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File #: 182466

May 14, 2021

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: PA Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.
Docket No. R-2021-3024296**

Dear Secretary Chiavetta:

Attached for filing is the Prehearing Memorandum of Columbia Gas of Pennsylvania, Inc., in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Lindsay A. Berkstresser

LAB/jl
Attachment

cc: Honorable Mark A. Hoyer
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA E-MAIL

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("Shipley/RESA")*
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Date: May 14, 2021

Lindsay A. Berkstresser

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3024296
	:	
Columbia Gas of Pennsylvania, Inc.	:	

**PREHEARING MEMORANDUM OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

TO ADMINISTRATIVE LAW JUDGE MARK A. HOYER:

I. PROCEDURAL HISTORY

This Memorandum is in response to the Prehearing Conference Order, dated May 10, 2021, advising that a Prehearing Conference is scheduled for May 17, 2021, in the above-referenced matter.

On March 30, 2021, Columbia Gas of Pennsylvania, Inc. (“Columbia”) filed with the Pennsylvania Public Utility Commission (“Commission”) Supplement No. 325 to its Tariff Gas – Pa. P.U.C. No. 9 (“Supplement No. 325” or “base rate filing”). Supplement No. 325 was issued to be effective for service rendered on or after May 29, 2021. It proposed changes to Columbia’s distribution base rates designed to produce an increase in annual revenues of approximately \$98.3 million based upon data for a fully projected future test year (“FPFTY”) ending December 31, 2022. The filing was made in compliance with the Commission’s regulations, and contains all supporting data and testimony required to be submitted in conjunction with a tariff change seeking a general rate increase.

On May 6, 2021, the Commission issued an Order suspending Columbia's Supplement No. 325 by operation of law until December 29, 2021.¹

On April 7, 2020 the Commission's Bureau of Investigation and Enforcement filed a Notice of Appearance. Complaints were filed by the Office of Consumer Advocate (April 6, 2021), Office of Small Business Advocate (April 15, 2021), Columbia Industrial Intervenors (April 29, 2021), and the Pennsylvania State University (May 7, 2021). Petitions to Intervene were filed by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (April 12, 2021), Shipley Choice, LLC and Interstate Gas Supply, Inc. (April 16, 2021),² and Pennsylvania Weatherization Providers Task Force (May 3, 2020).

II. SERVICE OF DOCUMENTS

Columbia's counsel in this proceeding are Amy Hirakis, Esquire; Theodore Gallagher, Esquire, Michael Hassell, Esquire; and Lindsay Berkstresser, Esquire. Columbia requests that Michael Hassell be listed as the recipient for service. Mr. Hassell's contact information is provided below:

Michael W. Hassell (ID # 34851)
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Columbia also requests that Ms. Hirakis, Mr. Gallagher, and Ms. Berkstresser be added to any e-mail distribution lists in this proceeding. Ms. Hirakis's e-mail address is

¹ On May 14, 2021, Columbia filed Supplement No. 328 pursuant to the Commission's May 6, 2021 Suspension Order. Supplement No. 328 suspended the proposed rates contained in Tariff Supplement No. 325 until December 29, 2021.

² On May 5, 2021, Shipley Choice, LLC and the Retail Energy Supply Association filed an Amended Petition to Intervene to remove Interstate Gas Supply, Inc. individually from the Petition to Intervene and substitute the Retail Energy Supply Association in its place.

ahirakis@nisource.com. Mr. Gallagher's e-mail address is tjgallagher@nisource.com. Ms. Berkstresser's e-mail address is lberkstresser@postschell.com. Columbia requests that it be served with an electronic copy of all documents submitted in this proceeding.

The May 10, 2021 Prehearing Conference Order directs that parties who are represented by multiple attorneys should designate in their prehearing memorandum a lead representative for the purposes of the prehearing conference. The lead representative on behalf of Columbia for the prehearing conference will be Ms. Berkstresser.

III. WITNESSES AND ISSUES

Below is a list of the witnesses and the areas of their testimony comprising Columbia's direct case in this proceeding. The subject matters listed below represent as complete a statement of issues that Columbia can provide at this stage of the proceeding. Further definition of contested issues by the parties will develop within the scope of the subject matters listed below during the course of the proceeding.

