

**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) Case No. 08-1344-GA-EXM
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)

**DIRECT TESTIMONY
of
GREGORY SLONE**

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**On Behalf of
The Office of the Ohio Consumers' Counsel
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July 8, 2011

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CERTIFICATE OF SERVICE

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1 **I. INTRODUCTION**

2

3 ***Q1. PLEASE STATE YOUR NAME, ADDRESS AND POSITION.***

4 ***A1.*** My name is Gregory Slone. My business address is 10 West Broad Street, Suite
5 1800, Columbus, Ohio 43215-3485. I am employed by the Office of the Ohio
6 Consumers' Counsel ("OCC" or "Consumers' Counsel") as a Senior Energy
7 Analyst.

8

9 ***Q2. WOULD YOU PLEASE BRIEFLY SUMMARIZE YOUR EDUCATIONAL***
10 ***AND PROFESSIONAL EXPERIENCE?***

11 ***A2.*** I joined the OCC in May 2010 as a Senior Energy Analyst. Prior to joining the
12 OCC, I served as vice president of generation services for American Municipal
13 Power, Inc. ("AMP"), where I was responsible for the daily operations of the
14 company's electric generating plants, which included negotiating all the
15 commodity contracts for purchasing and selling coal, natural gas and emission
16 allowances. I also developed and directed AMP's natural gas and electric
17 aggregation consulting business. As General Manager of the aggregation
18 business, I negotiated consulting services contracts with more than forty
19 municipalities throughout Ohio. These services included negotiating price, terms
20 and conditions for gas and electric supply with the retail gas and electric service
21 providers ("Marketers").

22

1 Prior to AMP, I worked for many years for Columbia Gas of Ohio, Inc.
2 ("Columbia" or "the Company"), serving in a number of sales and marketing
3 positions, including director of sales for the Company. During my employment at
4 Columbia, I was responsible for interfacing with customers and retail natural gas
5 marketers on issues related to gas costs, gas supply, rates (including sales and
6 transportation). In addition, I negotiated special contracts with major industrial
7 accounts due to competitive market issues.

8
9 I received my bachelor's degree in civil engineering from The Ohio State
10 University in 1977, and was awarded the status of a certified chartered industrial
11 gas consultant from the Gas Technology Institute in Chicago, Illinois in 1984.

12
13 ***Q3. WHAT ARE YOUR RESPONSIBILITIES AS A SENIOR ENERGY ANALYST***
14 ***FOR THE OCC?***

15 ***A3.*** My duties include research, investigation and analysis of utility filings at the state
16 and federal levels, participation in special projects and assistance in policy
17 development and implementation. Specifically, I provide policy and technical
18 analysis on both natural gas and electric utility filings with the Public Utilities
19 Commission of Ohio ("PUCO" or "the Commission"), including Gas Cost
20 Recovery Audits, Long Term Forecast Reports, Infrastructure Replacement
21 Programs and Rate Cases.

1 ***Q4. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THIS***
2 ***COMMISSION?***

3 ***A4.*** Yes, I testified in the *Northeast Ohio Natural Gas Corporation*, Case No. 10-209-
4 GA-GCR and the *Orwell Natural Gas Company*, Case No. 10-212-GA-GCR.

5
6 ***Q5. WHAT DOCUMENTS HAVE YOU REVIEWED IN THE PREPARATION OF***
7 ***YOUR TESTIMONY?***

8 ***A5.*** I have reviewed and compared Columbia Gas of Ohio's historical natural gas
9 rates and weekly natural gas Marketer Choice rates for the period of April 1, 2010
10 through June 17, 2011. I also reviewed Columbia's Application and Exhibits and
11 responses to discovery in this case. In addition, I reviewed information on the
12 U.S. Energy Information Administration website concerning retail unbundling.
13 Finally, I have reviewed customer Choice data and Marketer pricing options since
14 the start of the Standard Service Offer period.

