

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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PUCO

In the Matter of the Application of)
Columbia Gas of Ohio, Inc. for Approval)
of a General Exemption of Certain Natural)
Gas Commodity Sales Services of)
Ancillary Services from Chapters 4905,)
4909, and 4935 except Sections 4905.10,)
4935.01, and 4935.03, and from specified)
sections of Chapter 4933 of the Revised)
Code)

Case No. 08-1344-GA-EXM

**MEMORANDUM CONTRA COLUMBIA GAS OF OHIO INC.'S
MOTION TO STAY DISCOVERY
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

I. INTRODUCTION

The Office of the Ohio Consumers' Counsel ("OCC"), for the purpose of preparing its case on behalf of Columbia Gas of Ohio Inc.'s 1.2 million residential natural gas customers, submits this Memorandum Contra Columbia's Motion to Stay Discovery, filed on May 9, 2011 ("Columbia Motion").¹ Columbia's proposal would stop the discovery process that is provided under the Ohio Administrative Code.

On January 30, 2009, Columbia Gas of Ohio Inc. ("Columbia" or "the Company") filed an Application for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services ("Application").² Attached to that

¹ Ohio Adm. Code 4901-1-12(B).

² *In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services*, Case No. 08-1344-GA-EXM, Application (January 30, 2009).

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Application was a Program Outline (“Program Outline”), which explained how Columbia planned to implement wholesale Standard Service Offer (“SSO”) and retail Standard Contract Offer (“SCO”) Auction processes in place of a Gas Cost Recovery (“GCR”) mechanism. The auction process involves non-Choice sales customers being served by Marketers who bid for the right to serve those customers in place of the Company controlled Request for Proposal (“RFP”) process. The auction process impacts the rate that customers pay for the natural gas commodity portion of their bill -- a portion that can be as much as 60 percent of the total bill during the winter heating season.

In August of 2009, the parties to the proceeding reached an agreement in principle to settle the issues in the case, and filed a Joint Stipulation and Recommendation (“Stipulation”) which recommended approval of Columbia’s Application on October 7, 2009. The Commission approved the Stipulation on December 2, 2009, by Opinion and Order (“Opinion and Order”).³

According to the Stipulation, Columbia would conduct two wholesale SSO auctions in order to implement two consecutive, one-year long, SSO periods, starting in April 2010, and April 2011.⁴ In addition, Columbia was to conduct a third auction for the annual period beginning 2012.⁵ This third auction was to be a retail SCO auction.⁶

On April 15, 2011, Columbia Gas of Ohio, Inc. (“Columbia” or “the Company”) filed a Revised Program Outline (“Revised Outline”) requesting the Public Utilities Commission of Ohio (“PUCO” or “the Commission”) to approve Columbia’s

³ See Opinion and Order, generally.

⁴ Opinion and Order at 7.

⁵ *Id.* at 8.

⁶ *Id.*

implementation of an initial retail SCO Auction in February of 2012.⁷ On May 9, 2011, the Office of the Ohio Consumers' Counsel ("OCC") filed a an objection to implementation of an SCO auction and a petition to suspend Columbia's proposed SCO Auction in favor of another wholesale SSO Auction, pursuant to the Public Utilities Commission of Ohio's ("PUCO" or "Commission") December 2, 2009, Opinion and Order.⁸ In addition, Ohio Partners for Affordable Energy ("OPAE") also filed in protest of the retail SCO auction.

On April 28, 2011, OCC served Columbia with its First Set of Discovery. The First Set of Discovery is attached hereto as Attachment 1.⁹ On May 9, 2011, the Company filed a Motion to Stay Discovery ("Motion"). OCC hereby files its Memorandum Contra in response to the Company's Motion.¹⁰

II. THE COMMISSION SHOULD ORDER COLUMBIA TO RESPOND TO OCC'S FIRST SET OF DISCOVERY.

Columbia has asked the PUCO to deny OCC (and others) their right to conduct the discovery needed to represent customers, on the basis that the Commission has not decided to conduct further proceedings. Columbia is mistaken. Law, rule and Supreme Court precedent assures OCC's right to discovery. Without allowing OCC's right to

⁷ *In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services*, Case No. 08-1344-GA-EXM, Revised Outline (April 11, 2011) at 1.

⁸ *In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services*, Case No. 08-1344-GA-EXM, Opinion and Order (December 2, 2009) at 9 ("Opinion and Order").

⁹ Columbia Motion at 4. (Columbia's Motion states OCC Discovery was attached to Columbia's Motion, but actually, OCC discovery was not so attached.)

¹⁰ Pursuant to Ohio Adm. Code 4901-1-12(B)(1), the OCC has fifteen (15) days to file its Memo Contra. Because the OCC was served the Motion to Stay Discovery by mail, pursuant to Ohio Adm. Code 4901-1-07(B) an additional three days shall be added to the prescribed period of time.

obtain responses to discovery, Columbia may be able to prevent important and relevant information from being considered by the PUCO for its decision that will affect the prices that 1.2 million residential customers pay for natural gas.

