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Lindsay A. Berkstresser  
Principal

lberkstresser@postschell.com  
717-612-6021 Direct  
717-731-1985 Direct Fax  
File #: 196137

March 10, 2023

***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: Columbia Gas of Pennsylvania, Inc. Supplement No. 343 Proposed Tariff  
Modifications for Inclusion of the Green Path Rider  
Docket Nos. R-2022-3032167, et al.**

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Dear Secretary Chiavetta:

Attached for filing is the Main Brief on behalf of Columbia Gas of Pennsylvania, Inc., in the above-referenced proceeding. Copies will be provided per the Certificate of Service.

Respectfully submitted,



Lindsay A. Berkstresser  
Principal

LAB/kl  
Attachment

cc: Honorable Christopher P. Pell (*via email; w/att.*)  
Honorable John M. Coogan (*via email; w/att.*)  
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 ONLY

Erica McLain, Esquire  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[ermclain@pa.gov](mailto:ermclain@pa.gov)

Aron J. Beatty, Esquire  
Barrett C. Sheridan, Esquire  
Harrison W. Breitman, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
[OCAColumbiaGreenPathRider@paoca.org](mailto:OCAColumbiaGreenPathRider@paoca.org)

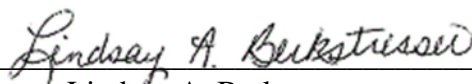
John W. Sweet, Esquire  
Ria M. Pereira, Esquire  
Lauren N. Berman, Esquire  
Elizabeth R. Marx, Esquire  
118 Locust Street  
Harrisburg, PA 17101  
[pulp@pautilitylawproject.org](mailto:pulp@pautilitylawproject.org)  
*Counsel for Intervenor CAUSE-PA*

Steven C. Gray, Esquire  
Office of Small Business Advocate  
555 Walnut Street  
1<sup>st</sup> Floor, Forum Place  
Harrisburg, PA 17101  
[sgray@pa.gov](mailto:sgray@pa.gov)

Todd S. Stewart, Esquire  
Hawke McKeon & Sniscak LLP  
100 North Tenth Street  
Harrisburg, PA 17101  
[tsstewart@hmslegal.com](mailto:tsstewart@hmslegal.com)  
*Counsel for RESA/NGS Parties*

Thomas J. Sniscak, Esquire  
Whitney E. Snyder, Esquire  
Phillip D. Demanchick, Jr., Esquire  
Hawke, McKeon & Sniscak LLP  
100 North Tenth Street  
Harrisburg, PA 17101  
[tjsniscak@hmslegal.com](mailto:tjsniscak@hmslegal.com)  
[wesnyder@hmslegal.com](mailto:wesnyder@hmslegal.com)  
[pddemanchick@hmslegal.com](mailto:pddemanchick@hmslegal.com)  
*Counsel for Intervenor The Pennsylvania State University*

Date: March 10, 2023

  
Lindsay A. Berkstresser

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2022-3032167
Office of Consumer Advocate	:	C-2022-3032404
Retail Energy Supply Association,	:	C-2022-3032550
Shipley Choice, LLC, and NRG Energy, Inc.	:	
	:	
v.	:	
	:	
Columbia Gas of Pennsylvania, Inc	:	

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**MAIN BRIEF ON BEHALF OF  
COLUMBIA GAS OF PENNSYLVANIA, INC.**

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Theodore Gallagher (ID # 90842)  
Columbia Gas of Pennsylvania, Inc.  
121 Champion Way, Suite 100  
Canonsburg, PA 15317  
Phone: 724-416-6355  
Fax: 724-416-6384  
E-mail: tjgallagher@nisource.com

Amy E. Hirakis (ID # 310094)  
800 North 3<sup>rd</sup> Street  
Suite 204  
Harrisburg, PA 17102  
Phone: 717-233-1351  
E-mail: ahirakis@nisource.com

Michael W. Hassell (ID # 34851)  
Lindsay A. Berkstresser (ID # 318370)  
Nicholas A. Stobbe (ID # 329583)  
Post & Schell, P.C.  
17 North Second Street  
12th Floor  
Harrisburg, PA 17101  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: mhassell@postschell.com  
E-mail: lberkstresser@postschell.com  
E-mail: nstobbe@postschell.com

Date: March 10, 2023

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## **I. Introduction**

### **A. Statement of the Case**

Columbia Gas of Pennsylvania, Inc. (“Columbia” or the “Company”) is a public utility company under the jurisdiction of the Pennsylvania Public Utility Commission (“Commission”) and a subsidiary of NiSource Inc. Columbia provides natural gas distribution service to approximately 440,000 customers in 26 counties in the western and central portions of Pennsylvania. In recent years, there has been an increased focus in the role energy companies can have in developing and implementing energy technologies and programs that ensures a steady, affordable, and sustainable energy supply, while promoting efficient customer usage, assisting in strengthening communities, spurring economic development, and protecting and preserving shared natural resources. Columbia believes that the natural gas infrastructure, and natural gas distribution companies, will play an important role in our energy future and in helping to achieve decarbonization goals. To this end, Columbia has taken strides to ensure that it is properly positioned to play its part in supporting in our energy future. Specifically, in the Company’s 2021 rate case, at Docket No. R-2021-3024296, the Commission approved a tariff provision that defined gas quality standards to provide clarity for producers of RNG in the event such producers interconnect with the Company. In the Company’s 2022 rate case, at Docket No. R-2022-3031211, the Commission approved a residential energy efficiency program that offers rebates for efficient appliances and an online audit program.

On April 26, 2022, Columbia filed Supplement No. 343 to Columbia’s Tariff – Gas Pa. P.U.C. No. 9 (“Supplement No. 343”), which proposes the implementation of a pilot program called the Green Path Rider. (Columbia Gas Exhibit 1.) The Green Path Rider

pilot program is a fee based, opt-in program that allows customers an option to reduce some or all of their emissions related to their natural gas usage. To do this, renewable natural gas (“RNG”) environmental attributes and carbon offsets<sup>1</sup> will be purchased from a third-party supplier to reduce the customer’s emissions associated with their natural gas usage. This will be done to match the customer’s election of either a 100% reduction in emissions or a 50% reduction. Customers opting into the pilot program will be charged an additional fee per therm that reflects the cost of the RNG environmental attributes and carbon offsets being purchased from the third-party supplier. Participation in the pilot program will be completely voluntary. (Columbia Gas Exhibit 1., p. 2.) Essentially, the Green Path Rider pilot program is yet another step by the Company to support the development of offerings that further decarbonization goals by educating and empowering its customers about energy usage and renewable resources.

The Green Path Rider pilot program is unique in its design, and to the Company’s knowledge, is the first program of its kind being proposed in Pennsylvania.

### **B. Procedural History**

On April 26, 2022, Columbia filed Supplement No. 343 to Tariff Gas Pa. P.U.C. No. 9 (“Supplement No. 343”) to become effective on January 1, 2023. Also on April 26, 2022, Columbia filed a Motion to Consolidate Supplement No. 343 with its then pending base rate case filed at Docket No. R-2022-3031211, so that both filings could be litigated as part of Columbia’s base rate proceeding.