15
16 **II. PURPOSE OF TESTIMONY**
17

18 ***Q6. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS***
19 ***PROCEEDING?***

20 ***A6.*** The purpose of my testimony is to demonstrate that Columbia's Standard Service
21 Offer ("SSO") wholesale auction rate has been a benefit to residential customers
22 because it has consistently been one of the lowest rates available to residential
23 Choice customers in Columbia's service territory since the start of the wholesale

1 SSO auction on April 1, 2010. The SSO wholesale auction rate should be
2 retained as an option for residential customer Choice participants, instead of the
3 proposed alternative Standard Choice Offer ("SCO") retail auction rate.
4

5 **III. AN SCO AUCTION PRODUCES NO OBJECTIVE, TANGIBLE AND/OR**
6 **QUANTIFIABLE BENEFITS FOR CUSTOMERS.**
7

8 ***Q7. WHAT IS THE DIFFERENCE BETWEEN THE SSO WHOLESALE***
9 ***AUCTION RATE AND THE SCO RETAIL AUCTION RATE?***

10 ***A7.*** In the SSO wholesale auction, Marketers bid for a generic slice, or tranche, of the
11 eligible Columbia Choice market. The customers in that tranche are considered
12 wholesale customers -- served by Columbia -- and thus pay the state gross
13 receipts tax of 4.75%. On the other hand, in an SCO retail auction actual
14 customers are assigned to the tranche that a Marketer bids for -- and the assigned
15 customers become retail customers of that Marketer. Moreover, in an SCO retail
16 auction, the customers have to pay the state and local sales tax rate, which varies
17 by county, from 6.0% to 7.75%.¹ Finally, in an SCO retail auction, the
18 Marketer's name appears on the customers' bill.

¹ Ohio Department of Taxation – Total State and Local Sales Tax rates, By County, Effective October 2010.

1 **Q8. ARE YOU CONCERNED THAT NOT HAVING AN SSO OFFER FROM**
2 **COLUMBIA WILL INCREASE COSTS TO RESIDENTIAL CONSUMERS?**

3 **A8.** Yes. The SSO rate provides a tangible benefit for residential customers in the
4 form of a lower cost alternative to the Choice program. This benefit is especially
5 important for residential customers who have made the decision not to participate
6 in the Choice program for reasons such as they do not like the Choice program or
7 because they do not understand it. Since September 2010, the wholesale SSO rate
8 has typically been the lowest rate available -- fixed or variable -- in any given
9 month. Not having the SSO option would force residential customers, at the very
10 least, to pay higher taxes under the SCO as well as potentially higher gas rates
11 under the Choice program. In addition, based on the historical pricing data I
12 reviewed, it appears that the lowest variable rate offers from gas Marketers have
13 been structured to compete with Columbia's SSO rate, as these offers typically
14 trended with the monthly up and down movements of the SSO rate. Without the
15 SSO rate option, I am concerned that residential customers will be forced to take
16 the higher SCO retail rate or the variable price Choice offers that will increase the
17 price Columbia's customers pay for natural gas.

1 ***Q9. SHOULD THE WHOLESALE AUCTION AND THE CORRESPONDING***
2 ***SSO RATE BE RETAINED?***

3 ***A9.*** Yes, it is evident that a majority of Columbia's residential Choice eligible
4 customers want the option of the regulated wholesale Company SSO rate.

5
6 ***Q10. WHAT EVIDENCE HAVE YOU OBSERVED THAT SUPPORTS THIS***
7 ***POSITION?***

8 ***A10.*** Currently over 59 percent of Columbia's eligible Choice customers² are served by
9 the SSO rate. These customers made a decision to stay with the regulated
10 Columbia offer, rather than sign up with a gas Marketer. Through their non-
11 participation in the Choice program, the majority of Columbia's customers have
12 indicated that they do not like the Choice program or do not understand it. In
13 either case, the SSO rate provides a low-cost regulated alternative. Over the past
14 ten years, the number of customers that have opted to stay with the utility instead
15 of signing with a Marketer has remained relatively stable. In fact, since 2003, the
16 Choice participation rate has actually declined from 45% to 40% as shown on
17 Attachment GS-3.³ This would seem to indicate some preference for the
18 regulated Company SSO rate.

² Columbia Gas of Ohio Standard Service Offer (SSO) Program Data for reporting month of May, 2011.

³ Data developed from monthly customer information provided by Columbia to the OCC.

1 **IV. COMPARISON OF NATURAL GAS MARKETER RATES**
2 **DEMONSTRATES THE VALUE OF RETAINING COLUMBIA'S SSO**
3 **RATE.**

4
5 ***Q11. WHAT TIMEFRAME DID YOU USE TO COMPARE THE SSO PRICE TO***
6 ***OTHER MARKETER OFFERS?***

7 ***A11.*** I compared the weekly natural gas Choice offers that Marketers provide to OCC,
8 starting with the first monthly published SSO price in April, 2010 through the
9 most recent weekly listing of June 17, 2011, to the comparable alternative
10 Columbia SSO rate.