OCC is entitled to timely and complete responses to its discovery inquiries. R.C. 4903.082 provides that “[a]ll parties and intervenors shall be granted ample rights of discovery.” Therefore, the Commission should deny the Company’s Motion and instruct Columbia to respond to OCC’s discovery *post haste*.

The OCC is entitled to discovery within the scope provided by the Commission’s rules: “[A]ny party to a commission proceeding may obtain discovery of any matter, not privileged, which is relevant to the subject matter of the proceeding.”¹¹ The Company has challenged OCC’s right to seek discovery, and has refused to provide information responsive to OCC’s discovery inquiries.¹² However, the Company has not moved for a protective order pursuant to Ohio Adm. Code 4901-1-24. Therefore, Columbia’s Motion should be denied.

Columbia’s refusal to respond to OCC’s requests is inappropriate and in violation of the Commission’s discovery rule. In another case that dealt, in part, with the PUCO denying OCC the right to discovery, including the denial of an OCC Motion to Compel, the Supreme Court of Ohio found that the Commission erred in its decision.¹³ Because

¹¹ Ohio Adm. Code 4901-1-16.

¹² Motion at 4-5.

¹³ *Ohio Consumers’ Counsel v. Public Util. Comm.*, (2006) 111 Ohio St.3d 300, 2006-Ohio-5789, ¶83. “The text of Ohio Adm.Code 4901-1-16(B), the commission’s discovery rule, is similar to Civ.R. 26(B)(1), which governs the scope of discovery in civil cases. Civ.R. 26(B) has been liberally construed to allow for broad discovery of any unprivileged matter relevant to the subject matter of the pending proceeding. See also, *Moskovitz v. Mt. Sinai Med. Ctr.* (1994), 69 Ohio St.3d 638, 661, 635 N.E.2d 331 (“The purpose of Civ.R. 26 is to provide a party with the right to discover all relevant matters, not privileged, that are pertinent to the subject of the pending proceeding”).

Civ.R. 26(B) has been liberally construed to allow for broad discovery of any unprivileged matter relevant to the subject matter of the pending proceeding the Commission should do so in this proceeding.¹⁴ The Court based its decision on Ohio Adm. Code 4901-1-16, Civ.R. 26(B)(1), and R.C. 4903.082 which states “[a]ll parties and intervenors shall be granted ample rights of discovery.”¹⁵ The Commission should enforce its discovery rule similar to Civ.R. 26(B)(1), which governs the scope of discovery in civil cases. Finally, the Court decided that the Commission abused its discretion when it denied OCC discovery; therefore, the Commission should fulfill the words and intent of its discovery rule and order Columbia to respond.¹⁶

Moreover, Columbia’s refusal to provide responses to OCC discovery is inconsistent with the Stipulation it signed with OCC.¹⁷ Through its agreement to permit any party to petition the Commission to suspend the SCO auction in favor of another SSO auction, Columbia and the other signatory parties agreed to an evidentiary hearing at which the parties supporting the retail SCO auction (such as Columbia) would have the opportunity to present evidence that would demonstrate the alleged benefits of an SCO auction over an SSO auction. Columbia’s refusal to respond to the OCC discovery is contrary to the agreement that Columbia entered into.

The Stipulation and Opinion and Order approving the Stipulation specifically states as follows:

¹⁴ Id. at ¶82.

¹⁵ Id.

¹⁶ Id at ¶95.

¹⁷ *In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services*, Case No. 08-1344-GA-EXM, Stipulation at 9 (October 7, 2009).

Prior to the SCO auction date, any party may petition the Commission to suspend the SCO auction in favor of another SSO auction. In the event a party files an objection to an SCO auction, the parties supporting the SCO auction agree to present evidence intended to demonstrate the anticipated benefits from an SCO auction.¹⁸ (Emphasis added).

Discovery is important and essential in this case where Columbia proposes to implement a retail SCO Auction. As the statutory representative of Columbia's 1.2 million residential consumers, OCC has a vital interest in obtaining responses to the discovery requests served upon Columbia, so that OCC can respond to the evidence presented by Columbia and any other party supporting the SCO auction.

Having previously agreed to the right of OCC and other parties to petition the PUCO to suspend the SCO auction in favor of another SSO auction, Columbia should not now be permitted to act in a manner that may limit that proceeding by withholding important and relevant information. The Company argues:

While the nature of the OCC's discovery is a concern, Columbia's more immediate concern is that any discovery in this proceeding is wholly improper and premature at this time. The Commission has not indicated whether it intends to conduct further proceedings in this matter and, if so, what the nature of those proceedings will be. At a minimum, discovery should be stayed until the Commission decides the nature and scope of any further proceedings.¹⁹

That argument is unreasonable. The Company is attempting to complicate the case where such complications are unnecessary. Therefore, the Commission should not allow Columbia to impede OCC's investigation in this proceeding.

The Commission Order places an obligation on parties supporting the implementation of an SCO Auction to present **evidence** intended to demonstrate the

¹⁸ Opinion and Order at 9.

