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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

Application Not for an Increase in Rates, Pursuant to Section 4909.18, Revised Code

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to I	lication of Columbia Gas of Ohio, In Revise its Tariffs to Change its G lity Specifications	•	Case No. 10- 875 -GA-ATA
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1.	APPLICANT RESPECTFULLY P	ROPOSES	: (Check applicable proposals)
	New Service	(Change in Rule or Regulation
	New Classification]	Reduction Rates
	Change in Classification	_'	Correction of Error
	X Other, not involving increase in ra	ates:	
	Various related and unrelated text	tual revision	n, without change in intent

2. DESCRIPTION OF PROPOSAL:

Columbia Gas of Ohio, Inc. ("Columbia") proposes to revise the section of the tariff that deals with Quality of Gas Delivered to Company. Columbia proposes to incorporate its gas quality standards into the tariff. As such, Columbia proposes adding the requirement that gas delivered shall not contain an excess of (a) one percent (1%) by volume of oxygen, (b) four percent (4%) by

volume of nitrogen, and (c) two percent (2%) by volume of carbon dioxide. These requirements are part of gas quality specifications, however are not currently reflected in the tariff.

Columbia also proposes to increase the level of water from five (5) pounds of water per million Cubic Feet of Gas to seven (7) pounds of water per million Cubic Feet of Gas. Columbia also proposes to increase the volume of nitrogen and carbon dioxide combined from three percent (3%) by volume to five percent (5%) by volume. Columbia would increase the amount of total sulfur from no more than ten (10) grains per one hundred (100) Cubic Feet of Gas to no more than twenty (20) grains per one hundred cubic feet. Finally, Columbia proposes to lower its threshold requirements for Total Heating Value from 1000 Btu per Cubic Foot to not less than 967 Btu per Cubic Foot.

The aforementioned changes to the tariff would merely reflect the current gas quality specifications for the natural gas delivered to Columbia by its suppliers.

- 3. TARIFF SHEET(S) AFFECTED: See Exhibit B.
- 4. ATTACHED HERETO AND MADE A PART HEREOF ARE:
- X Exhibit A existing schedule sheets (to be superseded) if application is approved.
- X Exhibit B proposed schedule sheets.
- X Exhibit B-1 "Red-lined" tariff sheets showing changes made to existing tariffs.
- Exhibit C-1
- a. if new service is proposed, describe;
- b. if new equipment is involved, describe (preferably with a picture, brochure, etc.) and where appropriate, a statement distinguishing proposed service from existing services;
- c. if proposed service results from customer requests, so state, giving if available, the number

and type of customers requesting proposed service.

- Exhibit C-2 if a change of classification, rule or regulation is proposed, a statement explaining reason for change.
- X Exhibit C-3 statement explaining reason for any proposal not covered in Exhibits C-1 or C-2.
- 5. This Application will not result in an increase in any rate, joint rate, toll, classification, charge or rental.
- **6.** Columbia respectfully requests that the Commission expeditiously approve this Application and the proposed tariffs attached hereto.

Respectfully submitted by COLUMBIA GAS OF OHIO, INC.

Brooke E. Leslie
Trial Attorney

Stephen B. Seiple, Assistant General Counsel Brooke E. Leslie, Counsel 200 Civic Center Drive P.O. Box 117 Columbus, Ohio 43216-0117

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Email: bleslie@nisource.com

Attorneys for Applicant COLUMBIA GAS OF OHIO, INC.

EXHIBIT A EXISTING SCHEDULE SHEETS

P.U.C.O. No. 2

COLUMBIA GAS OF OHIO, INC.

Original Sheet No. 37

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

on behalf of Customer to Company at point(s) of receipt with an interstate pipeline shall conform to the interstate pipeline's gas quality standards.

B. Quality of Gas at Other Point(s) of Receipt. Gas delivered by or on behalf of Customer to Company at point(s) of receipt other than an interstate pipeline shall be commercially free from oil, water, air, salt, dust, gum, gum-forming constituents, harmful or noxious vapors, or other solid or liquid matter which might interfere with its merchantability or cause to or interference with proper operation of the lines, regulators, meters, and other equipment of Company or its customers.

Customer will indemnify and hold Company harmless from any suits, actions, debts, accounts, damages, costs, losses and expenses, including but not limited to, attorneys' fees and expenses, arising from personal injury, death, or damage to Company's equipment or facilities or arising from personal injuries, death, or damage to the facilities, products, or equipment of Company's other customers or third parties, or arising from additional hours worked by Company or its other customers or third parties, caused as a result of Customer's gas failing to meet the quality specifications set forth herein.

However, pursuant to the Commission's opinion and order in Case No. 85-1406-AU-COI, approval of the above tariff language by the Commission does not constitute a determination by the Commission that the limitation of liability imposed by the Company should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate negligence and consequent damage claims, it is also the court's responsibility to determine the validity of the exculpatory clause.

