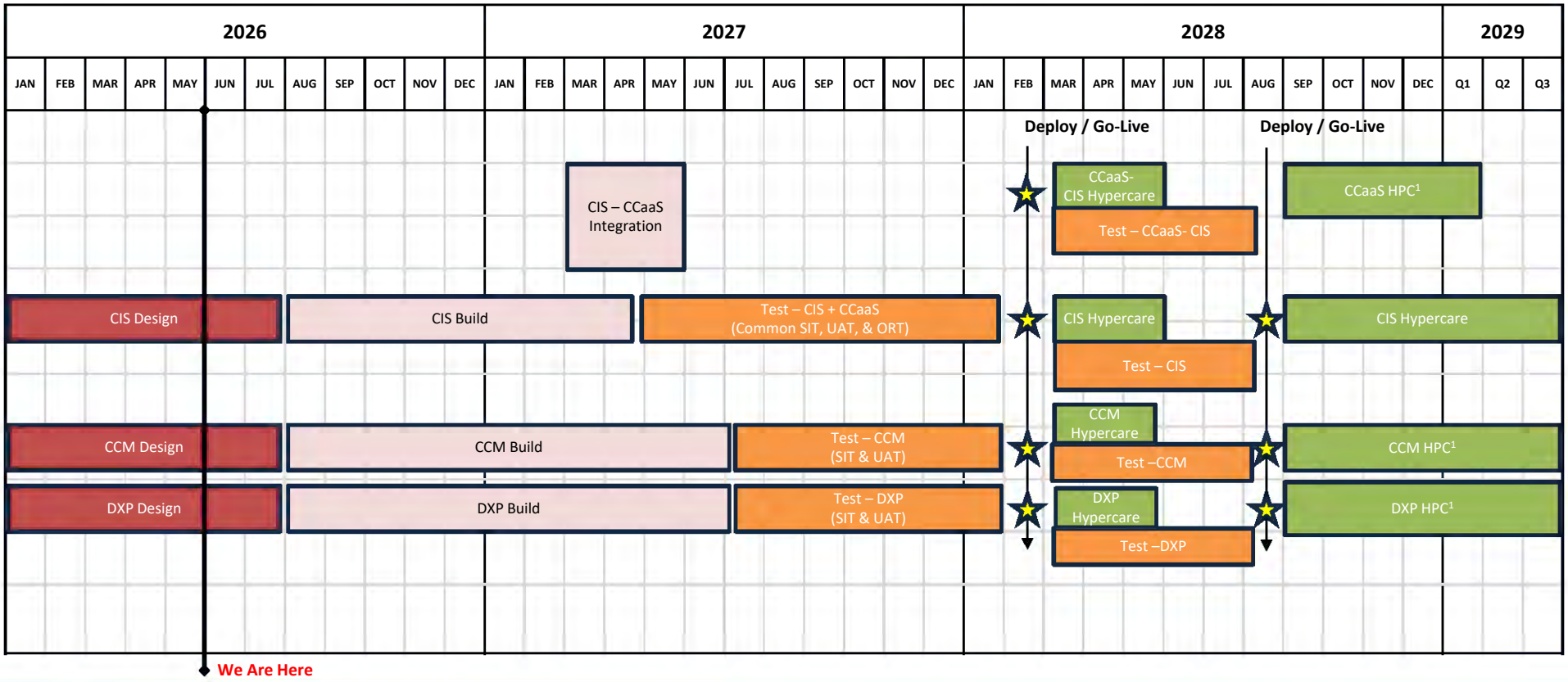
Line No.		A	B	C	D
	NiSource IT Upgrades Estimated Costs				
	CKY IT Upgrades Estimated Total	**Capital**	**Cloud Computing Capital**	**O&M**	**Total**
	CIS				
1	Hardware	$ 325,009	$ -	$ 158,229	$ 483,238
2	Software	3,241,016	535,555	944,143	4,720,713
3	Outside Services	8,632,253	-	1,093,766	9,726,020
4	Other Categories	347,425	-	392,568	739,993
5	Contingency	3,896,114	-	118,326	4,014,440
6	Internal Labor	2,466,444	-	952,977	3,419,422
7	AFUDC	801,685	-	-	801,685
8	Total CIS Estimate	$ 19,709,946	$ 535,555	$ 3,660,010	$ 23,905,510
	CCaaS-CIS Integration				
9	Hardware	$ -	$ -	$ -	$ -
10	Software	-	102,479	25,620	128,099
11	Outside Services	-	65,481	16,370	81,851
12	Other Categories	-	6,129	2,243	8,371
13	Contingency	-	-	-	-
14	Internal Labor	-	40,832	14,942	55,774
15	AFUDC	11,368	-	-	11,368
16	Total CCaaS-CIS Integration Estimate	$ 11,368	$ 214,921	$ 59,175	$ 285,463
	CCM/DXP				
17	Hardware	$ -	$ -	$ -	$ -
18	Software	-	1,364,557	341,139	1,705,696
19	Outside Services	-	1,185,978	296,495	1,482,473
20	Other Categories	-	70,696	25,870	96,566
21	Contingency	-	-	-	-
22	Internal Labor	-	495,427	181,293	676,720
23	AFUDC	141,987	-	-	141,987
24	Total CCM/DXP Estimate	$ 141,987	$ 3,116,658	$ 844,797	$ 4,103,442
	Total				
25	Hardware	$ 325,009	$ -	$ 158,229	$ 483,238
26	Software	3,241,016	2,002,591	1,310,902	6,554,508
27	Outside Services	8,632,253	1,251,459	1,406,631	11,290,343
28	Other Categories	347,425	76,825	420,681	844,930
29	Contingency	3,896,114	-	118,326	4,014,440
30	Internal Labor	2,466,444	536,259	1,149,212	4,151,915
31	AFUDC	955,039	-	-	955,039
32	Total Estimate	$ 19,863,300	$ 3,867,134	$ 4,563,981	$ 28,294,415
33	**Total CKY Estimates**	**$ 19,863,300**	**$ 3,867,134**	**$ 4,563,981**	**$ 28,294,415**