On May 9, 2022, the Office of Consumer Advocate (“OCA”) filed a Public Statement and a Formal Complaint against Supplement No. 343 at Docket No. C-2022-3032404.

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<sup>1</sup> A description of RNG environmental attributes and carbon offsets is provided below, in Section II.A.1.

On May 12, 2022, Deputy Chief Administrative Law Judge Christopher P. Pell and Administrative Law Judge John Coogan (collectively, the “ALJs”) issued an Order denying Columbia’s Motion to Consolidate Supplement No. 343 with the currently pending base rate case at Docket No. R-2022-3031211.

On May 18, 2022, the Retail Energy Supply Association, Shipley Choice, LLC, and NRG Energy, Inc. (“RESA/NGS Parties”) filed a Formal Complaint against Supplement No. 343 at Docket No. C-2022-3032550. On May 19, 2022, the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) filed a Notice of Appearance. Also on May 19, 2022, the Office of Small Business Advocate (“OSBA”) filed a Notice of Appearance, Notice of Intervention, Public Statement, and Verification. On June 14, 2022, Pennsylvania State University (“Penn State”) filed a Petition to Intervene.

On June 14, 2022, Columbia filed a letter with the Commission indicating that the Company provided public notice of Supplement No. 343 by publication in newspapers of general circulation within the Company’s service territory. Specifically, Columbia provided notice on June 10, 2022, in the following newspapers: Trib Total Media (Tribune Review); Valley News Dispatch; York Daily Record/York Dispatch; Somerset Daily American; Uniontown Herald Standard; Daily Courier; Kittanning Leader Times; Gettysburg Times; Bradford Era; Center Daily Times; Butler Eagle; and the Washington Observer-Reporter. Additionally, on June 12, 2022, Columbia provided public notice of Supplement No. 343 by publication in the Pittsburgh Post-Gazette. Moreover, Columbia published notice of Supplement No. 343 on its social media platforms on June 17, 24, and 30, 2022. The Company’s website has included notice of Supplement No. 343 since June 12, 2022.

On June 16, 2022, the Commission instituted an investigation into the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in the proposed Supplement No. 343. Additionally, pursuant to Section 1308(b) of the Public Utility Code, 66 Pa. C.S.A. § 1308(b), Supplement No. 343 was suspended by operation of law until July 1, 2023, unless permitted by Commission Order to become effective at an earlier date.

On June 22, 2022, the ALJs issued a Prehearing Conference Order.

On June 24, 2022, Columbia made its Compliance Filing, suspending the proposed rates and rules contained in Supplement No. 343 until July 1, 2023.

On June 30, 2022, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed a Petition to Intervene.

On July 6, 2022, a telephonic Prehearing Conference was held, at which a procedural schedule was agreed to by the parties and adopted by the ALJs.

On December 1, 2022, the OCA, I&E, OSBA, PSU and RESA/NGS Parties submitted direct testimony. On January 9, 2023, Columbia, OCA and OSBA submitted surrebuttal testimony. On February 6, 2023, Columbia, OCA, I&E, OSBA and RESA/NGS Parties submitted surrebuttal testimony. On February 13, 2023, Columbia submitted rejoinder testimony.

An evidentiary hearing was held on February 15, 2023, at which two of Columbia’s witnesses (Erich Evans and Andrew Campbell) were cross-examined by counsel for OSBA. All other witnesses were excused from the hearing. Parties’ testimonies and exhibits were entered into the record at this time.

On February 16, 2023, the ALJ's issued a Briefing Order, directing on the submission of the parties' Main Briefs and Reply Briefs. In accordance with the Briefing Order, Columbia submits the instant Main Brief.

On March 9, 2023, counsel for Columbia informed the ALJs that that Columbia, I&E and OSBA reached a Non-Unanimous Settlement of all issues. This Main Brief addresses the issues raised by parties who did not join in the Non-Unanimous Settlement.

### **C. Burden of Proof**

Section 332(a) of the Public Utility Code ("Code"), 66 Pa.C.S. § 332(a), provides that the party seeking a rule or order from the Commission has the burden of proof. It is axiomatic that "[a] litigant's burden of proof before administrative tribunals as well as before most civil proceedings is satisfied by establishing a preponderance of evidence which is substantial and legally credible." *Samuel J. Lansberry, Inc. v. Pa. P.U.C.*, 578 A.2d 600, 602 (Pa. Cmwlth. 1990). The preponderance of evidence standard requires proof by a greater weight of the evidence. *Cmwlth. v. Williams*, 557 Pa. 207, 732 A.2d 1167 (1999). In this case, Columbia has the burden of proving that its proposed Green Path Rider pilot program is just and reasonable by a preponderance of the evidence.

Additionally, any finding of fact necessary to support an adjudication of the Commission must be based upon substantial evidence. *Met-Ed Indus. Users Group v. Pa. PUC*, 960 A.2d 189, 193 n.2 (Pa. Cmwlth. 2008) (citing 2 Pa.C.S. § 704). Substantial evidence is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. *Borough of E. McKeesport v. Special/Temporary Civil Serv. Comm'n*, 942 A.2d 274, 281 (Pa. Cmwlth. 2008). Although substantial evidence must be "more than a scintilla and must do more than create a suspicion of the existence of the fact to be established," *Kyu Son Yi v. State Bd. of Vet. Med.*, 960 A.2d 864, 874 (Pa.

Cmwlth. 2008) (citation omitted), the “presence of conflicting evidence in the record does not mean that substantial evidence is lacking.” *Allied Mechanical and Elec., Inc. v. Pa. Prevailing Wage Appeals Bd.*, 923 A.2d 1220, 1228 (Pa. Cmwlth. 2007) (citation omitted). Bald assertions, personal opinions, or perceptions do not constitute evidence. *Mid-Atlantic Power Supply Ass'n v. Pa. PUC*, 746 A1196, 1200 (Pa. Cmwlth. 2000) (citing *Pa. Bureau of Corrections v. City of Pittsburgh*, 532 A.2d 12 (Pa. 1987)).

## **II. Argument**

### **A. Green Path Rider Program Design**

#### **1. Description of Pilot Program**

The Green Path Rider is being proposed as a voluntary pilot program and is intended to provide Columbia customers with the option of paying a fee to offset the carbon emissions related to their natural gas usage by either 50% or by 100%. (Columbia St. No. 1, p. 3.) Customers billed by Columbia under Rate RSS, Rate SGSS, Rate LGSS and Rate MLSS<sup>2</sup> would be eligible to participate in the Green Path Rider pilot program, provided they are not in arrears, do not participate in the Company’s Customer Assistance Program (“CAP”)<sup>3</sup>, and their projected or actual annual usage is 540,000 therms or less. Also, customers purchasing their gas supply from a supplier will not be eligible to participate. (Columbia St. No. 1, p. 4.)

The Green Path Rider rate will be comprised of the negotiated price of RNG environmental attributes and carbon offsets procured from a third-party supplier. (Columbia St. No. 2, p. 4.) *RNG environmental attributes* represent the carbon reduction

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<sup>2</sup> These rate classes represent the following customer classes: residential, commercial and industrial (with annual usage of 540,000 therms or less).