¹⁹ Columbia Motion at 4.

anticipated benefits from a retail SCO auction.²⁰ OCC must be given a reasonable opportunity to present evidence regarding the implementation of an SCO Auction which the PUCO can then consider with the Company's (and other interested parties) evidence. Because Columbia holds so much of the information relative to the SCO Auction and the costs associated with implementing the SCO Auction, OCC's discovery must be allowed.

The Company states that it is looking for an expeditious resolution of this case.

The Company stated:

In order to complete the programming of Columbia's IT systems and to implement the SCO auction in February 2012, a Commission order approving this Program Outline (and eventually the proposed tariffs) is necessary by September 1, 2011. To facilitate the expeditious review and discussion of this Program Outline (and eventually the proposed tariffs) Columbia requests that the Commission schedule a prehearing conference as soon as possible.²¹

Through this statement Columbia is acknowledging that the move to the SCO will involve some costs for customers. OCC and other parties opposing the SCO are entitled to information on this and other potential costs that may accompany the SCO. However, the Company's imposition of delay in OCC's discovery efforts should not result in the Commission unfairly limiting OCC's ability to present its case. The Company desires this case to move quickly to resolution; therefore, the Commission should appropriately take into consideration any delays caused by Columbia's refusal to provide OCC with discovery responses, and hold Columbia responsible for these delays.

²⁰ Opinion and Order at 9.

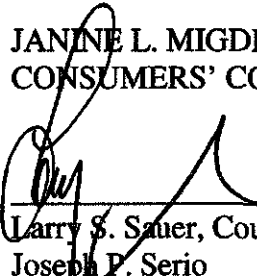
²¹ Revised Outline at 2 (April 15, 2011).

III. CONCLUSION

The Commission's Opinion and Order contained a procedure for OCC and others to obtain a hearing where the impact of Columbia's proposal on customers can be considered by the PUCO. OCC and OPAE followed this approved procedure, and requested that the Commission suspend Columbia's requested SCO auction (that would increase costs to customers and heighten customer confusion in favor of providing customers with the benefit of another SSO auction (that would not increase costs to customers and would continue an auction process that has served customers well the prior two years). There now should be a hearing to decide the issue. OCC is entitled, under the law, PUCO rule and Court precedent, to serve discovery and Columbia should be required to respond in order for OCC to have an opportunity to present evidence -- evidence which is known only to Columbia -- in this case on behalf of residential customers.

Respectfully submitted,

JANINE L. MIGDEN-OSTRANDER
CONSUMERS' COUNSEL

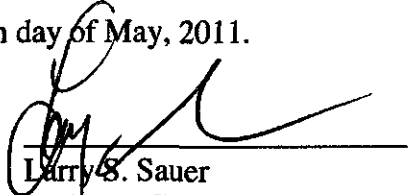


Larry S. Sauer, Counsel of Record
Joseph P. Serio
Kyle L. Verrett
Assistant Consumers' Counsel

Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
614-466-8574 (Telephone)
sauer@occ.state.oh.us
serio@occ.state.oh.us
verrett@occ.state.oh.us

CERTIFICATE OF SERVICE

I hereby certify that a copy of the *Memo Contra Columbia Motion to Stay Discovery by the Office of the Ohio Consumers' Counsel* was served on the persons stated below by regular U.S. Mail, this 27th day of May, 2011.


Larry S. Sauer
Assistant Consumers' Counsel

SERVICE LIST

Stephen B. Seiple
Brooke E. Leslie
Columbia Gas of Ohio, Inc.
200 Civic Center Drive
P.O. Box 117
Columbus, Ohio 43216-0117

Eric B. Gallon, Counsel
Porter, Wright Morris & Arthur
Huntington Center
41 South High Street, Suite 3000
Columbus, Ohio 43215

David F. Boehm
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202-4454

Samuel C. Randazzo
McNees, Wallace & Nurick, LLC
21 East State Street, 17th Floor
Columbus, Ohio 43215

Colleen L. Mooney
Ohio Partners for Affordable Energy
1431 Mulford Road
Columbus, Ohio 43212

William L. Wright, Chief
Stephen A. Reilly
Attorney General's Office
Public Utilities Section
180 East Broad Street, 6th Floor
Columbus, Ohio 43215

Glenn S. Krassen
Bricker & Eckler, LLP
1001 Lakeside Ave. East
Suite 1350
Cleveland, Ohio 44114-1142

Larry Gearhardt
Ohio Farm Bureau Federation
280 North High Street
P.O. Box 182383
Columbus, Ohio 43218-2383

John M. Dosker
Stand Energy Corp.
1077 Celestial Street, Suite 110
Cincinnati, Ohio 45202-1629

David Rinebolt
Ohio Partners for Affordable Energy
231 West Lima Street, P.O. Box 1793
Findlay, Ohio 45839-1793

David M. Perlman
Bracewell & Giuliani LLP
2000 K Street NW
Suite 500
Washington, D.C. 20006-1872

Brian Ballenger
Ballenger & Moore
3401 Woodville Road, Suite C
Toledo, Ohio 43619