11
12 ***Q12. DID YOU COMPARE ALL MARKETER OFFERS TO COLUMBIA'S SSO***
13 ***RATE?***

14 ***A12.*** I compared all the data from gas Marketers who submitted weekly natural gas
15 offers to the OCC, since the inception of the SSO rate. I also cross-checked the
16 Marketer Choice rates that are reported to the OCC with the monthly Choice
17 offers published by the PUCO in the Apples-to-Apples chart and found the offers
18 to be consistent.

19
20 ***Q13. WHAT WERE YOUR OBSERVATIONS OF THE COMPARISON***
21 ***BETWEEN MARKETER OFFERS AND COLUMBIA'S SSO RATE?***

22 ***A13.*** Columbia's SSO rate, with a few limited exceptions, has consistently been the
23 lowest publicly offered prices for natural gas to residential consumers since the

1 inception of the rate in April, 2010 as shown on Attachment GS-1.⁴ The SSO rate
2 has not only been one of the lowest offers, but it appears to have been the
3 benchmark price for many Choice Marketer offers.

4
5 ***Q14. WHAT DO YOU MEAN THE SSO RATE HAS BEEN A BENCHMARK***
6 ***PRICE FOR CHOICE OFFERS?***

7 ***A14.*** What I mean is that the Marketers have provided offers designed to compete with
8 the SSO rate or they have provided offers that appeared to keep their rates within
9 tolerable limits of the SSO rate. The loss of the SSO rate will eliminate a
10 significant factor that has kept Choice offers competitive. My concern about the
11 loss of the SSO rate option increases when trying to imagine Marketer offers in a
12 market void of a regulated Company wholesale rate. The loss of a regulated
13 utility rate in Georgia resulted in higher gas rates for residential customers as I
14 discuss later in my testimony. In addition, based on my experience, certified
15 governmental aggregation groups have routinely used the published SSO rate to
16 monitor the effectiveness of their aggregation programs.

17
18 ***Q15. HAVE THE MARKETERS' RATE OFFERS HISTORICALLY BEEN BASED***
19 ***ON THE SSO RATE?***

20 ***A15.*** Yes, at least some of the Choice offers were designed to compete with the
21 Columbia SSO wholesale rate. Initially there were a few Marketers offering rates
22 tied to a percentage off the SSO rate. At the beginning of the SSO period, Direct

⁴ Data developed from weekly price offers provided by Choice Marketers to the OCC and from PUCO historical Apples to Apples. See Attachment No. GS-1.

1 Energy and MXenergy both had offers of 10% off the SSO rate. However,
2 neither Direct Energy nor MXenergy have offered a rate based on a percentage
3 off the SSO rate since September 10, 2010.
4

5 ***Q16. DID THESE PERCENT OFF THE SSO RATE OFFERS SAVE***
6 ***RESIDENTIAL CUSTOMERS MONEY COMPARED TO THE SSO RATE?***

7 ***A16.*** Yes, residential customers did save some money with the offers. However,
8 MXenergy discontinued their percent off the SSO rate in early September 2010,
9 while Direct Energy reduced their offer to 3% off the SSO rate in June 2010 and
10 then discontinued the 3% off the SSO offer in August 2010. So even though the
11 offers appeared attractive at the beginning of the SSO period, they were only
12 available during the summer period when residential customers' gas usage was
13 minimal. It appears the timing of the percent off offers was structured as more of
14 a marketing tool than a program to offer any substantial savings for residential
15 customers. Once the winter heating period started and customer usage was at its
16 highest, the percent off the SSO rate offers were no longer available.
17

18 ***Q17. HAVE THE MONTHLY VARIABLE RATES OFFERED SINCE***
19 ***SEPTEMBER 2010 BEEN COMPETITIVE WITH THE SSO RATE?***

20 ***A17.*** Yes, at times a few of the Marketer monthly variable rate offers have been
21 competitive with the SSO rate. For example, in February 2011, The Energy
22 Cooperative, Ohio Natural Gas and Gateway Energy Services all offered variable
23 rates which were slightly lower than the SSO rate for that month. However, even

1 though the variable rates offered by these Marketers in February 2011 were
2 slightly lower than the SSO rate, when the higher SCO sales tax rate is included,
3 the rates would be virtually identical as shown in attachment GS-6. In addition,
4 as Attachment GS-12 illustrates, the vast majority of variable rate offers were
5 typically well above the SSO rate.

