
Megan E. Rulli

mrulli@postschell.com
717-612-6012 Direct
717-731-1985 Direct Fax
File #: 203798

April 15, 2024

VIA ELECTRONIC FILING

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

Re: PA PUC, et al. v. Columbia Gas of Pennsylvania, Inc.
Docket Nos. R-2024-3046519, et al.

Dear Secretary Chiavetta:

Attached for filing please find the Prehearing Conference Memorandum on behalf of Columbia Gas of Pennsylvania, Inc., in the above-referenced proceeding. Copies are being provided as indicated on the Certificate of Service.

Respectfully submitted,



Megan E. Rulli

MER/kl
Attachment

cc: The Honorable Jeffrey A. Watson (*via email; w/attachment*)
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

Scott B. Granger, Esquire
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
sgranger@pa.gov

Melanie J. El Atieh, Esquire
Christy M. Appleby, Esquire
Harrison W. Breitman, Esquire
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
melatieh@paoca.org
cappleby@paoca.org
hbreitman@paoca.org

Elizabeth R. Marx, Esquire
Ria M. Pereira, Esquire
John W. Sweet, Esquire
Lauren N. Berman, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
pulp@pautilitylawproject.org
Counsel for CAUSE-PA

Steven C. Gray, Esquire
Rebecca E. Lyttle, Esquire
Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov
relyttle@pa.gov

Joseph L. Vullo, Esquire
Burke Vullo Reilly Roberts
1460 Wyoming Avenue
Forty Fort, PA 18704
jlvullo@bvrrlaw.com
Counsel for PWPTF

Dated: April 15, 2024


Megan E. Rulli

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	R-2024-3046519
Office of Small Business Advocate	:	C-2024-3047905
Office of Consumer Advocate	:	C-2024-3047675
	:	
v.	:	
	:	
Columbia Gas of Pennsylvania, Inc	:	

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

TO ADMINISTRATIVE LAW JUDGE JEFFREY A. WATSON:

I. PROCEDURAL HISTORY

This Memorandum is submitted in response to the Prehearing Conference Order, dated April 10, 2024, advising that a Prehearing Conference is scheduled for April 17, 2024, in the above-referenced matter.

On March 15, 2024, Columbia Gas of Pennsylvania, Inc. (“Columbia”) filed with the Pennsylvania Public Utility Commission (“Commission”) Supplement No. 374 to its Tariff Gas – Pa. P.U.C. No. 9 (“Supplement No. 374” or “base rate filing”). Supplement No. 374 was issued to be effective for service rendered on or after May 14, 2024. It proposed changes to Columbia’s distribution base rates designed to produce an increase in annual revenues of approximately \$124.1 million based upon data for a fully projected future test year (“FPFTY”) ending December 31, 2025. 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 April 4, 2024, the Commission issued an Order suspending Columbia's Supplement No. 374 by operation of law until December 14, 2024.¹

The Office of Consumer Advocate, the Office of Small Business Advocate, and Ronald Bernick filed formal complaints. The Pennsylvania Weatherization Providers Task Force, Inc. and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania filed petitions to intervene. The Commission's Bureau of Investigation and Enforcement filed a notice of appearance.

II. SERVICE OF DOCUMENTS

Columbia's counsel in this proceeding are Candis A. Tunilo, Esquire; Theodore J. Gallagher, Esquire, Michael Hassell, Esquire; and Megan Rulli, 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)
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
Phone: 717-612-6029
Fax: 717-731-1985
E-mail: mhassell@postschell.com

Columbia also requests that Ms. Tunilo, Mr. Gallagher, and Ms. Rulli be added to any e-mail distribution lists in this proceeding. Ms. Tunilo's e-mail address is ctunilo@nisource.com. Mr. Gallagher's e-mail address is tjgallagher@nisource.com. Ms. Rulli's e-mail address is mrulli@postschell.com. Columbia requests that it be served with an electronic copy of all documents submitted in this proceeding.

¹ On April 5, 2024, Columbia filed Supplement No. 380 pursuant to the Commission's April 4, 2024 Suspension Order. Supplement No. 380 suspended the proposed rates contained in Tariff Supplement No. 374 until December 14, 2024.