<sup>3</sup> Columbia’s CAP is a universal service program that provides qualifying low-income affordable payment options and arrearage forgiveness.

associated with RNG<sup>4</sup>, and is a product that is detached from the RNG and marketed as a standalone attribute. A *carbon offset* is a reduction in emissions of carbon dioxide or other greenhouse gases made in order to compensate for emissions made elsewhere. (Columbia St. 2, p. 4.) Carbon offsets can be derived from several different sources and are grouped together into categories such as renewable energy development, landfill methane avoidance, energy efficiency, and forestry. (Columbia St. 2, p. 4.)

A fixed price for the RNG environmental attributes and carbon offsets has been negotiated, and this fixed price is what will be passed through to the customers electing to participate in the pilot program. (Columbia St. No. 1, p. 6.) At the end of each month, Columbia will calculate the actual usage for participating customers and send this number to the third-party supplier. (Columbia St. No. 2, p. 6.). The third-party supplier will then use this information to determine how many RNG environmental attributes and carbon offsets will be needed to satisfy the 5%/95% mix required for the program. (Columbia St. No. 2, p. 6.) In other words, the RNG environmental attributes and carbon offsets purchased by the Company will equal the volumes used by the customers participating in the pilot program. This avoids Columbia having to estimate volumes and allows the Company to only purchase what is needed to supply customers who have opted into the pilot program. Customers who enroll in the Green Path Rider pilot program will then be allocated the RNG environmental attributes and carbon offsets that match their selection of either a 50% reduction or a 100% reduction of their natural gas emissions. (Columbia St. No. 2, p. 7.)

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<sup>4</sup> RNG is a carbon-neutral and sustainable alternative to geologic natural gas that is produced from organic waste from sources such as landfills, wastewater plants, and farms. The Company is not purchasing actual supply; rather, Columbia is purchasing the required environmental attributes for this program associated with physical gas. (Columbia St. No. 2, p. 6.)

Per the agreement with the third-party supplier, once the third-party supplier determines the amount of RNG environmental attributes and carbon offsets purchased by the Company, they will secure the RNG environmental attributes/carbon offsets, and move them into a M-RETS account and the appropriate carbon registry account, and retire them immediately. The third-party supplier will then provide Columbia with the retirement verification to demonstrate compliance with their contract obligations. (Columbia St. No. 2, pp. 6-7.)

The Green Path Rider proposed tariff page provides that Columbia will file an update to the rider annually. (Columbia Gas Exhibit 1, Attachment A.) This annual update could include a new fixed price as agreed upon with the supplier. (Columbia St. No. 1, p.6.) Columbia estimates that 1,100 residential and 375 commercial customers will participate in the pilot program. (Columbia Gas Exhibit 1, p. 4.). Participation in the pilot program will have no impact on the quality of service customers receive from Columbia, and only customers who volunteer to enroll in the pilot program will have their bills impacted. (Columbia Gas Exhibit 1, p. 5.)

## 2. Pilot Program Purpose, Data Collection and Evaluation

Columbia's reasons for proposing this pilot program are two-fold - first, to educate natural gas customers that they have options to reduce greenhouse gas emissions which do not require changes to their natural gas appliances; and second, to track and evaluate enrollment of residential and commercial customers in a program where customers affirmatively choose to pay an added fee to reduce their carbon footprint. (Columbia Statement No. 1-R, p. 6.) The Company conducted customer surveys in 2018 and 2022, and while those surveys revealed that 71% and 83% of survey respondents, respectively, favored customers be given the choice of using renewable energy options, only 15.7% and

19% of those survey respondents were even familiar with RNG. (Columbia Gas Exhibit 1, pp. 26-35 (survey results); Columbia St. No. 1, p. 5.) The Company plans to conduct other surveys throughout the term of the pilot program related to participation in the pilot program and interest in renewable energy options for natural gas consumers, while simultaneously providing information about renewable energy options. (Columbia St. No. 1, p. 6.) The forthcoming survey results, along with the customer participation data, will be used to determine if the pilot is successful in educating customers about carbon reduction options, as well as gauge customer interest in paying for this type of program. (Columbia St. No. 1, p. 6.)

OCA witness Alexander testified that the Green Path Rider should not be considered a pilot program because the Company had not provided its proposed evaluation criteria for the pilot program (OCA St. No. 1, p. 7), and in response to the Company providing its proposed criteria to the parties as part of rebuttal testimony, witness Alexander responded by stating that she would not be addressing Columbia's proposed criteria since she does not recommend that this pilot program be approved (OCA St. No. 1-R, p.7.) The Company submits that its proposed plan to educate, survey and track participation throughout the duration of the pilot program will provide the Company with information on customer interest in renewable energy options, interest in paying for such options, how pricing impacts participation rates, whether its educational materials are reaching its customers and impacting their views and level of interest in renewable energy options.

**B. Green Path Rider Rate and Cost Recovery**

1. Green Path Rider Rate

Columbia, partnered with NiSource Corporate Service Company, Inc. (“NCSC”)<sup>5</sup>, negotiated a contract with a third-party supplier that will fulfill the supply of RNG environmental attributes and carbon offsets purchased by customers through their participation in the pilot program. Customers participating in the program will then be allocated the RNG environmental attributes and carbon offsets. Under the contract, the annual rate will be fixed, but may be updated at the beginning of each year of the program. (Columbia St. No. 2, p. 7.) The third-party supplier must provide 180 days advance notice of a change in rate. (Columbia St. No. 2, p. 7.) Columbia will notify customers before the new rate takes effect and will update the tariff accordingly. (Columbia St. No. 1, p. 8.) For 2023, the fixed rate provided by the third-party supplier is \$3.00 per Dth. (Columbia Statement No. 2, p. 7.) Only customers enrolled in the pilot program will the cost of the RNG environmental attributes and carbon offsets.

2. Columbia’s cost recovery proposal is reasonable and should be approved.

Columbia anticipates incurring approximately \$186,000 in one-time capital costs for IT programming, and approximately \$33,500 in annual O&M expense for customer education associated with the Green Path Rider. (Columbia Gas Exhibit 1, p. 6; Columbia St. No. 1, p. 7.) Initially, Columbia intended to seek cost recovery of the capital and O&M costs in a future base rate case from the customer classes eligible to participate in the pilot program. However, during the course of this proceeding, several parties, including OCA, opposed Columbia’s proposal to recover these costs from non-participating customers.

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<sup>5</sup> NCSC employees work in a variety of functions, including accounting, finance, communications, information technology, human resources and legal, supporting the NiSource operating companies, which includes Columbia.

Specifically, OCA witness Alexander testified that Columbia’s proposal to recover costs from all customers would have low and moderate income customers paying these costs even if they are not enrolled in the program. (OCA St. No. 1, p. 8.) And although PSU witness Crist testified that PSU supports the Green Path Rider initiative and did not directly oppose Columbia’s cost recovery proposal, witness Crist did state that this support was conditioned on the costs being properly allocated. (PSU St. No. 1, p.5.)