6
7 ***Q18. ARE THERE ANY CURRENT VARIABLE RATE OFFERS THAT ARE***
8 ***COMPETITIVE WITH THE SSO RATE?***

9 ***A18.*** No. In addition to the rate offers in February 2011 discussed above, Ohio Natural
10 Gas began offering a monthly variable rate in November 2010 that was slightly
11 lower than the SSO rate. However, taking into consideration the difference in the
12 tax rates, the SSO rate was still cheaper for the majority of Columbia's customers.
13 However, Ohio Natural Gas increased their rate offer in early April 2011 and its
14 rate is now higher than the SSO rate.

15
16 ***Q19. HAVE THE CHOICE OFFERS BEEN EFFECTIVE IN INCREASING THE***
17 ***NUMBER OF CUSTOMERS SIGNING WITH NATURAL GAS***
18 ***MARKETERS?***

19 ***A19.*** No. From the graph shown on Attachment GS-2,⁵ there was a noticeable increase
20 in residential customer Choice participation from June 2010 to July 2010. This
21 increase may have been due in a very small part to the percentage off the SSO rate
22 offers that existed at the time. However, the main reason for the increase was due

⁵ Data compiled from Columbia Gas of Ohio's monthly report "Standard Service Offer (SSO) Program Data"

1 to a large aggregation group (with more than of 50,000 residential customers)
2 starting service with a Marketer in July 2010. Since the increase in customers in
3 July 2010, the residential Choice participation rate has been almost flat for the
4 past year.

5
6 ***Q20. HAS THE IMPLEMENTATION OF THE SSO AUCTION REDUCED COSTS***
7 ***FOR RESIDENTIAL CUSTOMERS SERVED BY COLUMBIA?***

8 ***A20.*** Results to date have shown that residential customers benefited from the low rates
9 produced by the SSO wholesale auction. A comparison of natural gas costs in
10 Ohio with natural gas costs for the United States is shown on Attachment GS-4
11 and Attachment GS-5.⁶ As Attachment GS-4 illustrates, from 1984 through 2004,
12 natural gas prices for residential customers in Ohio were equivalent to, or lower
13 than, the national average. In 2005, gas prices in Ohio exceeded the national
14 average, due in part to a large percentage of Choice customers signing fixed
15 contracts (typically for a one year term) during periods of spiking natural gas
16 commodity prices. As commodity prices moderated in 2009 and 2010, fixed price
17 contracts were no longer negatively impacting the average price of natural gas in
18 Ohio and for the first time in five years, Ohio's average natural gas price dropped
19 below the national average. The SSO wholesale auction implemented by
20 Columbia (the largest natural gas utility in Ohio) in April 2010 also positively
21 impacted the 2010 results.

⁶ Graph developed from Energy Information Administration data

1 ***Q21. ARE YOU OPPOSED TO THE CUSTOMER CHOICE PROGRAM?***

2 ***A21.*** No. I support residential customers having more options, and I support the
3 options available in the Choice program for customers. However, the Choice
4 program is not for all Columbia customers as evidenced by the large percentage
5 of customers who have retained the Company SSO wholesale rate option. Some
6 customers do not like the Choice program and other do not understand it.
7 Therefore, I oppose replacing the SSO wholesale auction rate with an SCO retail
8 auction rate because this would eliminate a low cost option that residential
9 customers have elected to participate in, and benefited from. Eliminating the SSO
10 rate is counter to the concept of customer Choice. Not only would eliminating the
11 SSO rate be eliminating the most popular option for customers, but it would also
12 be eliminating what has generally been the least costly option for Columbia's
13 residential customers.