James E. Moan
City of Sylvania
4930 Holland-Sylvania Road
Sylvania, Ohio 43560

Barth Royer
Bell & Royer CO, LPA
33 South Grant Avenue
Columbus, Ohio 43215-3927

Howard Petricoff
Vorys, Sater, Seymour & Pease LLP
52 East Gay Street, P.O. Box 1008
Columbus, Ohio 43215

Craig Goodman
National Energy Marketers Association
3333 K. Street, NW
Suite 110
Washington, D.C. 20007

Lance Keiffer
Assistant Prosecuting Attorney
700 Adams Street
Suite 250
Toledo, Ohio 43604

Stephen M. Howard
Vorys, Sater, Seymour & Pease LLP
52 East Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008

Sheila McAdams
Marsh & McAdams
City of Maumee
204 West Wayne Street
Maumee, Ohio 43537

Paul Goldberg
City of Oregon
5330 Seaman Road
Oregon, Ohio 43616

Leslie Kovacik
Department of Public Utilities
420 Madison Avenue, Suite 100
Toledo, Ohio 43604

Thomas J. O'Brien
Bricker & Eckler, LLP
100 South Third Street
Columbus, Ohio 43215

W. Jonathan Airey
Vorys, Sater, Seymour & Pease, LLP
52 East Gay Street, P.O. Box 1008
Columbus, Ohio 43216-1008

Michael Dortch
Kravitz, Brown & Dortch, LLC
65 East State Street
Suite 200
Columbus, Ohio 43215

Paul Skaff
Leatherman, Wintzler, Dombey & Hart
City of Holland
353 Elm Street
Perrysburg, Ohio 43551

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Columbia)	
Gas of Ohio, Inc. for Approval of a General)	
Exemption of Certain Natural Gas Commodity)	
Sales Services or Ancillary Services from)	Case No. 08-1344-GA-EXM
Chapters 4905, 4909, and 4935 except Sections)	
4905.10, 4035.01 and 4935.03, and from)	
specified sections of Chapter 4933 of the)	
Revised Code.)	

**INTERROGATORIES
AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
FIRST SET
REGARDING STANDARD CHOICE AUCTION
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL
(APRIL 28, 2011)**

PUCO

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The Office of the Ohio Consumers' Counsel ("OCC"), an intervenor in the above-captioned case, requests that Columbia Gas of Ohio, Inc. ("COH" or "Company") answer the following interrogatories and provide copies or provide access for reproduction of the following documents within twenty (20) days of service and no later than May 18, 2011.

These requests should be deemed continuing so as to require further and supplemental responses as COH receives or generates additional documents or information within the scope of these requests between the time of the original response and the time of hearing.

As part of each response, please indicate the names of the respondent and his/her position with COH or an affiliate. Please provide written responses even if no documents or data are available. Please identify the responses to the specific numbered request.

To the extent practical and possible, please provide access to documents in Columbus, Ohio. Please contact OCC in the event that COH cannot make documents available in Columbus.

Should COH determine that certain requests and/or interrogatories are objectionable, please so indicate and respond to the remaining requests. Thank you in advance for your cooperation. If any questions arise, please contact:

Larry S. Sauer, Counsel of Record
Joseph P. Serio
Kyle L. Verrett
Assistant Consumers' Counsel

10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
(614) 466-8574 (Telephone)
(614) 466-9475 (Facsimile)
sauer@occ.state.oh.us
serio@occ.state.oh.us
verrett@occ.state.oh.us

DEFINITIONS

As used herein the following definitions apply:

1. "Document" or "Documentation" when used herein, is used in its customary broad sense, and means all originals of any nature whatsoever, identical copies, and all non-identical copies thereof, pertaining to any medium upon which intelligence or information is recorded in your possession, custody, or control regardless of where located; including any kind of printed, recorded, written, graphic, or photographic matter and things similar to any of the foregoing, regardless of their author or origin. The term specifically includes, without limiting the generality of the following: punchcards, printout sheets, movie film, slides, PowerPoint slides, phonograph records, photographs, memoranda, ledgers, work sheets, books, magazines, notebooks, diaries, calendars, appointment books, registers, charts, tables, papers, agreements, contracts, purchase orders, checks and drafts, acknowledgments, invoices, authorizations, budgets, analyses, projections, transcripts, minutes of meetings of any kind, telegrams, drafts, instructions, announcements, schedules, price lists, electronic copies, reports, studies, statistics, forecasts, decisions, and orders, intra-office and inter-office communications, correspondence, financial data, summaries or records of conversations or interviews, statements, returns, diaries, workpapers, maps, graphs, sketches, summaries or reports of investigations or negotiations, opinions or reports of consultants, brochures, bulletins, pamphlets, articles, advertisements, circulars, press releases, graphic records or representations or publications of any kind (including microfilm, videotape and records, however produced or

reproduced), electronic (including e-mail), mechanical and electrical records of any kind and computer produced interpretations thereof (including, without limitation, tapes, tape cassettes, disks and records), other data compilations (including, source codes, object codes, program documentation, computer programs, computer printouts, cards, tapes, disks and recordings used in automated data processing together with the programming instructions and other material necessary to translate, understand or use the same), all drafts, prints, issues, alterations, modifications, changes, amendments, and mechanical or electric sound recordings and transcripts to the foregoing. A request for discovery concerning documents addressing, relating or referring to, or discussing a specified matter encompasses documents having a factual, contextual, or logical nexus to the matter, as well as documents making explicit or implicit reference thereto in the body of the documents. Originals and duplicates of the same document need not be separately identified or produced; however, drafts of a document or documents differing from one another by initials, interlineations, notations, erasures, file stamps, and the like shall be deemed to be distinct documents requiring separate identification or production. Copies of documents shall be legible.