		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
		CKY IT Upgrades Estimated Costs by Year																
		2026				2027				2028				2029				
Line No.		Capital	Cloud Computing Capital	O&M	Year Total	Capital	Cloud Computing Capital	O&M	Year Total	Capital	Cloud Computing Capital	O&M	Year Total	Capital	Cloud Computing Capital	O&M	Year Total	Total
	CIS																	
1	Hardware	$ 16,069	$ -	$ 18,337	$ 34,406	$ 260,018	$ -	$ 85,174	$ 345,192	$ 24,461	$ -	$ 29,582	$ 54,043	$ 24,461	$ -	$ 25,136	$ 49,597	$ 483,238
2	Software	196,579	86,401	70,745	353,725	697,816	97,248	198,766	993,831	1,186,149	152,591	334,685	1,673,425	1,160,472	199,314	339,946	1,699,732	4,720,713
3	Outside Services	1,979,134	-	142,879	2,122,013	1,854,685	-	224,088	2,078,773	2,582,277	-	267,510	2,849,787	2,216,157	-	459,290	2,675,447	9,726,020
4	Other Categories	62,397	-	75,920	138,317	97,051	-	88,601	185,652	112,713	-	120,876	233,588	75,264	-	107,172	182,435	739,993
5	Contingency	699,614	-	18,993	718,607	1,081,424	-	43,604	1,125,028	1,500,581	-	27,865	1,528,446	614,496	-	27,865	642,360	4,014,440
6	Internal Labor	590,306	-	200,704	791,011	647,009	-	230,964	877,973	738,961	-	286,504	1,025,465	490,169	-	234,805	724,973	3,419,422
7	AFUDC	120,546	-	-	120,546	381,325	-	-	381,325	194,980	-	-	194,980	104,833	-	-	104,833	801,685
8	Total CIS Estimate	$ 3,664,645	$ 86,401	$ 527,578	$ 4,278,624	$ 5,019,329	$ 97,248	$ 871,197	$ 5,987,774	$ 6,340,121	$ 152,591	$ 1,067,021	$ 7,559,734	$ 4,685,850	$ 199,314	$ 1,194,214	$ 6,079,378	$ 23,905,510
	CCaaS-CIS Integration																	
9	Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	Software	-	-	-	-	-	44,690	11,173	55,863	-	37,756	9,439	47,194	-	20,034	5,008	25,042	128,099
11	Outside Services	-	-	-	-	-	28,556	7,139	35,694	-	24,125	6,031	30,156	-	12,801	3,200	16,001	81,851
12	Other Categories	-	-	-	-	-	2,673	978	3,651	-	2,258	826	3,084	-	1,198	438	1,636	8,371
13	Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Internal Labor	-	-	-	-	-	17,806	6,516	24,322	-	15,043	5,505	20,548	-	7,982	2,921	10,903	55,774
15	AFUDC	-	-	-	-	4,957	-	-	4,957	4,188	-	-	4,188	2,222	-	-	2,222	11,368
16	Total CCaaS-CIS Integration Estimate	$ -	$ -	$ -	$ -	$ 4,957	$ 93,725	$ 25,805	$ 124,488	$ 4,188	$ 79,181	$ 21,801	$ 105,171	$ 2,222	$ 42,015	$ 11,568	$ 55,805	$ 285,463
	CCM/DXP																	