In response to the feedback from the other parties concerning its cost recovery proposal, the Company modified its cost recovery proposal and now proposes that the these costs be recovered only from customers participating in the Green Path Rider pilot program, through the Green Path Rider rate itself. (Columbia St. No. 1-R, pp. 2 – 3.) Including these costs in the rate would increase the rate by about \$0.28 per Dth. Under the Company’s new cost recovery proposal, the 2023 rate for the 100% option would increase from \$3.00 per Dth to \$3.28 per Dth, while the 50% option would change from \$1.50 Dth to \$1.78 per Dth. (Columbia St. No. 1-R, p. 3.) The Company’s cost recovery proposal is reasonable as it limits cost recovery to only those customers who choose to enroll in the pilot program, holding all other customers harmless.

### **C. Consumer Protections and Customer Education**

1. The Green Path Pilot Program includes appropriate customer protections.

Columbia’s Green Path Rider pilot program includes many consumer protections to guard participating customers from potential harms. These consumer protections include:

- Restricting residential customers who are participating in the Company’s CAP from enrolling in the pilot program.

- Restricting customers who are in arrears from enrolling in the pilot program.
- Removing participating customers from the pilot program if they are in arrears for a period of three billing cycles.
- Prohibiting service termination for non-payment of the Green Path Rider portion of the bill.
- Customers will be advised of a change in the annual rate 30 days in advance of the new rate.

(Columbia Gas Exhibit 1, p. 22 (Green Path Rider tariff page).)

Even with these consumer protections, OCA witness Alexander argues that there is potential for low and moderate income customers to enroll in the pilot and increase their monthly bill. (OCA St. No. 1, p. 5.) Low and moderate income customers would indeed be eligible to enroll in the pilot program, so long as they are not in arrears on their bill and not participating in the Company's CAP; however, the Green Path Rider was designed to identify any customer, lower income or otherwise, from becoming payment troubled while enrolled in the pilot program, and removing those customers from the program. Moreover, no customer will have their service terminated for non-payment of the Green Path Rider portion of their bill. Additionally, there is no record evidence that supports treating low and moderate income customers who are not payment troubled in a manner that is different from other residential customers.

OCA witness Alexander also argues that participating customers should be required to affirmatively elect to continue participating if the rate changes, and if the customer does not affirmatively elect to continue their participation in the pilot, the customer should be removed from the pilot program. (OCA St. No. 1, p. 8). As discussed above, the third-party supplier can adjust the rate annually, with any new rate taking effect January 1<sup>st</sup>. If the rate is adjusted, participating customers will receive notice at

least 30 days in advance of the rate change. This notice will provide customers with the opportunity to leave the pilot program should the customer determine that they do not want to participate under the new rate.

The Company submits that the Green Path Rider pilot program includes appropriate customer protections, and the issues raised by OCA witness Alexander do not warrant denial of the pilot program.

2. Columbia will provide customers with accurate and transparent educational materials that will enable them to make informed choices about participation in the pilot program.

If the GPR is approved, Columbia will fully explain to customers what the program is and how it works. Columbia will provide questions and answers on their website regarding the Green Path Rider along with direct email and some other social media communications. (Columbia St. No. 1, pp. 6-7.)

OCA witness Alexander criticizes the Company for not submitting its planned customer educational materials or customer disclosure materials for review. (OCA St. No. 1, p. 7.) As explained by Columbia witness Evans, developing customer education materials before the program is approved by the Commission would have been premature, as the details of any program being proposed for Commission approval may be modified from what the Company initially proposed, whether through the litigation process, settlement or Commission order. (Columbia St. No. 1-R, p. 7.) With that said, the Company has committed to developing appropriate and accurate information for customers regarding the Green Path Rider. All materials will be done in a way to clearly and accurately describe the pilot program to customers, the materials will be fully reviewed by attorneys to prevent any misleading information being included. The

Company is also be willing to provide advanced copy to the Commission for review to ensure compliance with any Commission directives. (Columbia St. No. 1-R, p. 7.)

#### **D. Competitive Market Issues**

1. The Natural Gas Choice and Competition Act, 66 Pa. C.S. §§ 2201, et seq., does not prohibit Columbia from offering the Green Path Rider to its customers.

The Green Path Rider is consistent with the requirements of the Natural Gas Choice and Competition Act, 66 Pa. C.S. §§ 2201, *et seq.*, (hereinafter “Competition Act”) and, if approved, the Green Path Rider would promote competition by making products that are designed to offset carbon emissions available to all customers, regardless of whether a customer shops in the competitive retail market or receives default supply service from Columbia. As explained herein, the Retail Energy Supply Association and Natural Gas Supplier Parties (“RESA/NGS Parties”) and the Office of Consumer Advocate’s (“OCA’s”) purported concerns regarding the effects of the Green Path Rider on competition do not provide a reasonable basis for rejecting the Green Path Rider.

The Competition Act was enacted to restructure the natural gas industry by introducing the retail sale of natural gas in an open market, and in particular, allowing customers to select independent suppliers of natural gas.<sup>6</sup> To further this goal, the Competition Act requires, *inter alia*, natural gas distribution companies (“NGDCs”), such as Columbia, to maintain unbundled natural gas supply services and provide distribution service to all retail gas customers and all natural gas suppliers, affiliated or nonaffiliated, in a nondiscriminatory manner. 66 Pa. C.S. § 2203(3), (4).<sup>7</sup>

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<sup>6</sup> See *Natural Gas Distribution Companies and Promotion of Competitive Retail Markets*, 2011 Pa. PUC LEXIS 678, \*2 (Final Rulemaking Order entered Feb. 23, 2011).

<sup>7</sup> As required by Section 2204(b) of the Competition Act, 66 Pa. C.S. § 2204(b), Columbia filed for approval of a restructuring plan on August 2, 1999. See *Application of Columbia Gas of Pennsylvania for Approval of a Restructuring Plan*, Docket No. R-00994781 (Aug. 2, 1999).

The RESA/NGS Parties argue that the Green Path Rider is inconsistent with the intent of the Competition Act because it would allow Columbia to offer a product that is “the domain of the competitive retail market.” (RESA/NGS Parties St. No. 1, p. 7.) Contrary to the RESA/NGS Parties’ position, the Competition Act does not give suppliers exclusivity over non-basic products and services,<sup>8</sup> such as the optional purchase of renewable natural gas attributes and carbon offsets, nor does the Competition Act prohibit NGDCs from offering non-basic products and services simply because natural gas suppliers (“NGSs”) offer the same or similar products and services. The RESA/NGS Parties’ argument that value-added products and services, including any emissions reducing product offerings, belong exclusively to NGSs has no basis in the law and should be rejected. In fact, the Green Path Rider supports the Competition Act’s purpose of fostering competition by providing default service customers with an option to purchase products associated with emissions reduction where previously these types of products have been available only to shopping customers in Columbia’s service territory. (RESA/NGS Parties’ St. No. 1, pp. 8-9.)

Unlike the RESA/NGS Parties’ position that renewable natural gas attributes and carbon offsets are products that should be offered only by NGSs in the competitive retail market, Columbia supports these products being offered both by NGDCs and by NGSs. (Columbia St. No. 1-RJ, p. 8.) As Columbia witness Kempic explained, the natural gas supply market was restructured to provide consumers with the ability to receive their supply of natural gas from either their NGDC or an NGS, as well as to promote the development of new service and pricing options available to customers. (Columbia St.