2. "Communication" shall mean any transmission of information by oral, graphic, written, pictorial, or otherwise perceptible means, including, but not limited to, telephone conversations, letters, telegrams, and personal conversations. A request seeking the identity of a communication addressing, relating or referring to, or discussing a specified matter encompasses documents having factual, contextual, or

- logical nexus to the matter, as well as communications in which explicit or implicit reference is made to the matter in the course of the communication.
3. The "substance" of a communication or act includes the essence, purport or meaning of the same, as well as the exact words or actions involved.
 4. "And" or "Or" shall be construed conjunctively or disjunctively as necessary to make any request inclusive rather than exclusive.
 5. "You," and "Your," or "Yourself" refer to the party requested to produce documents and any present or former director, officer, agent, contractor, consultant, advisor, employee, partner, or joint venturer of such party.
 6. Each singular shall be construed to include its plural, and vice versa, so as to make the request inclusive rather than exclusive.
 7. Words expressing the masculine gender shall be deemed to express the feminine and neuter genders; those expressing the past tense shall be deemed to express the present tense; and vice versa.
 8. "Person" includes any firm, corporation, joint venture, association, entity, or group of natural individuals, unless the context clearly indicates that only a natural individual is referred to in the discovery request.
 9. "Identify," or "the identity of," or "identified" means as follows:
 - A. When used in reference to an individual, to state his full name and present or last known position and business affiliation, and his position and business affiliation at the time in question;

- B. When used in reference to a commercial or governmental entity, to state its full name, type of entity (e.g., corporation, partnership, single proprietorship), and its present or last known address;
 - C. When used in reference to a document, to state the date, author, title, type of document (e.g., letter, memorandum, photograph, tape recording, etc.), general subject matter of the document, and its present or last known location and custodian;
 - D. When used in reference to a communication, to state the type of communication (i.e., letter, personal conversation, etc.), the date thereof, and the parties thereto and the parties thereto and, in the case of a conversation, to state the substance, place, and approximate time thereof, and identity of other persons in the presence of each party thereto;
 - E. When used in reference to an act, to state the substance of the act, the date, time, and place of performance, and the identity of the actor and all other persons present.
 - F. When used in reference to a place, to state the name of the location and provide the name of a contact person at the location (including that person's telephone number), state the address, and state a defining physical location (for example: a room number, file cabinet, and/or file designation).
10. The terms "PUCO" and "Commission" refer to the Public Utilities Commission of Ohio, including its Commissioners, personnel (including Persons working in the Public Utilities Section of the Ohio Attorney General's Office), and offices.

11. The term "e.g." connotes illustration by example, not limitation.
12. The term "Columbia" or "Company" means Columbia Gas of Ohio.
13. The term "SSO" means standard service offer.
14. The term "SCO" means standard choice offer.
15. "Revised Program Outline" refers to the Company's April 15, 2011 filing to modify the existing SSO auction process in order to implement an SCO auction.

INSTRUCTIONS FOR ANSWERING

1. All information is to be divulged which is in your possession or control, or within the possession or control of your attorney, agents, or other representatives of yours or your attorney.
2. Where an interrogatory calls for an answer in more than one part, each part should be separate in the answer so that the answer is clearly understandable.
3. Each interrogatory shall be answered separately and fully in writing under oath, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the person making them, and the objections are to be signed by the attorney making them.
4. If any answer requires more space than provided, continue the answer on the reverse side of the page or on an added page.
5. Your organization(s) is requested to produce responsive materials and information within its physical control or custody, as well as that physically controlled or possessed by any other person acting or purporting to act on your behalf, whether as an officer, director, employee, agent, independent contractor, attorney, consultant, witness, or otherwise.
6. Where these requests seek quantitative or computational information (e.g., models, analyses, databases, and formulas) stored by your organization(s) or its consultants in computer-readable form, in addition to providing hard copy (if an electronic response is not otherwise provided as requested), you are requested to produce such computer-readable information, in order of preference:
 - A. Microsoft Excel worksheet files on compact disk;

- B. other Microsoft Windows or Excel compatible worksheet or database diskette files;
 - C. ASCII text diskette files; and
 - D. such other magnetic media files as your organization(s) may use.
7. Conversion from the units of measurement used by your organization(s) in the ordinary course of business need not be made in your response; e.g., data requested in Mcf may be provided in Dth as long as the unit measure is made clear.
8. Unless otherwise indicated, the following requests shall require you to furnish information and tangible materials pertaining to, in existence, or in effect for the whole or any part of the period from January 1, 2008 through and including the date of your response.
9. Responses must be complete when made, and must be supplemented with subsequently acquired information at the time such information is available.
10. In the event that a claim of privilege is invoked as the reason for not responding to discovery, the nature of the information with respect to which privilege is claimed shall be set forth in responses together with the type of privilege claimed and a statement of all circumstances upon which the respondent to discovery will rely to support such a claim of privilege (i.e., provide a privilege log). Respondent to the discovery must a) identify (see definition) the individual, entity, act, communication, and/or document that is the subject of the withheld information based upon the privilege claim, b) identify all persons to whom the information has already been

revealed, and c) provide the basis upon which the information is being withheld and the reason that the information is not provided in discovery.

