BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

APPLICATION OF SOURCE GAS DISTRIBUTION, LLC, FOR AUTHORITY TO $7.46 MILLION PER ANNUN, TO CONSOLIDATE ITS TORRINGTON, CASPER AND GILLETTE DIVISIONS, AND TO IMPLEMENT A DEMAND-SIDE MANAGEMENT PROGRAM AND SEVERAL RATE ADJUSTMENT MECHANISMS.

Docket No. 3022-148-GR-10 (Record No. 12450)

PREFILED DIRECT TESTIMONY OF DONNA GEHO

CHAIRMAN, WYOMING COMMUNITY GAS
My name is Donna Geho. My office address is 219 South Third Street, Glenrock, Wyoming 82637. I am employed as the Clerk/Treasurer for the Town of Glenrock and am speaking today as the elected Chairman of the Wyoming Association of Municipalities Joint Powers Board for the Acquisition of, or Contract for, Natural Gas (WAM-ACNG), also known as Wyoming Community Gas (WCG). I have been on the WCG Board since 1997 representing the Town Council and the Town of Glenrock and have held the position of Chairman of the Joint Powers Board since September 2008.

Wyoming Community Gas is a not-for-profit Wyoming consortium of communities in the natural gas areas served by Source Gas in Wyoming. At this time, our members include one representative from each of the twenty-four communities in the Wyoming Choice Gas Program area. We are unique from other gas suppliers in that we are owned and controlled by Wyoming communities.

WCG has entered into an agreement with ONEOK Energy Marketing Company of Tulsa, Oklahoma. ONEOK supplies and sells natural gas to WCG, provides nomination and scheduling services, and performs the obligations imposed on the Supplier under the Choice Gas Participation Agreement. ONEOK also assists Wyoming Community Gas in the development of our marketing plan, advertising and website.

Wyoming Community Gas provides a local presence to all natural gas customers in the Choice Gas Program area through our city and town halls, assists with education regarding the Choice Gas Program in our communities and distributes earnings back to member communities for community enhancement projects. We also act as an advocate for our citizens to keep the program fair and competitive.

After reading the proposed tariff changes, Wyoming Community Gas has a clarification on one item and some objections to one issue in particular. In the prefiled Direct Testimony of Daniel E. Watson, page 5, line 20, he mentioned that the Choice Program started in 1998. For clarification, the first year of the program for residential and commercial customers in the Torrington Division was 1996.

Wyoming Community Gas has an objection to the proposed Choice Gas Program charge. As stated in the Prefiled Direct Testimony of Gary J. Abbate, the current charge is $1.00 per customer bill only for those customers who have selected a supplier. "...a commodity supply option other than the Pass-On Rate option". When this was implemented, leaving out the Pass-On Rate customers, the explanation was that there was a definite difference between the Choice Gas supplier customers (unregulated) and the Pass-On Rate customers (regulated). This may have been the case in the...
beginning, however, it does not seem to be the case at the present time. When talking to citizens and members of the board, who have talked with their citizens in their own communities, the Pass-On Rate has become another ‘choice’ for customers. Some customers switch back and forth between fixed market and the pass-on rate just as they switch back and forth between different suppliers. They no longer define the pass-on rate as the ‘regulated’ rate with the suppliers as providing an ‘unregulated rate’. Also, all customers must receive all the information on the Choice Gas Program including the selection packet each April, in addition to any other information pertinent throughout the year. There is a cost to providing this to all the customers, and all customers should share in this cost, not just the supplier customers.

Wyoming Community Gas appreciates the breakdown that was provided in Exhibit GJA-1, Page 1 of 1. We agree that there are costs to administrating the Choice Gas Program and that the $1.00 should be changed to a lower amount. The Choice Gas Program has evolved into a program providing the customer with different choices, either with a supplier or with the pass-on rate. The customer sees the pass-on Rate on the selection form each year and they decide whether or not to make a choice of one of the suppliers or the utility (pass-on rate). As mentioned before, they do not think of the pass-on rate as a regulated rate that should be treated differently.

Wyoming Community Gas advocates that all customers in the Choice Gas Program share in these lower costs equally because they are the same.

In closing, Wyoming Community Gas appreciates the efforts made over the past years to provide natural gas customers in Wyoming with a choice of natural gas suppliers as well as the pass-on rate. On behalf of the entire Joint Powers Board, we would encourage the Commission to adopt the proposed change as stated above into the program.

Thank you.
CERTIFICATE OF SERVICE

I certify that on the 19th day of July, 2010, a true and correct copy of the Pre-Filed Testimony of Donna Geho, Chairman of Wyoming Community Gas was served on each of the following persons as indicated below:

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Donna Geho
Wyoming Community Gas