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<sup>8</sup> Non-basic services are defined as “optional recurring services which are distinctly separate and clearly not required for the physical delivery of public utility service or default service.” 52 Pa. Code § 56.2.

No. 4-R, p. 5.) The RESA/NGS Parties' position would eliminate NGDCs as potential sources for new services and pricing options, which would result in fewer options for customers and hinder the development of new offerings that may be beneficial to customers. (Columbia St. No. 4-R, p. 5.) Moreover, NGDCs already offer non-basic, value-added products to customers and are permitted to do in accordance with the requirements of Commission's regulations. *See, e.g.*, 52 Pa. Code § 56.323(3) (prohibiting termination of service for non-payment of charges for non-basic services) and 52 Pa. Code § 56.23 (directing that partial payments first be applied to charges for basic utility service). In this regard, the optional products being offered pursuant to the Green Path Rider are no different than any other non-basic service offered by the utility.

The RESA/NGS Parties expressed concern that the Green Path Rider would harm suppliers by causing more customers to elect natural gas supply from the NGDC. (RESA/NGS Parties' St. No. 1, p. 7.) The RESA/NGS Parties misconstrue the purpose of the Green Path Rider. The purpose of the Green Path Rider is not to compete with NGSS or to cause more customers to elect default supply service. (RESA/NGS Parties' St. No. 1, p. 7.) The purpose of the Green Path Rider is simply to allow default service customers an option to purchase renewable natural gas attributes and carbon offsets, which is an option that would otherwise not be available to customers who receive default supply. These products should be available to all customers, not just customers who elect to shop with a supplier. (Columbia St. No. 4-R, p. 5.)

The RESA/NGS Parties claim that the Green Path Rider will result in NGSS losing customers who want to reduce their carbon footprint to Columbia. (RESA/NGS Parties' St. No. 1, p. 16). The RESA/NGS Parties also contend that the Green Path Rider will enable Columbia to use its monopoly position to lure customers away from their NGSS in

order to purchase carbon neutral products. (RESA/NGS Parties' St. No. 1, p. 17). The RESA/NGS Parties' allegations regarding the Green Path Rider's impacts on suppliers and the competitive retail market are purely speculative and are not supported by substantial evidence. Accordingly, these claims should be rejected.<sup>9</sup> There is no evidence to support the RESA/NGS Parties' claim that the Green Path Rider will harm suppliers by causing more customers to elect default service. Further, there is no evidence to suggest that the existence of the Green Path Rider would cause a customer to elect default service when it otherwise would have chosen to shop with a NGS, especially when the same or similar products are available from NGSs. (RESA/NGS Parties' St. No. 1, pp. 7, 9.) As explained by Columbia witness Evans, other public utilities have existing programs similar to the Green Path Rider, and NGSs continue to operate in those territories. (Columbia St. No. 1-R, p. 11; Columbia St. No. 1-RJ, p. 8.)

Finally, the RESA/NGS Parties argue that no market failure has occurred that would warrant the Green Path Rider. (RESA/NGS Parties' St. No. 1, p. 8.) This argument is based on the erroneous premise that an NGDC may offer products that are associated with emissions reductions only if those products are not effectively being offered by NGSs in the competitive retail market. A "market failure" does not need to occur in order for Columbia to offer products that are designed to offset emissions associated with natural gas usage. It is the NGSs' proposal that would negatively impact competition by allowing NGSs to assert exclusivity over offering any type of emissions reducing product to customers and excluding NGDCs from being able to offer these products to default supply service customers. (Columbia St. No. 1-R, p. 13.)

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<sup>9</sup> See, e.g., *Cuthbert v. City of Philadelphia*, 417 Pa. 610, 209 A.2d 261 (1965); *B & K Inc. v. Commonwealth Dep't of Highways*, 398 Pa. 518, 159 A.2d 206 (1960) (substantial evidence, not mere speculation is required to prove a party's claims.)

The OCA's position is that optional products are "assumed to be in the purview of the retail natural gas market" and, absent a legislative mandate to offer renewable energy products, it is not appropriate for Columbia to offer these optional products. (OCA St. No. 1, p. 9.) According to OCA's rationale, neither NGDCs or NGSs should be able to offer renewable natural gas attributes or carbon offsets as an optional product because there is no legal mandate to provide such a product. Yet, RESA/NGS Parties witness Holtz testified that carbon offset products are currently being offered by NGSs in the competitive retail market. (RESA/NGS Parties' St. No. 1, p. 9.) There is no reason to require a legal mandate before Columbia is permitted to offer the same or similar products as NGSs are currently offering customers, especially when those products provide a benefit to customers. The Commission's regulations also acknowledge that non-basic services may be provided by NGDCs. *See, e.g.*, 52 Pa. Code §§ 56.2, 56.23, 56.232. As Columbia witness Kempic testified, Columbia has historically provided services that meet customer needs regardless of whether it was mandated to do so. (Columbia St. No. 4-R, p. 4.)

2. Columbia's proposal to bill for the Green Path Rider as a separate line item on the customer's bill is permissible under the Public Utility Code, the Commission's regulations, and the Commission's orders.

Columbia is proposing the Green Path Rider as an optional, non-basic product that would be included as a separate line item on the utility bill.<sup>10</sup> (Columbia St. No. 1, p. 9.) The RESA/NGS Parties criticize Columbia's proposed billing for the Green Path Rider because, according to the RESA/NGS Parties, NGSs do not have the ability to include charges for similar non-basic products on the consolidated utility bill. (RESA/NGS

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<sup>10</sup> *See* 66 Pa. C.S. § 1509 (requiring bill to be itemized to separately show amounts for basic service) and 66 Pa. C.S. § 2205(c) (Bills to retail gas customers shall contain sufficient unbundled charge information to enable the customer to determine the basis for those charges.)

Parties' St. No. 1, p. 8.) As explained herein, the manner in which Columbia proposes to bill for the Green Path Rider complies with the Public Utility Code and all applicable Commission regulations and orders. Therefore, the RESA/NGS Parties billing concerns are not a valid basis for rejecting the Green Path Rider.

Pursuant to Section 2205(c) of the Public Utility Code, Columbia is responsible for billing each of its retail customers for natural gas distribution service. 66 Pa. C.S. § 2205(c)(1). Subject to the right of a retail customer to elect separate bills from Columbia for natural gas distribution service and from their NGS for natural gas supply service, Columbia will issue a consolidated bill that contains charges for both distribution service and supply service provided by an NGS. 66 Pa. C.S. §2205(c)(2)(iii). Columbia operates a Purchase of Receivables ("POR") Program in which Columbia will purchase the accounts receivable from licensed NGSs operating in Columbia's service territory. (RESA/NGS Parties' St. No. 1, p. 8.) As required by the Commission's regulations, the accounts receivable purchased under the POR Program must relate to choice residential and small business basic services and cannot include other receivables related to non-basic products and services. See 52 Pa. Code § 62.224(a)(2),(3). Specifically, the Commission's regulations require as follows:

*(a) Program design.*

- (1) An NGDC may purchase accounts receivable from licensed NGSs which operate on the NGDC system and who wish to sell their receivables.
- (2) An NGS electing to sell its receivables to an NGDC shall include its accounts receivables related to choice residential and small business basic services in the POR program.
- (3) An NGS shall only sell receivables associated with basic services and may not sell other receivables related to products and services sold in relation to basic services or in addition to basic services to the NGDC's POR program. The NGS shall certify that charges do not include receivables for other products or services.