INTERROGATORIES

1. During the past five years (January 1, 2006 through December 31, 2010), focusing on the capacity retained by Columbia for balancing and operational purposes under the Standard Service Offer ("SSO") or Standard Contract Offer ("SCO") gas acquisition program, how much revenue from off-system sales and capacity release transactions has Columbia earned.

RESPONSE:

2. Referring to the response to OCC Interrogatory No. 1, for the past 5 years (January 1, 2006 through December 31, 2010) please provide a month by month breakdown of the off-system sales by type of transaction (e.g. off-system sale, sales right, park, loan and exchange, other (specify)) and capacity release revenues earned, and identify the counter-party (e.g. the party that the capacity was sold and/or released to).

RESPONSE:

3. Since the implementation of the SSO auction on April 1, 2010, please provide a month by month breakdown of the off-system sales and capacity release revenues earned

RESPONSE:

4. Referring to Page 2 of the Revised Program outline, please identify any additional expenses or costs which Columbia may incur as a result of its proposal to provide service to its sales customers through an SCO auction process, instead of an SSO auction process.

RESPONSE:

5. Has Columbia done any studies or analysis to determine the magnitude of any additional expenses it may incur as a result of its proposal to provide service to its sales customers through an SCO auction process?

RESPONSE:

6. If the Company's response to OCC Interrogatory No. 5 is negative, please explain why no studies or analysis was conducted?

RESPONSE:

7. Will it be necessary for Columbia incur additional IT expenses in order to conduct an SCO auction by February 2012?

RESPONSE:

8. If the Company's response to OCC Interrogatory No. 7 is affirmative, how much additional IT expenses are required for the Company to conduct an SCO auction by February, 2012?

RESPONSE:

9. Based on Columbia's review of the Dominion East Ohio ("DEO") SCO program, is Columbia aware of any additional expenses that DEO incurred as a result of the SCO auction process?

RESPONSE:

10. If the Company's response to OCC Interrogatory No. 9 is affirmative, please identify the additional expenses that DEO incurred.

RESPONSE:

11. If the Company's response to OCC Interrogatory No. 9 is negative, please explain why Columbia believes it may incur additional expenses if DEO did not.

RESPONSE:

12. Based on Columbia's review of the Vectren Energy Delivery of Ohio ("VEDO") SCO program, is Columbia aware of any additional expenses that VEDO incurred as a result of the SCO auction process?

RESPONSE:

13. If the Company's response to OCC Interrogatory No. 12 is affirmative, please identify the additional expenses that VEDO incurred.

RESPONSE:

14. If the Company's response to OCC Interrogatory No. 12 is negative, please explain why Columbia believes it may incur additional expenses if VEDO did not?

RESPONSE:

15. Has Columbia conducted any studies or analysis to determine if it may no longer incur some expenses or if other expenses will be reduced as a result of its proposal to provide service to sales customers through an SCO auction process?

RESPONSE:

16. If the Company's response to OCC Interrogatory No.15 is negative, please explain why no studies or analysis was conducted.

RESPONSE:

17. Does Columbia anticipate any reduction in expenses that will occur as the result of implementing and SCO auction in place of an SSO auction?

RESPONSE:

18. If the response to OCC Interrogatory No. 17 is affirmative, please describe and quantify the anticipated reductions in expenses.

RESPONSE:

19. If the response to OCC Interrogatory No. 17 is negative, please explain why Columbia does not anticipate any reduction in expenses.

RESPONSE:

20. Does the Revised Program Outline address how to deal with any reductions in expenses that may occur as a result of the proposal to provide service to sales customers through an SCO auction process.

RESPONSE:

21. If the Company's response to OCC Interrogatory No. 20 is affirmative, please identify where in the Revised Program Outline this is included.

RESPONSE:

22. Does Columbia believe that the proposed SCO auction process is a permanent change in how Columbia provides service to current SSO customers?

RESPONSE:

23. If the response to OCC Interrogatory No. 22 is affirmative please explain the basis for Columbia believing that the SCO auction process is a permanent change in how Columbia provides service to current SSO customers?

RESPONSE:

24. Referring to Section 38 of the Revised Program Outline (Off-system Sales and Capacity Release), how much off-system sales and capacity release revenues has Columbia retained for the program year April 1, 2010 through March 31, 2011?

RESPONSE:

25. During the Program Year April 1, 2010 through March 31, 2011, what form of security did Columbia require from successful SSO bidders?