14
15 ***Q22. DOES AN SCO RATE PROVIDE THE SAME BENCHMARK FOR***
16 ***MARKETERS AS THE SSO RATE?***

17 ***A22.*** It provides a benchmark, but the SCO rate forces customers to pay the higher
18 sales tax rate and thus will increase costs to customers. In addition, as discussed
19 in testimony submitted in this proceeding by Bruce Hayes, the SCO will result in
20 customer confusion without providing additional benefit to residential customers.
21 Marketers have long claimed that the SCO would provide significant benefits for
22 customers, but to date they have provided no objective, tangible and/or
23 quantifiable evidence to support such alleged benefits. In discovery in this case,

1 Dominion Retail admitted that it has done no studies that might quantify the
2 alleged benefits of an SCO retail auction.⁷ Similarly the Ohio Gas Marketer
3 Group has not provided such support.⁸
4

5 ***Q23. IS THE CURRENT CHOICE PROGRAM EXPERIENCING INCREASED***
6 ***COMPETITION AMONG MARKETERS TO ACQUIRE ADDITIONAL***
7 ***RESIDENTIAL CHOICE CUSTOMERS?***

8 ***A23.*** No, not only are additional customers not signing up for the Choice program, as I
9 previously discussed, but an extremely high percentage of the residential
10 customers that are currently enrolled with a Choice Marketer are served by a very
11 limited number of suppliers. As shown in Attachment GS-7, the three largest
12 Marketers⁹ serve approximately 75% of all residential Choice customers, and the
13 top five serve approximately 87%. More disturbing is the fact that there has been
14 little or no market penetration by the other 18 Choice Marketers (see Attachment
15 GS-8) on Columbia's system since the start of the SSO period. The concentration
16 of so much of the market with such a small number of suppliers can also
17 negatively impact any resulting price offers.

⁷ See Attachment GS-10 - Dominion Retail response to OCC Interrogatory 22

⁸ See Attachment GS-11 - Ohio Gas Marketer Group response to OCC Interrogatory 22

⁹ Interstate Gas Supply Inc. ("IGS") is one of the three largest Marketers in the Columbia Choice program, however these numbers do not include customers served by IGS under the Columbia Retail Energy name. If these additional customers were included, the percentages would be greater.

1 ***Q24. IF COLUMBIA GAS OF OHIO EXITED THE MERCHANT FUNCTION,***
2 ***WOULD THIS RESULT IN MORE MARKETERS ENTERING THE***
3 ***MARKET AND COMPETE FOR RESIDENTIAL CUSTOMERS?***

4 ***A24.*** No, not based on the outcome experienced in a similar situation by Atlanta Gas
5 Light (AGL) residential customers. AGL completely exited the merchant
6 function in 1999 and all residential customers were required to take their service
7 from Marketers instead of the utility. All 1.5 million residential customers in
8 AGL's service territory purchase their natural gas supplies from Gas Marketers.¹⁰

9
10 ***Q25. WHAT HAPPENED TO GAS PRICES AND MARKETER PARTICIPATION***
11 ***WHEN ATLANTA GAS LIGHT EXITED THE MERCHANT FUNCTION?***

12 ***A25.*** AGL is the largest natural gas distribution company in Georgia and serves
13 approximately 80% of all residential customers in the state.¹¹ As shown on
14 Attachment GS-9,¹² the annual price of natural gas for residential customers in
15 Georgia has exceeded the national average price for each of the past 10 years. For
16 the last six years, the Georgia price has been more than \$4.00 per Mcf higher than
17 the national average, which equates to an additional \$320 per year for each
18 Columbia residential gas customer in Ohio, based on the average usage of 80.4
19 Mcf per year.¹³

¹⁰ U.S. Energy Information Administration: Retail Unbundling – U.S. summary

¹¹ U.S. Energy Information Administration: Retail Unbundling - Georgia

¹² Graph developed from data provided by the U.S. Energy information Administration – Natural Gas Pricing History by Year

¹³ PUCO Apples to Apples Natural Gas Rate Comparison Chart – Self-Calculation Worksheet for Columbia Gas of Ohio

1 ***Q26. WHAT HAS HAPPENED TO MARKETER PARTICIPATION IN GEORGIA***
2 ***SINCE AGL EXITED THE MERCHANT FUNCTION?***

3 ***A26.*** At the same time that natural gas prices for residential customers in Georgia were
4 exceeding the national rate, by 2009 the number of approved gas Marketers in the
5 state dropped from a high of 19 to 11.¹⁴ In addition, by as early as 2002 four
6 Marketers served 93% of the residential customer base,¹⁵ which is not unlike the
7 current marketer penetration rate for Columbia, as I previously discussed.