52 Pa. Code § 62.224(a). RESA/NGS Parties' witness Holtz claims that Section 4.13.4.6 of Columbia's tariff is harmful to NGSs because it is "more restrictive" than the requirements that are set forth in the Commission's regulations. (RESA/NGS Parties' St. No. 1, p 12). Columbia tariff states as follows with respect to Company billing of NGS natural gas supply services:

The Company will purchase only receivables associated with the NGS's Natural Gas Supply Services charges and no other products or services that may be provided by NGSs. The Natural Gas Supply Services charges eligible under the POR program shall not include any charges associated with the following: termination fees, energy efficiency service or equipment, a non-recurring charge billed by an NGS for calling the NGS call center or negotiating a payment arrangement, security deposits charged by an NGS, other equipment or services provided by an NGS such as heating equipment repairs or maintenance policies or any charges associated with carbon based attributes, including value added green products like carbon attributes.

See Supplement No. 224 to Tariff Gas – Pa. P.U.C. No. 9 Fourth Revised Page No. 247. Columbia's tariff is consistent with the Commission's requirement that only charges for basic gas supply service be included in the POR Program. Moreover, witness Holtz fails to mention in his testimony that the POR Program is completely voluntary and no NGS is required to sell its receivables to Columbia.<sup>11</sup> (Columbia St. No. 1-R, p. 14.) Therefore, any NGS that does not wish to participate in the POR Program may issue its own bill for supply charges and any charges for non-basic products offered by the NGS. As Columbia witness Kempic explained, NGSs may offer non-basic products as a bundled rate or as separate line-item charges and bill them to their customers. (Columbia St. No. 4-R, p. 7). There is nothing about Columbia's billing practices that would prevent an NGS from offering products similar to the Green Path Rider and billing for them.

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<sup>11</sup> See *Natural Gas Distribution Companies and Promotion of Competitive Retail Markets*, 2011 Pa. PUC LEXIS 678, \*2 (Final Rulemaking Order entered Feb. 23, 2011) (noting that POR programs are voluntary).

NGDCs may include charges for non-basic products and services as a separate line item on the utility bill so long as they do so in a non-discriminatory manner. *See* 66 Pa. C.S. §§ 1502, 2203 (prohibiting discrimination and anti-competitive practices). The RESA/NGS Parties claim that Columbia’s proposal to bill for the Green Path Rider as a separate line item on the utility bill is problematic because NGSs cannot include charges for non-basic services provided by NGSs on the consolidated utility bill. (RESA/NGS Parties’ St. No. 1, p. 12.) As support for its argument, the RESA/NGS Parties cite a prior case involving Columbia in which the Commission determined that if Columbia bills for non-basic service on behalf of a third party, it must provide the same option to all third parties. *See Pa. PUC, et al. v. Columbia Gas of Pennsylvania, Inc.*, Docket No. R-2018-2647577 (Opinion and Order entered Dec. 6, 2018). In that case, Columbia was including on the utility bill charges for non-basic warranty services provided by two former Columbia affiliates but did not offer its billing services for non-basic products to any other third parties. *Id.* The prior Columbia case is distinguishable from the present case because the Green Path Rider is being provided by and billed by Columbia, whereas the non-basic services in the prior Columbia case were being provided by third parties but billed by Columbia. (Columbia St. No. 4-R, p. 7.) Unlike in the prior Columbia case, here Columbia is proposing to include charges for its own optional service on the utility bill but is not opening the billing function to any third party for non-basic services. Therefore, there is no different treatment between third parties.

Following the Commission’s decision in the prior Columbia case, the Commission considered whether a utility could bill for its own non-commodity products while refusing to bill for similar non-commodity products offered by suppliers. *See Interstate Gas Supply, Inc. et al. v. Metropolitan Edison Company, Pennsylvania Electric Company,*

*Pennsylvania Power Company and West Penn Power Company*, Docket Nos. C-2019-3013805, *et al.*, 2021 Pa. PUC LEXIS 357 (Order entered Aug. 26, 2021) (reconsideration denied Apr. 14, 2022) (“*Interstate Gas Supply*”). In *Interstate Gas Supply*, the Commission determined that the Public Utility Code does not prohibit a utility from affording itself a preference or advantage in the provision of billing services, but instead prohibits discrimination where a utility provides the service to another. *Id.* at \*28. Thus, the Commission concluded that it is permissible for a utility to bill for its own non-basic products and services without opening the billing function to the non-basic products offered by a third party, including an NGS, so long as the utility does not provide the billing function for non-basic products to any third party. *Id.* at \*28-29.

Like in *Interstate Gas Supply*, here Columbia proposes to bill for the Green Path Rider, which is a non-basic product provided by Columbia, and will not open the billing function to any third party providing non-basic products. Therefore, Columbia’s proposed billing for the Green Path Rider would not result in discrimination to another because Columbia is the only entity providing the optional product under the Green Path Rider and Columbia will not bill for any non-basic product other than that which Columbia itself provides.

3. The Commission’s Standards of Conduct at 52 Pa. Code § 62.141 *et seq.* do not apply to the Green Path Rider.

The RESA/NGS Parties contend that by offering the Green Path Rider as a non-basic service, Columbia appears to be attempting to “skirt the Commission’s Standards of Conduct Regulations.” (RESA/NGS Parties’ St No. 1, p. 9.) The RESA/NGS Parties’ allegation is incorrect. The Commission’s regulations, not Columbia, define what is

considered a non-basic service. Moreover, Columbia does not have an affiliated NGDC, and therefore the Standards of Conduct do not apply to Columbia's Green Path Rider.

As an initial matter, the RESA/NGS Parties' argument is based on the incorrect premise that Columbia can choose whether a particular service is offered as a non-basic service. (Columbia St. No. 4-R, pp. 5-6.) The Commission's regulations specifically define what is a non-basic service. As non-basic service is defined as:

*Nonbasic services*—Optional recurring services which are distinctly separate and clearly not required for the physical delivery of public utility service or default service.

A basic service is defined as:

*Basic services*—

- (i) Services necessary for the physical delivery of residential public utility service.
- (ii) The term also includes default service as defined in this section.

52 Pa. Code § 56.2. The Green Path Rider does not meet the definition of a basic service because it is not required for the physical delivery of natural gas service. (Columbia St. No. 2, p. 6) Instead, the Green Path Rider meets the definition of a non-basic service because it provides an optional service for offsetting carbon emission associated with natural gas usage in which the renewable natural gas attributes and carbon offsets are procured separately from natural gas supply. (Columbia St. No. 1, p. 3). Therefore, to classify the Green Path Rider as basic utility service when it is clearly a non-basic service would violate the Commission's regulations.