The lead representative on behalf of Columbia for purposes of the prehearing conference will be Mr. Hassel.

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	Michael E. Girata Manager of Demand Forecasting NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	a) Residential and commercial sales volumes normalization; and b) Customer usage forecasts for the future and fully projected future test years.
3	May Battig Lead Regulatory Analyst NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	a) Pro Forma operating revenues; b) Calculation of Merchant Function Charge; and c) Annualization of Forfeited Discounts.
4	Brittany Komenda Lead Regulatory Analyst NiSource Corporate Services Company 801 E. 86 th Avenue Merrillville, Indiana 46410	a) Revenue deficiency; and b) Adjustments to operation and maintenance expenses.

5	John J. Spanos President Gannett Fleming Valuation and Rate Consultants, LLC 207 Senate Avenue Camp Hill, PA 17011-2316	a) Depreciation study and service lives; and b) Annual and accrued depreciation.
6	Kevin L. Johnson Lead Regulatory Studies Analyst NiSource Corporate Services Company 290 West Nationwide Boulevard Columbus, OH 43215	a) Allocated Cost of Service Studies; b) Revenue allocation and rate design proposals; and c) Revenue Normalization Adjustment.
7	Raymond A. Brumley Director of Construction Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	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 VP Tax NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	a) Income tax expense; b) Deferred income tax; and c) Other taxes.
11	Julie Covert Lead Regulatory Analyst NiSource Corporate Services Company 290 W. Nationwide Blvd. Columbus, OH 43215	Rate Base.
12	Ribeka Danhires Manager, Rates & Regulatory Service Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	Tariffs.

13	Theodore M. Love Partner Green Energy Economics Group, Inc. 2534 Downingsville Road Lincoln, Vermont 05443	Energy Efficiency Plan
14	Brian McCaul Vice President of Gas Operations 121 Champion Way, Suite 100 Canonsburg, 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.
15	Nicholas Bly Accounting Manager NiSource Corporate Services Company 290 West Nationwide Boulevard Columbus, OH 43215	Budgeting Process and Financial Plan.
16	Gregory Skinner Vice President of IT Utilities Systems NiSource Corporate Services Company 290 West Nationwide Boulevard Columbus, OH 43215	Overview of Columbia's information technology transformation plan and schedule.

The testimony and exhibits fully support Columbia's proposed rate increase in Supplement No. 374, 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. The Company's proposed schedule is based on the due dates provided in the Prehearing Order.

Other Parties' Direct Testimony	June 14, 2024
Rebuttal Testimony	July 10, 2024
Surrebuttal Testimony	July 25, 2024
Rejoinder Outlines	July 30, 2024, by 12:00 PM

Hearings for cross-examination of all witnesses, oral rejoinder	July 31, August 1, 2, 2024
Main Briefs Due	August 20, 2024
Reply Briefs Due	Friday, August 30, 2024
End of Suspension	Saturday, December 14, 2024

Columbia has consulted with the other parties about this proposed procedural schedule. At this time, the OCA, OSBA, and CAUSE-PA have indicated their agreeability to the schedule noted above.

Columbia does not oppose a reasonable schedule of public input hearings. Columbia requests that any public input hearings be scheduled sufficiently in advance of the due date for rebuttal testimony in order that the Company may address any issues arising at the public input hearings in rebuttal.

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,

Theodore J. Gallagher (ID # 90842)
Columbia Gas of Pennsylvania, Inc.
121 Champion Way, Suite 100
Canonsburg, PA 15313
Phone: 724-809-0525
E-mail: tjgallagher@nisource.com

Candis A. Tunilo (ID #89891)
800 North 3rd Street
Suite 204
Harrisburg, PA 17102
Phone: 223-488-0794
E-mail: ctunilo@nisource.com



Michael W. Hassell (ID # 34851)
Megan Rulli (ID # 331981)
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101
Phone: 717-731-1970
E-mail: mhassell@postschell.com
E-mail: mrulli@postschell.com

April 15, 2024