RESPONSE:

26. If the Company required a cash deposit for security from the successful SSO bidders for the Program Year April 1, 2010 through March 31, 2011, how much cash security did Columbia collect?

RESPONSE:

27. Referring to the response to OCC Interrogatory No. 25 how much interest did Columbia earn on the cash security collected from successful SSO bidders during the Program Year April 1, 2010 through March 31, 2011?

RESPONSE:

28. For the Program Year April 1, 2011 through March 31, 2012, what form of security did Columbia require from successful SSO bidders?

RESPONSE:

29. If the Company required a cash deposit for security from the successful SSO bidders for the Program Year April 1, 2011 through March 31, 2012, how much cash security did Columbia collect?

RESPONSE:

30. Referring to the response to OCC Interrogatory No. 28 how much interest does Columbia estimate that it will earn on the cash security collected from successful SSO bidders during the Program Year April 1, 2011 through March 31, 2012?

RESPONSE:

31. Referring to the response to OCC Interrogatory No. 27, how did Columbia account for the interest earned?

RESPONSE:

32. Referring to the response to OCC Interrogatory No. 30, how did Columbia account for the interest earned?

RESPONSE:

33. Referring to the response to OCC Interrogatory No. 30, please explain the rationale behind how the company accounted for the interest.

RESPONSE:

34. Referring to the response to OCC Interrogatory No. 31, please explain the rationale behind how the company accounted for the interest.

RESPONSE:

35. In the event Columbia goes forward with its proposal to implement an SCO auction for program year April 1, 2012 through March 31, 2013, what form of security does Columbia propose to require from successful SSO bidders?

RESPONSE:

36. If the Company requires a cash deposit for security from the successful SCO bidders for the Program Year April 1, 2012 through March 31, 2013, how much cash security does Columbia estimate it will collect?

RESPONSE:

37. How much interest does Columbia estimate that it will earn on the cash security collected from successful SCO bidders during the Program Year April 1, 2012 through March 31, 2013?

RESPONSE:

38. Referring to the response to OCC Interrogatory No. 37, how does the Company plan to account for those revenues?

RESPONSE:

39. Referring to the response to OCC Interrogatory No. 38, please explain the rationale behind how the Company plans to account for the interest.

RESPONSE:

40. Referring to Section 5 of the Revised Program Outline (Standard Choice Offer) the Revised Program Outline (at 9) states:

SCO customers' gas cost portion of the bill will be subject to sales tax, and DSS customers' gas cost portion of the bill will be subject to the Public Utility Gross Receipts Tax. The balance of both SCO and DSS customers' bills will be subject to the Gross Receipts Tax.

Has Columbia estimated the differential between sales tax and gross receipts tax that Columbia's SCO customers will be charged (individually or in the aggregate) on the gas cost portion of their bills during Program Year, April 1, 2012 through March 31, 2013?

RESPONSE:

41. If the Company's response to OCC Interrogatory No. 40 is affirmative, how much additional tax has Columbia estimated that its SCO customers (individually or in the aggregate) will be charged during the Program Year, April 1, 2012 through March 31, 2013?

RESPONSE:

42. If the Company's response to OCC Interrogatory No. 40 is negative, please explain why Columbia has not estimated the additional tax liability that current SSO customers will face?

RESPONSE:

43. In aggregate, how much saving/losses has Columbia's Choice customers experienced compared to billings under Columbia's GCR/SSO over the past 5 years (January 1, 2006 through December 31, 2010)?

RESPONSE:

44. What methodology does Columbia use to determine the Choice customers' savings/loss amounts?

RESPONSE:

45. What assumptions does Columbia make when determining the Choice customers' savings/loss amounts?

RESPONSE:

46. Has the Company been following the Columbia Gulf Rate Case at the Federal Energy Regulatory Commission ("FERC"), Docket No. RP11-1435.

RESPONSE:

47. If the Company's response to OCC Interrogatory No. 44 is affirmative, please describe the extent of the Company's participation in that FERC case.

RESPONSE:

48. Referring to the testimony of Columbia Gulf witness John McNamare, filed on October 28, 2010 in that case, Mr. McNamare discusses the risk Columbia Gulf faces with regards to lost capacity (See pages 25-26). In light of Mr. McNamara's testimony, what is the Company's future capacity contracting plans for Columbia Gulf capacity?

RESPONSE:

49. Has the Company formalized its position(s) in FERC Docket No. RP11-1435?

RESPONSE:

50. If the Company's response to OCC Interrogatory No. 49 is affirmative, what are the formal position(s) taken in FERC Docket No. RP11-1435?

RESPONSE:

51. Has the Company had discussions with any of the qualified bidder(s) in the recent SSO auction in which any of the qualified bidder(s) have indicated that they were not interested in participating in an SCO auction?

RESPONSE:

52. If the response to OCC Interrogatory No. 51 is affirmative, please identify the qualified SSO bidder(s) that have informed the Company that they are not interested in participating in an SCO auction?

RESPONSE:

53. If the response to OCC Interrogatory No. 51 is affirmative, please indicate the reason(s) that the qualified bidders gave for their position that they are not interested in participating in an SCO auction.