Secondly, the Commission's Standards of Conduct are part of the Commission's Natural Gas Customer Choice regulations and govern the relationships and transactions between NGDCs, their affiliated natural gas suppliers, and non-affiliated natural gas

suppliers. See 52 Pa. Code § 62.142. See also 66 Pa. C.S. § 2209. The Standards of Conduct set forth several requirements for NGDCs with affiliated NGSs. See 52 Pa. Code § 62.141, *et seq.* An affiliated NGS is defined as:

*Affiliated NGS—*

(i) An NGS engaging in marketing activities related to natural gas supply services by the marketing division or marketing operation of an NGDC.

(ii) The term does not include a utility's marketing department or division to the extent that it informs existing or prospective customers of the availability and price of the regulated sales service that utility furnishes in its role as supplier of last resort.

52 Pa. Code § 62.141. Columbia does not have an affiliate engaging in marketing activities related to natural gas supply services. (Columbia St. No. 4-R, p. 6.) Columbia itself, not an affiliate of Columbia, is offering the Green Path Rider. (Columbia St. No. 1-R, p. 6.) Therefore, the Commission's Standard of Conduct regulations do not apply here.

**E. Other Issues**

1. OCA's claim that Columbia is intentionally misleading customers about the program's design and environmental impact is false and unfounded.

OCA witness Alexander argues that Columbia is intentionally misleading its customers about the Green Path Rider's design and its environmental impact. (OCA St. No. 1, pp. 5-7.) Specifically, witness Alexander states that a "program marketed to Pennsylvania customers should not mislead customers about the impact of the program on natural gas emissions in Pennsylvania." (OCA St. No. 1, pp. 4, 6.) Witness Alexander also states that, "purchasing RNG or carbon offsets in jurisdictions that do not provide any of the natural gas service delivered to Pennsylvania customers is misleading, in her opinion." (OCA St. No. 1-SR, p. 5.). As discussed below, witness Alexander's claim that Columbia will mislead its customers is unfounded.

Witness Alexander's criticism ignores that using RNG environmental attributes and carbon offsets is an established way to use and track renewable energy. Addressing RNG environmental attributes first, when RNG environmental attributes are purchased, a physical supply of gas is still required. (Columbia St. No. 1-R, p. 17.) While the physical RNG might not be connected directly to Columbia's system, the RNG must be put into the natural gas system somewhere. This is no different than a natural gas well producing gas in Texas. If the company would buy that gas in Texas, the molecules from Texas might not make it to Pennsylvania, yet Columbia would still have purchased that gas and received gas in Pennsylvania. There is no way to track where the molecules actually came from, yet in this example it would be acknowledged that the gas came from Texas. RNG is no different, yet it does have both a value for the heat content of the gas and a value for its environmental attributes. While it is impossible to show where the actual RNG molecules go once they are in a pipeline, the tracking of the RNG environmental attributes ensures that only Columbia receives credit for the environmental qualities of the RNG, which in turn ensures that emissions from using that amount of natural gas are indeed offset. (Columbia St. No. 1-R, p. 17.) Because of this, it is commonplace to use RNG environmental attributes for natural gas. Regarding carbon offsets, when carbon offsets are used correctly and from a verified source, they can be a way to reduce emissions. The Company's third-party supplier will only provide offsets from certified sources. These certifications will show that the offsets provided are: real (that the project actually exists), measurable (it is possible to measure the amount of carbon reduced), additional (they would not have happened without the project) and permanent (the reduction is not temporary). (Columbia St. No. 1-R, p. 18.) Columbia designed the pilot program to use a combination of RNG environmental attributes and carbon offsets due to the high price

of RNG. In order to keep the program affordable, it was necessary to limit the RNG environmental attributes to a small percentage for the initial pilot period. (Columbia St. No. 1-R, p. 18.) Regarding witness Alexander's claim that Columbia will not disclose to customers that the Green Path Rider pilot program uses RNG environmental attributes and carbon offsets, instead of actual RNG supply, there is no support for this claim. Columbia has not prepared or released any materials to customers, and has not made any statements that support her comments on lack of transparency. (Columbia St. No. 1-R, p. 23.) Transparency regarding all aspects of the program is of utmost importance to Columbia. This is demonstrated by Columbia's commitment to post information on the RNG environmental attributes and carbon offsets on the Company's website, including source location. (Columbia St. No. 1-R, pp. 4-5, 24.) This provides the greatest level of transparency to customers.

Lastly, it is important to note that witness Alexander specifically states that her concern that Columbia may mislead its customers was "heightened" by the fact that Columbia's RNG webpage describes the GPR without noting that the GPR consists of 5% RNG environmental attributes and 95% carbon offsets (OCA St. No. 1, p. 7.); however, the Company's website only provides a webpage dedicated to RNG, which was created to inform customers about RNG and to let RNG producers know what is required if they would like to request an interconnect with the Company. (Columbia St. No. 1-R, pp. 7-8.) This web page is not related to the Green Path Rider pilot program, nor does it make any mention of the GPR. Being that Witness Alexander heightened concern stems from her misunderstanding the webpage, no weight should be given to this portion of her testimony.

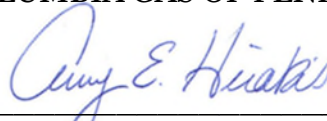
### III. Conclusion

Columbia Gas of Pennsylvania, Inc. seeks approval of the Green Path Rider to provide its customers with an option to reduce the greenhouse gas emissions associated with their natural gas usage. This program is completely voluntary and will have no cost impact on those customers who do not choose to participate in the program. As discussed above, this program is legally permissible and includes built-in customer protections. Columbia submits that it has sustained its burden of proof that its proposed Green Path Rider is just and reasonable, and respectfully requests approval of Supplement No. 343 to Columbia's Tariff – Gas Pa. P.U.C. No. 9.

Respectfully submitted,

COLUMBIA GAS OF PENNSYLVANIA, INC.

By:

  
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Amy E. Hirkakis (Atty ID 310094)  
Senior Counsel  
800 N. Third Street  
Harrisburg, PA 17102  
717-210-9625  
ahirakis@nisource.com

