

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Columbia Gas of Ohio, Inc. for an) Case No. 10-2353-GA-RDR
Adjustment to Rider IRP and Rider)
DSM Rates for 2010 Costs.)

ENTRY

The Commission finds:

- (1) By opinion and order issued December 3, 2008, in *In the Matter of the Application of Columbia Gas of Ohio, Inc., for Authority to Amend Filed Tariffs to Increase the Rates and Charges for Gas Distribution Service*, Case No. 08-72-GA-AIR, et al. (*Columbia Distribution Rate Case*), the Commission approved a stipulation that, *inter alia*, provided a process for annual adjustments to the Infrastructure Replacement Program Rider (Rider IRP) and the Demand-Side Management Rider (Rider DSM) of Columbia Gas of Ohio, Inc. (Columbia).
- (2) In accordance with the Rider IRP and Rider DSM provisions of the stipulation in the *Columbia Distribution Rate Case*, Columbia filed its prefiling notice on November 30, 2010, in the instant case. In its prefiling, Columbia states its intent to file an its application in February 2011 requesting authority to adjust its Rider IRP and Rider DSM rates to reflect the costs Columbia incurred in calendar year 2010.
- (3) On December 7, 2010, Columbia filed a motion requesting a waiver of the requirement that it provide an independent audit of Rider IRP and Rider DSM in this case and in future Rider IRP and Rider DSM applications. The requirement that Columbia provide an independent audit report as part of its application was first imposed on the initial phase of Rider IRP pursuant to the stipulation approved by opinion and order issued April 9, 2008, in *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval of Tariffs to Recover Through an Automatic Adjustment Clause Costs Associated with the Establishment of an Infrastructure Replacement Program and for Approval of Certain Accounting Treatment*, Case No. 07-478-GA-UNC. Columbia notes that, subsequently, in the *Columbia Distribution Rate Case*, Columbia proposed, in its application, to conduct an independent audit of the riders. While

the independent audit was not expressly mentioned in the staff report or the stipulation, Columbia states that it believed the requirement that it provide an independent audit of Rider IRP and Rider DSM to be implicit in the Commission's order in the *Columbia Distribution Rate Case*. Columbia points out that, in its last two applications to adjust the riders, Case Nos. 09-06-GA-UNC and 09-1036-GA-RDR, the company filed independent audit reports and the cost of the reports was \$30,000 and \$60,000, respectively. In further support of its motion, Columbia states that Staff and the office of the Ohio Consumers' Counsel (OCC) both conduct extensive investigations of Columbia's proposed adjustments to Rider IRP and Rider DSM and that neither party has placed any reliance upon the independent audit reports in the past.

- (4) On January 24, 2011, Columbia filed a letter representing that, with regard to its December 7, 2010, motion requesting a waiver, neither Staff nor OCC object to the requested waiver.
- (5) In considering Columbia's request, the Commission finds that the requirement of an independent audit of Rider IRP and Rider DSM is not necessary, at this time. Therefore, the Commission finds that Columbia's request is reasonable and should be granted. Accordingly, with respect to this case and all future filings to update Rider IRP and Rider DSM, unless ordered otherwise, Columbia does not have to file an independent audit.

It is, therefore,

ORDERED, That, in accordance with finding (5), Columbia's motion for a waiver of the requirement that it file an independent audit report of Rider IRP and Rider DSM be granted. It is, further,

ORDERED, That a copy of this entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Todd A. Snitchler, Chairman



Paul A. Centolella



Valerie A. Lemmie



Steven D. Lesser



Cheryl L. Roberto

MLW/KLS/dah

Entered in the Journal **MAR 09 2011**



Renee J. Jenkins
Secretary