RESPONSE:

54. To the extent that the Company prefers an SCO auction over an SSO auction, please explain the reason for the Company's preference.

RESPONSE:

REQUESTS FOR PRODUCTION OF DOCUMENTS

1. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory No. 1, pertaining to off-system sales and capacity release revenues.
2. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory No. 2, pertaining to off-system sales and capacity release revenues.
3. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory No. 3, pertaining to off-system sales and capacity release revenues.
4. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory No. 4 regarding additional expenses associated with conducting an SCO auction.
5. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory No. 5 regarding any studies performed to identify additional expenses associated with conducting an SCO auction.

6. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory Nos. 7 and 8 regarding additional IT expenses associated with conducting an SCO auction.
7. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory Nos. 15 and 16 regarding any studies regarding expense reductions associated with conducting an SCO auction.
8. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory No. 24 regarding off-system sales and capacity release revenues retained.
9. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory Nos. 25-39 regarding the interest earned on cash security posted by the successful SSO/SCO winning bidders associated with conducting an SSO or SCO auction.
10. Please provide any workpapers, studies or analysis associated with the response to OCC Interrogatory Nos. 40-42 the sales tax/gross receipts tax differential associated with conducting an SCO auction.
11. Please provide workpapers, studies or analysis associated with Columbia's response to OCC Interrogatory Nos. 43-45 pertaining to how much more/less

money Columbia's Choice customer have paid compared to the Companies GCR/SSO rate, by month for the period January 1, 2006 through December 31, 2010.

12. Please provide a copy of any formal or informal discovery responses provided to the PUCO staff.
13. Please provide a copy of any formal or informal discovery responses provided to any other signatory party to the October 7, 2009 Stipulation in Case No. 08-1344-GA-EXM.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the *Office of the Ohio Consumers' Counsel's First Set of Interrogatories and Request for Production of Documents* regarding SCO Auction has been served upon the following parties by first class mail this 28th day of April, 2011.


Larry S. Sauter
Assistant Consumers' Counsel

SERVICE LIST

Stephen B. Seiple
Daniel A. Creekmur
Columbia Gas of Ohio, Inc.
200 Civic Center Drive
P.O. Box 117
Columbus, Ohio 43216-0117

William Wright
Attorney General's Office
Public Utilities Section
180 East Broad Street, 9th Floor
Columbus, Ohio 43215

David Boehm
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Larry Gearhardt
Ohio Farm Bureau Federation
280 North High Street
P.O. Box 182383
Columbus, Ohio 43218-2383

Samuel C. Randazzo
McNees, Wallace & Nurick, LLC
21 East State Street, 17th Floor
Columbus, Ohio 43215

John Dosker
Stand Energy Corp.
1077 Celestial Street, Suite 110
Cincinnati, Ohio 45202-1629

Glen Krassen
Bricker & Eckler, LLP
1375 East Ninth Street, Suite 1500
Cleveland, Ohio 44114-1718

Colleen Mooney
David Rinebolt
Ohio Partners for Affordable Energy
231 West Lima Street, P.O. Box 1793
Findlay, Ohio 45839-1793

David M. Perlman
Bracewell & Giuliani LLP
2000 K Street NW
Suite 500
Washington, D.C. 20006-1872

Brian Ballenger
Ballenger & Moore
3401 Woodville Road, Suite C
Toledo, Ohio 43619

James E. Moan
City of Sylvania
4930 Holland-Sylvania Road
Sylvania, Ohio 43560

Barth Royer
Bell & Royer CO, LPA
33 South Grant Avenue
Columbus, Ohio 43215-3927

Howard Petricoff
Vorys, Sater, Seymour & Pease LLP
52 East Gay Street, P.O. Box 1008
Columbus, Ohio 43216-1008

Craig Goodman
National Energy Marketers Association
3333 K. Street, NW
Suite 110
Washington, D.C. 20007

Lance Keiffer
Assistant Prosecuting Attorney
700 Adams Street
Suite 250
Toledo, Ohio 43604

Stephen M. Howard
Vorys, Sater, Seymour & Pease LLP
52 East Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008

Sheila McAdams
Marsh & McAdams
City of Maumee
204 West Wayne Street
Maumee, Ohio 43537

Paul Goldberg
City of Oregon
5330 Seaman Road
Oregon, Ohio 43616

Leslie Kovacik
Department of Public Utilities
420 Madison Avenue, Suite 100
Toledo, Ohio 43604

Thomas J. O'Brien
Bricker & Eckler, LLP
100 South Third Street
Columbus, Ohio 43215

Jonathan Airey
Vorys, Sater, Seymour & Pease, LLP
52 East Gay Street, P.O. Box 1008
Columbus, Ohio 43216-1008

Michael Dortch
Kravitz, Brown & Dortch, LLC
65 East State Street
Suite 200
Columbus, Ohio 43215

David Boehm
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, Ohio 45202-4454

Paul Skaff
Leatherman, Wintzler, Dombey & Hart
City of Holland
353 Elm Street
Perrysburg, Ohio 43551