To assure that the gas delivered by Customer to Company conforms to the quality specifications of this Section, Customer's gas shall be analyzed at the point(s) of receipt from time-to-time as Company deems necessary. Such analysis will be performed by Company at its expense. If, however, such analysis by Company discloses quality deficiencies, the cost of subsequent retesting to assure conformity with this Section shall be borne by Customer. The gas delivered shall not contain in excess of:

- 1. Five (5) pounds of water per million cubic feet of gas at the base pressure and temperature of fourteen and seventy-three hundredths (14.73) psia and sixty (60) degrees Fahrenheit. The water vapor will be determined by the use of the Bureau of Mines type dewpoint apparatus or in accordance with the latest approved methods generally in use in the natural gas industry;
- 2. Three percent (3%) by volume of a combined total of carbon dioxide and nitrogen components;

Filed Pursuant to PUCO Entry dated November 27, 1991 in Case Nos. 91-195-GA-AIR and 88-1830-GA-ATA

Issued: October 26, 1994 Effective: With Gas Used On and After December 3, 1991

Second Revised Sheet No. 38 Cancels First Revised Sheet No. 38

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

- 3. Twenty-five hundredths (0.25) grains of hydrogen sulfide per one hundred (100) cubic feet of gas; and
- 4. Ten (10) grains of total sulfur per one hundred (100) cubic feet of gas.

The Total Heating Value of the gas shall be determined by taking samples of the gas at the point(s) of receipt at such reasonable times as may be designated by Company. The Btu content per cubic foot shall be determined by an accepted type of calorimeter or other suitable instrument for a cubic foot of gas at a temperature of sixty (60) degrees Fahrenheit when saturated with water vapor and at a pressure of 14.73 psia. The Btu determination designated by Company shall be made by Company at its expense. Any additional Btu determinations requested by Customer shall be at Customer's expense.

Customer's gas delivered to Company shall have a total heating value of not less than one thousand (1,000) Btu per standard cubic foot, and shall have a Utilization Factor of one thousand, three hundred (1,300) plus or minus six percent (6%). The Utilization Factor, as used herein, shall be the Btu content per cubic foot of the gas divided by the square root of the specific gravity of the gas. However, Company shall not be obligated to accept gas which it believes may adversely affect the standard of public utility service offered by Company, or gas which it believes may adversely affect the operation of the gas-burning equipment of its customers.

If any gas delivered hereunder fails to meet the quality specifications set forth herein, Company may, at any time, elect to refuse to accept all or any portions of such gas until Customer brings the gas into conformity with such specifications.

7. AUTHORIZED DAILY VOLUME

Customer's Authorized Daily Volume on any day consists of the sum of Customer's transported volumes (as determined herein) plus any Backup Service for which Customer has contracted, plus any additional volumes that Company, in its sole discretion, authorizes Customer to use on that day. Delivery of Customer's Authorized Daily Volume is firm, with no planned interruptions, except as provided in Part 8 hereof. Consumption at Customer's facility in excess of the Authorized Daily Volume is interruptible service, and upon notice to Customer, Company may require Customer to reduce consumption to Customer's Authorized Daily Volume whenever Company, in its discretion, deems necessary to do so. Company may, at its option, require such reductions in consumption by Large General Transportation Service Customers prior to imposing similar reductions on Small General and General Transportation Service Customers. The Authorized Daily Volume for an Aggregation Pool shall equal the sum of the Authorized Daily Volumes (including Backup Service) for each Customer in the Aggregation Pool.

Filed in accordance with Public Utilities Commission of Ohio Order dated January 13, 2010 in Case No. 08-1344-GA-EXM

Issued: January 15, 2010 Effective: With bills rendered on or after April 1, 2010

EXHIBIT B PROPOSED SCHEDULE SHEETS

P.U.C.O. No. 2

First Revised Sheet No. 37
Cancels
Original Sheet No. 37

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

on behalf of Customer to Company at point(s) of receipt with an interstate pipeline shall conform to the interstate pipeline's gas quality standards.

B. Quality of Gas at Other Point(s) of Receipt. Gas delivered by or on behalf of Customer to Company at point(s) of receipt other than an interstate pipeline shall be commercially free from oil, water, air, salt, dust, gum, gum-forming constituents, harmful or noxious vapors, or other solid or liquid matter which might interfere with its merchantability or cause to or interference with proper operation of the lines, regulators, meters, and other equipment of Company or its customers.

Customer will indemnify and hold Company harmless from any suits, actions, debts, accounts, damages, costs, losses and expenses, including but not limited to, attorneys' fees and expenses, arising from personal injury, death, or damage to Company's equipment or facilities or arising from personal injuries, death, or damage to the facilities, products, or equipment of Company's other customers or third parties, or arising from additional hours worked by Company or its other customers or third parties, caused as a result of Customer's gas failing to meet the quality specifications set forth herein.