Columbia presently intends to offer the following witnesses to testify in the base rate proceeding on the following subject matters:

<u>Statement Number(s)</u>		
1	Mark Kempic President and Chief Operating Officer Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	a) Overview of the Company filing; b) Columbia's quality of service; and c) Management effectiveness
2	Melissa Bartos Vice President Concentric Energy Advisors 293 Boston Post Road West Suite 500 Marlborough, MA 01752	a) Residential and commercial sales volumes normalization; and b) Customer usage forecasts for the future and fully projected future test years.
3	Melissa J. Bell Lead Regulatory Analyst NiSource Corporate Services Company	a) Pro Forma operating revenues; b) Calculation of Merchant Function Charge; and

	290 W. Nationwide Blvd. Columbus, OH 43215	c) Annualization of Forfeited Discounts.
4	Kelley K. Miller Lead Regulatory Analyst NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	a) Revenue deficiency; b) Adjustments to operation and maintenance expenses.
5	John J. Spanos President Gannett Fleming, Inc. 207 Senate Avenue Camp Hill, PA 17011-2316	a) Depreciation study and service lives; and b) Annual and accrued depreciation.
6	Nicole M. Shultz Lead Regulatory Analyst NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	Rate Base.
7	Raymond A. Brumley Director of Construction Columbia Gas of Pennsylvania, Inc. 2787 Memorial Boulevard Connellsville, PA 15425	a) Plant additions through FPFTY; and b) Overview of ongoing replacement activities
8	Paul R. Moul Managing Consultant P. Moul & Associates 251 Hopkins Road Haddonfield, NJ 08033	a) Cost of capital; and b) Fair rate of return.
9	Nicole M. Paloney Director of Rates and Regulatory Affairs Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	a) Budgeted Operations and Maintenance; and b) Expenses for the FPFTY.
10	Jennifer Harding Director, Income Tax Operations NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	a) Income tax expense; b) Deferred income tax; c) Other taxes; and d) Federal Tax Reform Adjustment.
11	Chad Notestone ³ Manager of Regulatory Accounting	a) Allocated Cost of Service Studies;

³ As of May 7, 2021, Mr. Notestone is no longer an employee of NiSource Corporate Services Company. Columbia witness Melissa Bell will adopt Mr. Notestone's written direct testimony and will address the subject areas of that testimony in discovery responses and in subsequent submissions of testimony in this case.

	NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	b) Revenue allocation and rate design proposals; and c) Revenue Normalization Adjustment.
12	Ribeka Danhires Manager, Rates & Regulatory Service Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	Tariffs.
13	Deborah A. Davis Manager, Universal Services Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	a) Hardship Fund update; b) Customer Initiatives & Company's COVID-19 response; and c) CAP outreach and collection issues.
14	C.J. Anstead Vice President of Gas Operations Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Cannonsburg, PA 15317	a) Overview of Columbia's distribution system; b) Historic operating performance; c) Safety and Compliance efforts; and d) Planned enhancements to Columbia's operations.

The testimony and exhibits fully support Columbia's proposed rate increase in Supplement No. 325, and fully support the design of rates to recover that increase from customers.

Columbia reserves the right to present testimony, sponsored either by the witnesses listed above or by further witnesses, as may be needed, regarding additional issues and subject matters that may arise during the course of the proceeding.

IV. PROCEDURAL SCHEDULE

Columbia proposes the following procedural schedule:

Other Parties' Direct Testimony – June 16, 2021

Rebuttal Testimony – July 14, 2021

Surrebuttal Testimony – July 27, 2021

Rejoinder Outline – July 30, 2021

Hearings and Oral Rejoinder – August 3-5, 2021

Main Briefs – August 25, 2021

Reply Briefs – September 7, 2021

It is Columbia's understanding that no party opposes this schedule.

V. DISCOVERY

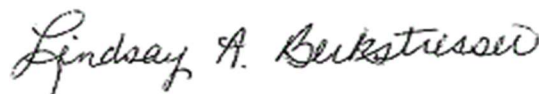
To date, Columbia has been served with and has answered numerous interrogatories. Proprietary information has been requested in discovery, and Columbia intends to timely submit an appropriate Motion for Protective Order.

Columbia encourages the use of informal discovery to expedite the discovery process.

VI. SETTLEMENT DISCUSSIONS

As of this time, no settlement discussions have been held. However, Columbia will be working with the parties in an effort to resolve these proceedings through settlement.

Respectfully submitted,



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Date: May 14, 2021