Date: March 10, 2023

## **Appendix A - Proposed Findings of Fact**

1. Columbia Gas of Pennsylvania, Inc. (“Columbia” or the “Company”) is a regulated public utility company that provides natural gas distribution service to approximately 440,000 customers in 26 counties in the western and central portions of Pennsylvania, including the City of York located in York County.
2. On April 26, 2022, Columbia filed Supplement No. 343 to Columbia’s Tariff – Gas Pa. P.U.C. No. 9 (“Supplement No. 343”), which proposes the implementation of a pilot program called the Green Path Rider. (Columbia Gas Exhibit 1.)
3. The Green Path Rider pilot program is a voluntary fee based, opt-in program that allows customers an option to reduce some or all of their emissions related to their natural gas usage through the purchase of renewable natural gas (“RNG”) environmental attributes and carbon offsets from a third-party supplier. (Columbia Gas Exhibit 1., p. 2.; Columbia St. No. 1, p. 3.)
4. Customers billed by Columbia under Rate RSS, Rate SGSS, Rate LGSS and Rate MLSS would be eligible to participate in the Green Path Rider pilot program, provided they are not in arrears, do not participate in the Customer Assistance Program, and their projected or actual annual usage is 540,000 therms or less. Also, customers purchasing their gas supply from a supplier will not be eligible to participate. (Columbia St. No. 1, p. 4.)
5. The Green Path Rider rate will be comprised of the negotiated price of RNG environmental attributes and carbon offsets procured from a third party supplier. (Columbia St. No. 2, p. 4.)
6. The fixed price from the third-party supplier will be passed through to the customers electing to participate in the pilot program. (Columbia St. No. 1, p. 6.)
7. The Green Path Rider rate may be updated at the beginning of each year of the program. (Columbia St. No. 2, p. 7.)
8. Columbia will notify customers 30 days before the new rate takes effect and will update the tariff accordingly. (Columbia St. No. 1, p. 8.)
9. Participation in the pilot program will have no impact on the quality of service customers receive from Columbia, and only customers who volunteer to enroll in the pilot program will have their bills impacted. (Columbia Gas Exhibit 1, p. 5.)
10. Columbia’s reasons for proposing this pilot program are two fold - first, to educate natural gas customers that they have options to reduce greenhouse gas emissions which do not require changes to their natural gas appliances; and

- second, to track and evaluate enrollment of residential and commercial customers in a program where customers affirmatively choose to pay an added fee to reduce their carbon footprint. (Columbia Statement No. 1-R, p. 6.)
11. Columbia anticipates incurring approximately \$186,000 in one-time capital costs for IT programming, and approximately \$33,500 in annual O&M expense for customer education associated with the Green Path Rider. (Columbia Gas Exhibit 1, p. 6; Columbia St. No. 1, p. 7.)
  12. The Company modified its cost recovery proposal during the course of the proceeding and now proposes that the one-time IT programming costs and annual education costs be recovered only from customers participating in the Green Path Rider pilot program, through the Green Path Rider rate itself. (Columbia St. No. 1-R, pp. 2 – 3.)
  13. Customers enrolled in CAP are not eligible to enroll in the Green Path Rider pilot program. (Columbia Gas Exhibit 1, p. 22 (Green Path Rider tariff page).)
  14. Customers who are in arrears from enrolling in the pilot program. (Columbia Gas Exhibit 1, p. 22 (Green Path Rider tariff page).)
  15. Customers will be removed from the Green Path Rider pilot program if they are in arrears for a period of three billing cycles. (Columbia Gas Exhibit 1, p. 22 (Green Path Rider tariff page).)
  16. Columbia will not terminate service for non-payment of the Green Path Rider portion of the bill. (Columbia Gas Exhibit 1, p. 22 (Green Path Rider tariff page).)
  17. Columbia will provide questions and answers on their website regarding the Green Path Rider along with direct email and some other social media communications. (Columbia St. No. 1, pp. 6-7.)
  18. Columbia designed the pilot program to use a combination of RNG environmental attributes and carbon offsets due to the high price of RNG. (Columbia St. No. 1-R, p. 18.)
  19. Columbia will post information on the RNG environmental attributes and carbon offsets purchased on behalf of its customers participating in the Green Path Rider pilot program on its Company's website, including the source location. (Columbia St. No. 1-R, pp. 4-5, 24.)

## Appendix B - Proposed Conclusions of Law

1. Under Section 332(a) of the Public Utility Code (“Code”), 66 Pa.C.S. § 332(a), the party seeking a rule or order from the Commission has the burden of proof. It is axiomatic that “[a] litigant’s burden of proof before administrative tribunals as well as before most civil proceedings is satisfied by establishing a preponderance of evidence which is substantial and legally credible.” *Samuel J. Lansberry, Inc. v. Pa. P.U.C.*, 578 A.2d 600, 602 (Pa. Cmwlth. 1990).
2. The preponderance of evidence standard requires proof by a greater weight of the evidence. *Commonwealth v. Williams*, 557 Pa. 207, 732 A.2d 1167 (1999).
3. Any finding of fact necessary to support an adjudication of the Commission must be based upon substantial evidence. *Met-Ed Indus. Users Group v. Pa. PUC*, 960 A.2d 189, 193 n.2 (Pa. Cmwlth. 2008) (citing 2 Pa.C.S. § 704).
4. Substantial evidence is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. *Borough of E. McKeesport v. Special/Temporary Civil Serv. Comm’n*, 942 A.2d 274, 281 (Pa. Cmwlth. 2008).
5. Bald assertions, personal opinions, or perceptions do not constitute evidence. *Mid-Atlantic Power Supply Ass’n v. Pa. PUC*, 746 A.2d 1196, 1200 (Pa. Cmwlth. 2000) (citing *Pa. Bureau of Corrections v. City of Pittsburgh*, 532 A.2d 12 (Pa. 1987)).
6. The Public Utility Code does not prohibit a utility from affording itself a preference or advantage in the provision of billing services, but instead prohibits discrimination where a utility provides the service to another. *Interstate Gas Supply, Inc. et al. v. Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company*, Docket Nos. C-2019-3013805, et al., 2021 Pa. PUC LEXIS 357, 28 (Order entered Aug. 26, 2021) (reconsideration denied Apr. 14, 2022).
7. Columbia’s proposed billing for the Green Path Rider would not result in discrimination to another because Columbia is the only entity providing the optional product under the Green Path Rider and Columbia will not bill for any non-basic product other than that which Columbia itself provides. *See Gas Supply, Inc. et al. v. Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company*, Docket Nos. C-2019-3013805, et al., 2021 Pa. PUC LEXIS 357, 28 (Order entered Aug. 26, 2021) (reconsideration denied Apr. 14, 2022).
8. The Commission’s Standards of Conduct are part of the Commission’s Natural Gas Customer Choice regulations and govern the relationships and transactions between NGDCs, their affiliated natural gas suppliers, and non-affiliated natural gas suppliers. *See* 52 Pa. Code § 62.142. *See also* 66 Pa. C.S. § 2209.

9. The Commission's Standards of Conduct regulations do not apply to Columbia's proposed offering of the Green Path Rider pilot program as the program is being provided by Columbia, not an affiliated natural gas supplier. *See* 52 Pa. Code § 62.141.

10. Columbia has sustained its burden of proof that the Green Path Rider pilot program is just and reasonable.

### **Appendix C - Proposed Ordering Paragraphs**

1. The Green Path Rider is approved as modified by and consistent with the terms of the Joint Petition for Non-Unanimous Settlement.
2. Columbia is authorized to place into effect Supplement No. 343 to Columbia's Tariff – Gas Pa. P.U.C. No. 9 as modified by and consistent with the terms of the Joint Petition for Non-Unanimous Settlement.
3. The Complaint of the Office of Consumer Advocate at Docket No. C-2022-3032404 is dismissed with prejudice.
4. The Complaint of the Retail Energy Supply Association, Shipley Choice, LLC, and NRG Energy, Inc. at Docket No. C-2022-3032550 is dismissed with prejudice.