8

9 ***V. CONCLUSION***

10

11 ***Q27. WHAT IS YOUR RECOMMENDATION?***

12 ***A27.*** I recommend the Commission reject this application to move from an SSO
13 wholesale auction rate to an SCO retail auction rate.

14

15 ***Q28. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?***

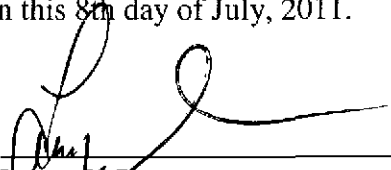
16 ***A28.*** Yes, however, I reserve the right to incorporate new information that may
17 subsequently become available.

¹⁴ U.S. Energy Information Administration: - Retail Unbundling - Georgia

¹⁵ Blue Ribbon Natural Gas Task Force – Final Report to State of Georgia

CERTIFICATE OF SERVICE

I hereby certified that a true copy of the foregoing Prepared Testimony of Gregory Slone, on behalf of the Office of the Ohio Consumers' Counsel, was served by electronic mail to the persons listed below, on this 8th day of July, 2011.



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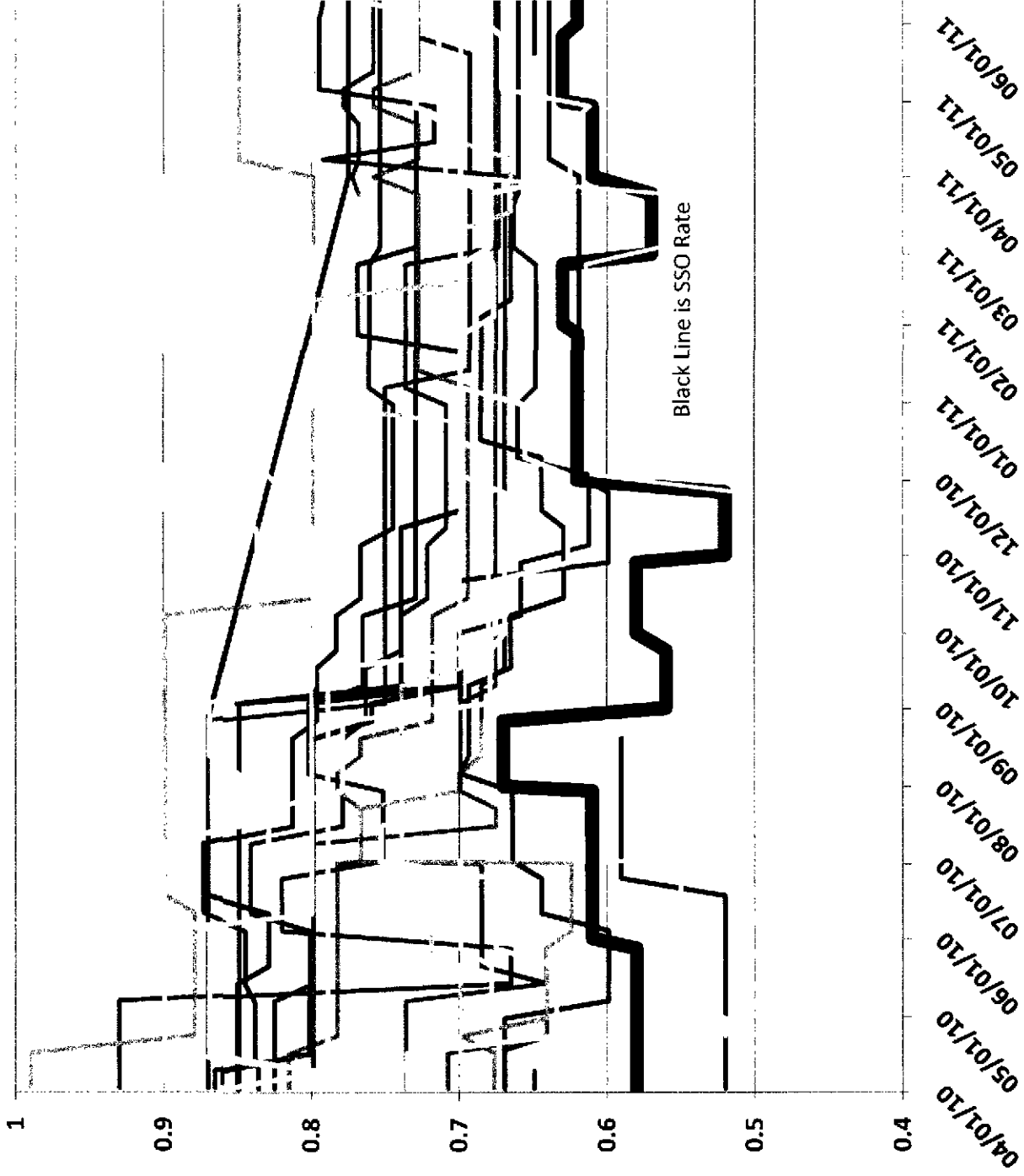
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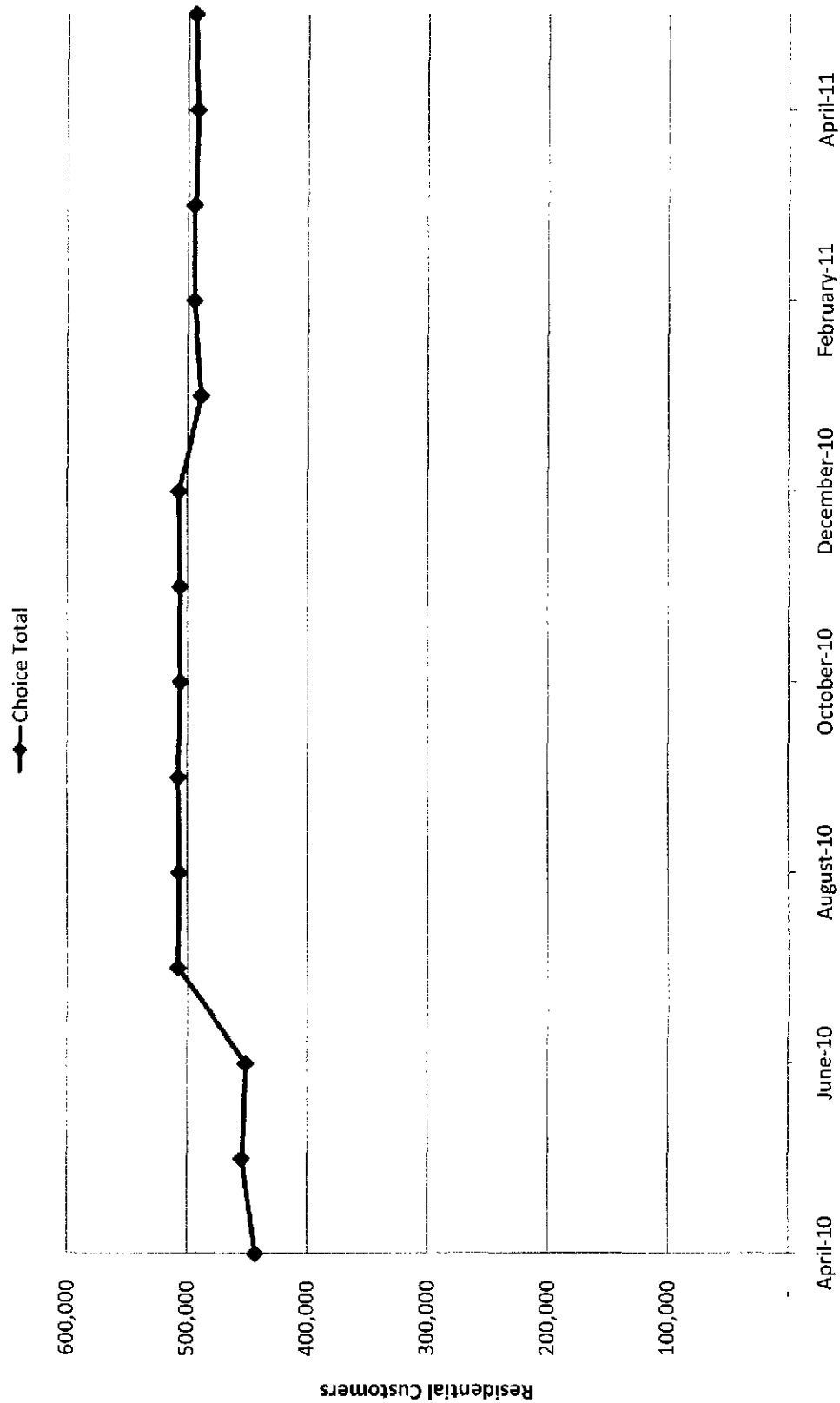
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SSO AND GAS MARKETER RATE COMPARISON