17	Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18	Software	-	259,510	64,878	324,388	-	332,007	83,002	415,009	-	450,690	112,673	563,363	-	322,350	80,587	402,937	1,705,696
19	Outside Services	-	-	-	-	-	173,672	43,418	217,090	-	578,602	144,650	723,252	-	433,705	108,426	542,131	1,482,473
20	Other Categories	-	-	-	-	-	12,881	4,714	17,594	-	41,663	15,246	56,909	-	16,152	5,911	22,063	96,566
21	Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Internal Labor	-	-	-	-	-	85,872	31,423	117,295	-	290,283	106,224	396,507	-	119,272	43,646	162,917	676,720
23	AFUDC	9,454	-	-	9,454	40,928	-	-	40,928	34,333	-	-	34,333	57,272	-	-	57,272	141,987
24	Total CCM/DXP Estimate	$ 9,454	$ 259,510	$ 64,878	$ 333,842	$ 40,928	$ 604,431	$ 162,557	$ 807,916	$ 34,333	$ 1,361,238	$ 378,793	$ 1,774,364	$ 57,272	$ 891,479	$ 238,570	$ 1,187,321	$ 4,103,442
	Total																	
25	Hardware	$ 16,069	$ -	$ 18,337	$ 34,406	$ 260,018	$ -	$ 85,174	$ 345,192	$ 24,461	$ -	$ 29,582	$ 54,043	$ 24,461	$ -	$ 25,136	$ 49,597	$ 483,238
26	Software	196,579	345,911	135,622	678,112	697,816	473,945	292,940	1,464,702	1,186,149	641,037	456,797	2,283,983	1,160,472	541,697	425,542	2,127,711	6,554,508
27	Outside Services	1,979,134	-	142,879	2,122,013	1,854,685	202,227	274,645	2,331,557	2,582,277	602,726	418,191	3,603,194	2,216,157	446,505	570,916	3,233,578	11,290,343
28	Other Categories	62,397	-	75,920	138,317	97,051	15,553	94,293	206,897	112,713	43,921	136,948	293,581	75,264	17,351	113,521	206,135	844,930
29	Contingency	699,614	-	18,993	718,607	1,081,424	-	43,604	1,125,028	1,500,581	-	27,865	1,528,446	614,496	-	27,865	642,360	4,014,440
30	Internal Labor	590,306	-	200,704	791,011	647,009	103,678	268,903	1,019,591	738,961	305,326	398,233	1,442,520	490,169	127,254	281,371	898,794	4,151,915
31	AFUDC	130,000	-	-	130,000	427,210	-	-	427,210	233,502	-	-	233,502	164,327	-	-	164,327	955,039
32	Total Estimate	$ 3,674,099	$ 345,911	$ 592,456	$ 4,612,466	$ 5,065,214	$ 795,405	$ 1,059,559	$ 6,920,178	$ 6,378,642	$ 1,593,010	$ 1,467,615	$ 9,439,268	$ 4,745,345	$ 1,132,807	$ 1,444,352	$ 7,322,503	$ 28,294,415
33	**Total Estimate**	**$ 3,674,099**	**$ 345,911**	**$ 592,456**	**$ 4,612,466**	**$ 5,065,214**	**$ 795,405**	**$ 1,059,559**	**$ 6,920,178**	**$ 6,378,642**	**$ 1,593,010**	**$ 1,467,615**	**$ 9,439,268**	**$ 4,745,345**	**$ 1,132,807**	**$ 1,444,352**	**$ 7,322,503**	**$ 28,294,415**