However, pursuant to the Commission's opinion and order in Case No. 85-1406-AU-COI, approval of the above tariff language by the Commission does not constitute a determination by the Commission that the limitation of liability imposed by the Company should be upheld in a court of law. Approval by the Commission merely recognizes that since it is a court's responsibility to adjudicate negligence and consequent damage claims, it is also the court's responsibility to determine the validity of the exculpatory clause.

To assure that the gas delivered by Customer to Company conforms to the quality specifications of this Section, Customer's gas shall be analyzed at the point(s) of receipt from time-to-time as Company deems necessary. Such analysis will be performed by Company at its expense. If, however, such analysis by Company discloses quality deficiencies, the cost of subsequent retesting to assure conformity with this Section shall be borne by Customer. The gas delivered shall not contain in excess of:

- 1. One percent (1%) by volume of oxygen,
- 2. Seven (7) pounds of water per million cubic feet of gas at the base pressure and temperature of fourteen and seventy-three hundredths (14.73) psia and sixty (60) degrees Fahrenheit. The water vapor will be determined by the use of the Bureau of Mines type dewpoint apparatus or in accordance with the latest approved methods generally in use in the natural gas industry;
- 3. Four percent (4%) by volume of nitrogen,
- 4. Two percent (2%) by volume of carbon dioxide,
- 3. Five percent (5%) by volume of a combined total of carbon dioxide and nitrogen components;

Filed Pursuant to PUCO Entry dated

Issued:

Effective:

Third Revised Sheet No. 38 Cancels Second Revised Sheet No. 38

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Customer's gas delivered to Company shall have a total heating value of not less than nine hundred and sixty seven (967) Btu per standard cubic foot, and shall have a Utilization Factor of one thousand, three hundred (1,300) plus or minus six percent (6%). The Utilization Factor, as used herein, shall be the Btu content per cubic foot of the gas divided by the square root of the specific gravity of the gas. However, Company shall not be obligated to accept gas which it believes may adversely affect the standard of public utility service offered by Company, or gas which it believes may adversely affect the operation of the gas-burning equipment of its customers.

If any gas delivered hereunder fails to meet the quality specifications set forth herein, Company may, at any time, elect to refuse to accept all or any portions of such gas until Customer brings the gas into conformity with such specifications.

7. AUTHORIZED DAILY VOLUME

Customer's Authorized Daily Volume on any day consists of the sum of Customer's transported volumes (as determined herein) plus any Backup Service for which Customer has contracted, plus any additional volumes that Company, in its sole discretion, authorizes Customer to use on that day. Delivery of Customer's Authorized Daily Volume is firm, with no planned interruptions, except as provided in Part 8 hereof. Consumption at Customer's facility in excess of the Authorized Daily Volume is interruptible service, and upon notice to Customer, Company may require Customer to reduce consumption to Customer's Authorized Daily Volume whenever Company, in its discretion, deems necessary to do so. Company may, at its option, require such reductions in consumption by Large General Transportation Service Customers prior to imposing similar reductions on Small General and General Transportation Service Customers. The Authorized Daily Volume for an Aggregation Pool shall equal the sum of the Authorized Daily Volumes (including Backup Service) for each Customer in the Aggregation Pool.

EXHIBIT B-1 "RED-LINED" TARIFF SHEETS

First Revised Sheet No. 37

<u>Cancels</u>

Original Sheet No. 37

COLUMBIA GAS OF OHIO, INC.

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Issued: October 26, 1994

Effective: With Gas Used On and After December 3, 1991

P.U.C.O. No. 2

First Revised Sheet No. 37

Cancels

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Original Sheet No. 37

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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Second Third Revised Sheet No. 38

Cancels

First Second Revised Sheet No. 38

COLUMBIA GAS OF OHIO, INC.-

RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF GAS

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EXHIBIT C-3

STATEMENT EXPLAINING REASON FOR PROPOSAL

Columbia Gas of Ohio, Inc. ("Columbia") proposes to revise those sections of its tariff that deal with Gas Quality Standards. Specifically, Columbia proposes to adjust the levels of inert gases in the gas that it receives from the Supplier. As a utility, Columbia is responsible for delivery of natural gas that can be used by all of its customers and must set acceptable levels of inert gases that will allow industry standard equipment to burn safely and efficiently. Due to the regional nature of natural gas supplies and the variability in components, there isn't a national or industry standard for gas quality. As such, each natural gas supplier is obligated to establish gas quality standards. The configuration of a distribution system, including supply mix, level of flow from each supply point and location of customers also has a bearing on the gas quality evaluation.

The proposed tariff changes related to gas quality standards is based on industry experience and review of other suppliers' specifications. Columbia's previous limits on Nitrogen and Carbon Dioxide were within the typical ranges for many suppliers; however, suppliers in areas with more Appalachian local production appear to be successful in allowing a slightly higher level of inert gases. The change in the levels of inert gases would allow Columbia to accept more local production gas while still providing a safe reliable energy source.