

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF OHIO VALLEY GAS CORP. AND)
OHIO VALLEY GAS, INC. FOR APPROVAL OF AN)
ADJUSTMENT TO THEIR RATES THROUGH)
THEIR PIPELINE SAFETY ADJUSTMENT) CAUSE NO. 44317 PSA-7
AUTHORIZED IN THE COMMISSION'S ORDERS IN)
CAUSE NOS. 43209 AND 43208, AND TO COMPLY)
WITH CERTAIN FINDINGS OF THE)
COMMISSION'S ORDER IN CAUSE NO. 44147.)

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S

PUBLIC'S EXHIBIT NO. 1 – TESTIMONY OF OUCC WITNESS
MARK H. GROSSKOPF

With the current requirement that all staff work from home, signatures for affirmations are not available at this time.

May 21, 2020

Respectfully submitted,



Tiffany Murray
Attorney No. 28916-49
Deputy Consumer Counselor

TESTIMONY OF OUCC WITNESS MARK H. GROSSKOPF
CAUSE NO. 44317 PSA-7
OHIO VALLEY GAS CORPORATION AND OHIO VALLEY GAS, INC.

I. INTRODUCTION

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

2 A: My name is Mark H. Grosskopf and my business address is 115 West Washington
3 Street, Suite 1500 South, Indianapolis, IN 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor (“OUCC”) as
6 a Senior Utility Analyst. For a summary of my educational and professional
7 experience and my preparation for this case, please see Appendix MHG-1.

8 **Q: What is the purpose of your testimony?**

9 A: The purpose of my testimony is to address the request of Ohio Valley Gas
10 Corporation and its wholly-owned subsidiary, Ohio Valley Gas, Inc. (collectively,
11 “Petitioners”). Petitioners request recovery of incremental expenses through a
12 pipeline safety adjustment (“PSA”) tracking mechanism. These incremental
13 expenses include non-capital Transmission Integrity Management Program
14 (“TIMP”) expenses incurred in accordance with the requirements of the Federal
15 Pipeline Safety Improvement Act of 2002 (“Safety Act”) and Distribution Integrity
16 Management Program (“DIMP”) expenses resulting from the Final Rule of the
17 Department of Transportation’s Pipeline and Hazardous Material Safety
18 Administration. Specifically, my testimony addresses Petitioners’ reconciliation of
19 PSA expenses incurred but not yet recovered.

1 My testimony addresses Petitioners' proposed reconciliation of PSA
2 expenses incurred from January 1, 2019 through December 31, 2019, including
3 PSA expenses incurred prior to 2019 but not yet recovered as of December 31,
4 2018, compared to the tracker revenue recoveries of PSA expenses during the 2019
5 calendar year. My testimony also addresses Petitioners' proposed updated PSA
6 tracker rates designed to recover the aforementioned PSA expenses using the
7 combined PSA allocation factors for transmission and distribution mains from
8 Petitioners' cost of service study approved in 2017 in its most recent base rate case,
9 Cause No. 44891.

II. PIPELINE SAFETY ADJUSTMENT ("PSA") MECHANISM

10 **Q: Do you agree with Petitioners' methodology of allocating PSA expenses in this**
11 **filing?**

12 A: Yes. Petitioners used the combined PSA allocation factors for transmission and
13 distribution mains approved in Petitioners' most recent rate case. These allocation
14 factors are used to determine the proposed PSA rates common to Petitioners' three
15 (3) pipeline areas. The OUCC agrees with this allocation method for expenses
16 incurred through December 31, 2019 and for PSA expenses incurred but not yet
17 recovered as of December 31, 2018.

18 **Q: Were there any discrepancies in Petitioners' exhibits, as originally filed on**
19 **March 31, 2020?**

20 A: No. There were no discrepancies in Petitioners' exhibits filed on March 31, 2020.

21 **Q: Do you agree with the PSA rates proposed by Petitioners in this filing?**

22 A: Yes. The OUCC agrees with the PSA rates proposed by the Petitioners as shown
23 on Petitioners' Appendix D.

III. OUCC RECOMMENDATIONS

1 **Q: What are the OUCC's recommendations with respect to Petitioners' requested**
2 **cost recovery through the Pipeline Safety Adjustment in this Cause?**

3 **A: The OUCC recommends the recovery of the same PSA rates as proposed by the**
4 **Petitioners. The proposed PSA rates are as follows:**

	Rate No.	PSA Charge (\$ per Therm)
5		
6	11/41/91	\$0.0059 per Therm
7	12/42/92	\$0.0030 per Therm
8	13/43/93	\$0.0000 per Therm
9	14/44/94	\$0.0017 per Therm
10	15/45/95	\$0.0005 per Therm
11	16/46/96	\$0.0030 per Therm
12	18/48/98	\$0.0039 per Therm

13 **Q: Does this conclude your testimony?**

14 **A: Yes.**

APPENDIX TO TESTIMONY OF
OUCW WITNESS MARK H. GROSSKOPF

1 **Q: Please describe your educational background and experience.**

2 A: I graduated from Indiana University in May 1980, receiving a Bachelor of Science
3 degree in business with a major in accounting. I worked in auditing and accounting
4 positions at various companies from 1980 to 1995. I joined the OUCW in April of
5 1995 and have worked as a member of the OUCW's Natural Gas Division since
6 June of 1999. I became a Certified Public Accountant in November of 1998. I also
7 completed both weeks of the National Association of Regulatory Utility
8 Commissioners Annual Regulatory Studies program at Michigan State University.
9 I completed an additional week of the Advanced Regulatory Studies Program
10 hosted by the Institute of Public Utilities Regulatory Research and Education at
11 Michigan State University.

12 **Q: Have you previously testified before the Commission?**

13 A: Yes, I have testified as an accounting witness in various causes involving water,
14 wastewater, electric, and gas utilities, including but not limited to, base rate cases,
15 7-Year Plans, Transmission, Distribution, and Storage System Improvement
16 Charge ("TDSIC") tracker cases, Federally Mandated Cost Adjustment Mechanism
17 ("FMCA") tracker cases, Pipeline Safety Adjustment ("PSA") cases, Gas Cost
18 Adjustment ("GCA") cases, and energy efficiency and revenue decoupling cases.

19 **Q: Please describe the review and analysis you conducted to prepare your**
20 **testimony.**

21 A: I reviewed the petition and direct testimony of Petitioners' witness Ronald P. Salkie
22 describing the origins of the PSA, and Petitioners' proposed cost recovery of PSA

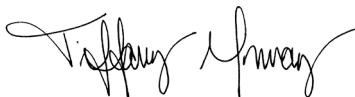
1 expenses, including both transmission and distribution integrity management
2 expenses. I verified the calculations and results in Petitioners' exhibits, and cross-
3 checked the figures in these exhibits against account details and summary reports
4 received with Petitioners' workpapers. As it relates to this Cause, I testified in
5 Cause Nos. 43208 and 43209 wherein Petitioners' PSA was first authorized, and
6 was involved with Petitioners' subsequent PSA filings.

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing ***OUCC'S TESTIMONY OF MARK H. GROSSKOPF*** has been served upon the following parties of record in the captioned proceeding by electronic service on May 21, 2020.

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