ATTACHMENT KJ-2

Customer Transformation Plan on a Page – CKY Regulatory View

NiSource CUSTOMER TRANSFORMATION



ATTACHMENTS

KJ-3, KJ-4 and KJ-5

ARE BEING FILED UNDER SEAL PURSUANT TO A MOTION FOR CONFIDENTIAL TREATMENT

EXHIBIT C

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:	)	
	)	
Electronic Application of Columbia Gas of Kentucky, Inc. for a Declaratory Order or in the Alternative a Certificate of Public Convenience and Necessity Authorizing the Installation of New Customer Service Software System Upgrades	)	Case No. 2026-00129

PREPARED DIRECT TESTIMONY OF SHANNON P. BANKS-BROOKS ON BEHALF OF COLUMBIA GAS OF KENTUCKY, INC.

L. Allyson Honaker
Heather S. Temple
Meredith L. Cave
HONAKER LAW OFFICE, PLLC
1795 Alysheba Way, Suite 1203
Lexington, Kentucky 40509
Telephone: (859) 368-8803
allyson@hloky.com
heather@hloky.com
meredith@hloky.com

Ashley G. LaRock
Senior Counsel
290 W. Nationwide Blvd.
Columbus, Ohio 43215
Telephone: (614) 273-4387
alarock@nisource.com

Attorneys for Applicant
COLUMBIA GAS OF KENTUCKY, INC.

June 4, 2026

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:	)	
	)	
Electronic Application of Columbia Gas of Kentucky, Inc. for a Declaratory Order or in the Alternative a Certificate of Public Convenience and Necessity Authorizing the Installation of New Customer Service Software System Upgrades	)	Case No. 2026-00129

VERIFICATION OF SHANNON P. BANKS-BROOKS

STATE OF OHIO)
)
COUNTY OF FRANKLIN)

Shannon P. Brooks, Senior Director, Customer Transformation for NiSource Corporate Services Corporation, on behalf of 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.

Shannon P. Banks-Brooks

The foregoing Verification was signed, acknowledged and sworn to before me this 2 day of June 2026, by Shannon P. Banks-Brooks.

Ashley G. LaRock
Attorney At Law
Notary Public, State of Ohio
My Commission has no expiration date
Sec. 147.03 R.C.

Notary Commission No. NA

Commission expiration: NA

PREPARED DIRECT TESTIMONY OF SHANNON P. BANKS-BROOKS

I. INTRODUCTION

Q: Please state your name, business address, and title.

A: My name is Shannon P. Banks-Brooks ("Shannon Brooks" or "Witness Brooks"). My business address is 290 W. Nationwide Blvd, Columbus, Ohio 43215. I am Senior Director, Customer Transformation for NiSource Corporate Services Corporation ("NCSC"), which is a service company that serves Columbia Gas of Kentucky, Inc. ("Columbia" or "the Company").

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

A: I am responsible for leading strategic enterprise-wide customer initiatives that modernize business operations and elevate the customer experience.

Q: What is your educational background and professional experience?

A: I received a Bachelor of Science degree in Accounting from Governor's State University in University Park, IL and Master Business Administration from Northern Illinois University in DeKalb, IL. I am an operations leader with over 20 years leading customer and field operating departments and leading business transformations within energy and adjacent energy services companies. I have led transformations including customer-facing technology-enabled initiatives such as customer care,

back-office and field, mergers/acquisition integrations, business divestitures, operating and customer capability modeling.

Q: What is your employment history?

A: At a prior energy company, as Vice President of Program Delivery Operations I oversaw service delivery operations for multi-state energy efficiency utility programs. Prior to that, I was a Senior Manager of Business Transformation Strategy where I led enterprise transformation initiatives for utilities, healthcare, and government clients, specializing in operating model design, contact center modernization, workforce optimization, and governance strategy and design. Before my role as Senior Manager, I was the Managing Director of Operations and the Director of Business Planning for a home solutions company. In my role as Managing Director and Director, I oversaw major system and process transformations. As a Management Consultant for a freelance company, I delivered strategic advisory, post-merger integration, call center optimization, and business continuity initiatives for energy and warranty services organizations.

Q: Have you previously testified before any regulatory commissions?

A: No.

Q: What is the purpose of your testimony?

A: The purpose of my testimony is to explain the customer benefits delivered through NiSource's Customer Transformation program that results in the implementation of various IT system upgrades for the NiSource companies such as Columbia Gas of Kentucky, as described by Witness Johannsen. I will outline the functionality and capabilities of the different IT systems that Columbia seeks to implement and describe how each contributes to an improved customer experience.

Q: What Filing Requirements will you be supporting?

A: I will sponsor and support the following Filing Requirement:

Filing Requirement	Description
807 KAR 5:001 Section 15(2)(a)	The facts relied upon to show that the proposed construction or extension is or will be required by public convenience or necessity.

