

IN THE MATTER OF
SOUTHWEST GAS CORPORATION
APPLICATION 22-03-___

PREPARED DIRECT TESTIMONY
OF
VALERIE J. ONTIVEROZ

ON BEHALF OF
SOUTHWEST GAS CORPORATION

MARCH 15, 2022

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Prepared Direct Testimony
of
VALERIE J. ONTIVEROZ

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Prepared Direct Testimony
of
VALERIE J. ONTIVEROZ

I. INTRODUCTION

Q. 1 Please state your name and business address.

A. 1 My name is Valerie J. Ontiveroz. My business address is 8360 South Durango Drive, Las Vegas, Nevada 89113.

Q. 2 By whom and in what capacity are you employed?

A. 2 I am employed by Southwest Gas Corporation (Southwest Gas or Company) in the Regulation and Energy Efficiency department. My title is Regulatory Manager/California.

Q. 3 Please summarize your educational background and relevant business experience.

A. 3 My educational background and relevant business experience are summarized in Appendix A to this testimony.

Q. 4 Have you previously testified before any regulatory commission?

A. 4 Yes, I have testified before the California Public Utilities Commission (Commission).

Q. 5 What is the purpose of your prepared direct testimony in this proceeding?

A. 5 I support Southwest Gas' proposed tariff modifications in relation to the Company's proposed Move2Zero Program (or Program).

Q. 6 Please summarize your prepared direct testimony.

A. 6 My prepared direct testimony consists of the following key issues:

- Proposed establishment of Schedule No. M2Z – Move2Zero Program; and
- Proposed establishment of the Move2Zero Balancing Account.

II. Move2Zero Program

Q. 7 Briefly describe Southwest Gas’ proposed Move2Zero Program.

A. 7 The Move2Zero Program is a voluntary carbon offset program that will provide Southwest Gas’ California customers the ability to offset combustion-related greenhouse gas (GHG) emissions associated with their natural gas usage through the Company’s purchase and retirement of certified carbon offset credits. Only customers who participate in the Move2Zero Program will incur any incremental costs associated with the Program; those who do not participate will not in any way pay or be otherwise impacted by any Program related costs. The Program would be offered through a “block” design in which one block represents the equivalent of ten therms of combustion-related natural gas usage that will be offset through the purchase and retirement of a certified carbon offset. Please reference the Prepared Direct Testimony of Company witness, Valeria S. Annibali, for a more detailed description of the Move2Zero Program.

Q. 8 What is the Company’s proposed price per “block”?

Q. 8 As stated in Ms. Annibali’s testimony, Southwest Gas proposes an initial price per “block” of \$5.00.

Q. 9 How does Southwest Gas propose to modify the “block” price?

Q. 9 The Company proposes to adjust the “block” price through the Tier 2 Advice Letter process.

Q. 10 Please describe how Southwest Gas would account for costs and recoveries related to the Move2Zero Program?

1 A. 10 Southwest Gas proposes to record all costs and recoveries associated with the
2 Move2Zero Program in the Move2Zero Balancing Account (M2ZBA). The
3 M2ZBA is an interest bearing, two-way balancing account to be established for
4 the purpose of recording and recovering the revenue requirement associated
5 with the costs for the Move2Zero Program, including customer contributions,
6 expenses associated with the purchase of carbon offsets, administrative costs,
7 and interest expense. Southwest Gas' proposed M2ZBA is included in Exhibit A
8 to the Application.

9 Q. 11 **Why does Southwest Gas deem the establishment of the M2ZBA**
10 **appropriate?**

11 Q. 11 Only customers who elect to participate in the Move2Zero Program will incur
12 costs. As such, the M2ZBA is appropriate to ensure that all costs associated
13 with the Move2Zero Program are separately accounted for and recorded so that
14 only those customers who elect to participate in the program will incur costs, and
15 those customers who do not participate will not be impacted.

16 Q. 12 **Is Southwest Gas proposing to establish a new rate schedule for the**
17 **Move2Zero Program?**

18 Q. 12 Yes, Southwest proposes Schedule No. M2Z – Move2Zero Carbon Offset
19 Program (Schedule No. M2Z). This schedule will apply only the sales customers
20 who participate in the Program and sets forth a description of rates, including
21 minimum charge and special conditions. Southwest Gas' proposed Schedule
22 No. M2Z is included in Exhibit A to the Application.

23 Q. 13 **Will all Southwest Gas customers be eligible to participate in the**
24 **Move2Zero Program?**

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1 Q. 13 No. As described in the Special Conditions section of Schedule No. M2Z,
2 customers are not eligible to participate in the Move2Zero program if in their
3 most recent 12-month billing period they: a) received a disconnection notice; b)
4 entered into a payment arrangement with Southwest Gas for a delinquent bill;
5 or c) had their gas service discontinued for non-payment.

6 Q. 14 **Will customers who do not pay Move2Zero Program related costs be**
7 **subject to disconnection of their gas service?**

8 Q. 14 No. A customer's gas service will not be subject to disconnection if they do not
9 pay costs associated with their voluntary participation in the Move2Zero
10 Program. However, Southwest Gas may elect to terminate a customer's
11 participation in the program by providing the subject customer at least thirty (30)
12 days written notice of its intent to terminate participation in the Program.

13 Q. 15 **Does this conclude your prepared direct testimony?**

14 A. 15 Yes.

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**SUMMARY OF QUALIFICATIONS
VALERIE J. ONTIVEROZ**

I am a graduate of Southern Methodist University having received a Bachelor of Arts in Psychology in 1995.

From 2001 to present, I have been employed by Southwest Gas Corporation, initially as an analyst in the State Regulatory Affairs department. I was subsequently promoted to various positions with increasing responsibility within State Regulatory Affairs. In 2014, I was promoted to my current position of Regulatory Manager/California. My responsibilities include strategic leadership, guidance, and direction in the alignment of the Company's regulatory strategy, while ensuring technical accuracy, and regulatory compliance in the Southwest Gas' three California rate jurisdictions.