Q. For the Filing Requirement that you are sponsoring, was it either prepared by you, by someone at your direction, or did you review and concur with the response?

A: Yes.

II. NECESSITY FOR THE CUSTOMER SERVICE IT UPGRADES

Q: Why is it necessary for Columbia to undertake the implementation of the customer service IT upgrades?

A: As discussed by Witness Johannsen, Columbia's current IT landscape is aging, highly fragmented, and obsolete. The proposed IT upgrades will not only avoid challenging and, in certain cases discontinued support of proprietary software, they will also streamline and modernize Columbia's IT system. This will create a more efficient technology foundation that reduces risk to business continuity, enhances the customer experience and improves overall service delivery and cybersecurity. For example, as explained by Company witness Johannsen, Columbia has a known time-sensitive risk of prolonged service interruption where customers could lose access to essential services – including outage and emergency reports – through discontinued support of the legacy CCaaS system.

Q: How would the customer experience be affected if the IT systems were not upgraded?

A: Without the new IT system upgrades, customers, and employees would remain constrained by outdated systems and risks to business continuity would remain high making it harder to deliver secure support and consistent customer experiences. The limitations of the current system are explained further by Witness Johannsen.

III. BENEFITS OF THE CUSTOMER SERVICE IT UPGRADES

Q: Please summarize the benefits of the customer service IT Upgrades.

A: First and foremost, the customer service IT upgrades will enable Columbia to leverage modern technology platforms that are fully supported, highly secure, and designed to deliver strong system availability for both customers and employees. By strengthening system reliability, cybersecurity, and risk mitigation capabilities, the IT upgrades will improve overall service stability while ensuring the protection of sensitive data.

From an operational standpoint, the IT upgrades will drive greater efficiency, improved data quality, and more seamless system integration and analytics. Frontline employees, who play a critical role in serving customers, will benefit from enhanced tools—including a more comprehensive view of each customer's profile—allowing them to resolve issues faster. These capabilities will empower both customers and employees with quicker answers, more intuitive support, and more timely access to the information they need.

Q: How will Columbia measure customer benefits?

A: Success of the IT upgrades will be measured using key performance metrics and assessments. These metrics include, but are not limited to:

- Customer Satisfaction – Survey responses will measure customer expectations

- Average Handle Time – Average amount of time a customer service representative spends handling a customer interaction
- First Call Resolution – Number or percent of customer issues that are resolved on the first interaction for that issue
- Billing Accuracy – Bill charge error rate or need for correction
- Disconnection Compliance – Adherence to policies, regulation for customer notices, eligibility for service disconnections

Q: How will the IT upgrades enhance the experience for both customers and employees?

A: The IT upgrades will enable a secure, more efficient resolution of customer needs. For example, customers will receive updates in their preferred communication channel for account activity, proactive alerts, and improved visibility throughout the start/stop/move process.

Additionally, Columbia's current IT landscape relies on aging disconnected systems that require employees to navigate multiple platforms to understand the full customer journey. These manual processes slow down issue resolution. The various IT upgrades will introduce a comprehensive customer view, giving employees a unified understanding of each customer's experience.

Q: How will the IT upgrades enhance the customer service experience when speaking with a customer service representative?

A: The upgraded IT systems, which will be designed and built with a common design in mind, will support faster identification, routing, tracking, and resolution of customer inquiries. These enhancements will streamline the interaction by reducing handoffs, providing representatives with more timely visibility into root causes, and creating a more consistent experience for callers.

Additionally, Salesforce will be enhanced to better support residential and commercial customer interactions, and the digital platform will be modernized with Adobe and SEW tools to improve usability and integration across channels. These combined improvements will equip representatives with more complete information and make it easier for customers to receive accurate and efficient support.

Q: How will the IT upgrades improve individualized service for customers, including vulnerable groups such as seniors?

A: The current legacy IT systems, given their vintage, have very limited ability to tailor solutions to customer needs. The IT upgrades are designed to make it easier to identify specific customer groups—such as seniors or those with

unique communication or financial needs—allowing for more tailored outreach, particularly those who may require additional support.

Q: How will customers be informed about changes resulting from the IT upgrades?

A: A comprehensive customer communication strategy is being developed. Customer-facing updates will be coordinated across multiple channels—such as email, Columbia's website, bill inserts, and other preferred communication methods—to align with each customer's indicated preferences. Communications will be phased and intentionally timed to ensure customers are aware of upcoming changes and understand the associated benefits.

Q: Does this conclude your pre-filed direct testimony?

A: Yes.