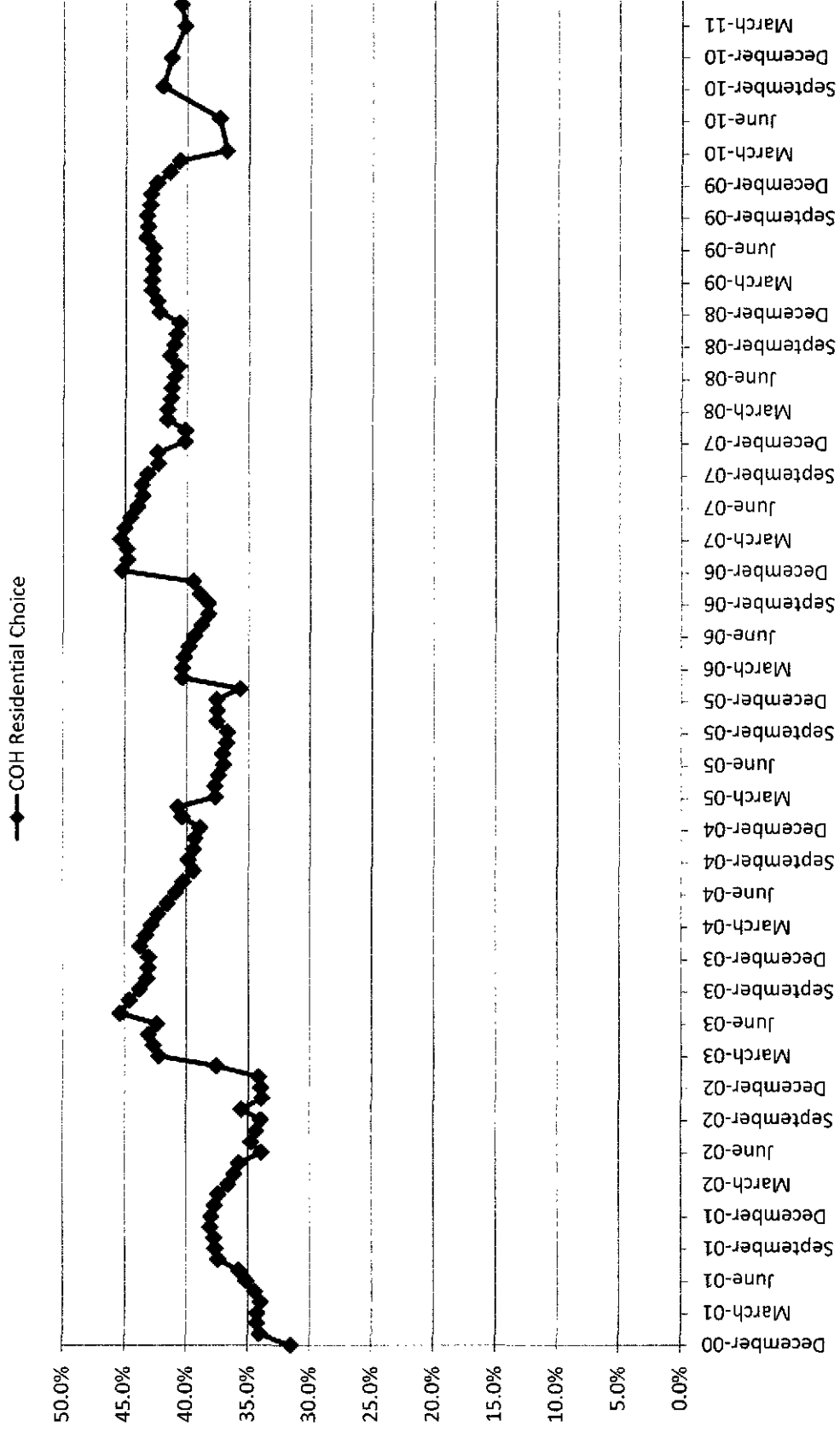
Source: Weekly price offers provided by Choice Marketers to the OCC and from PUCO historical Apples to Apples

COH RESIDENTIAL CHOICE CUSTOMER TOTALS



Source: Columbia's monthly report "Standard Service Offer (SSO) Program Data"

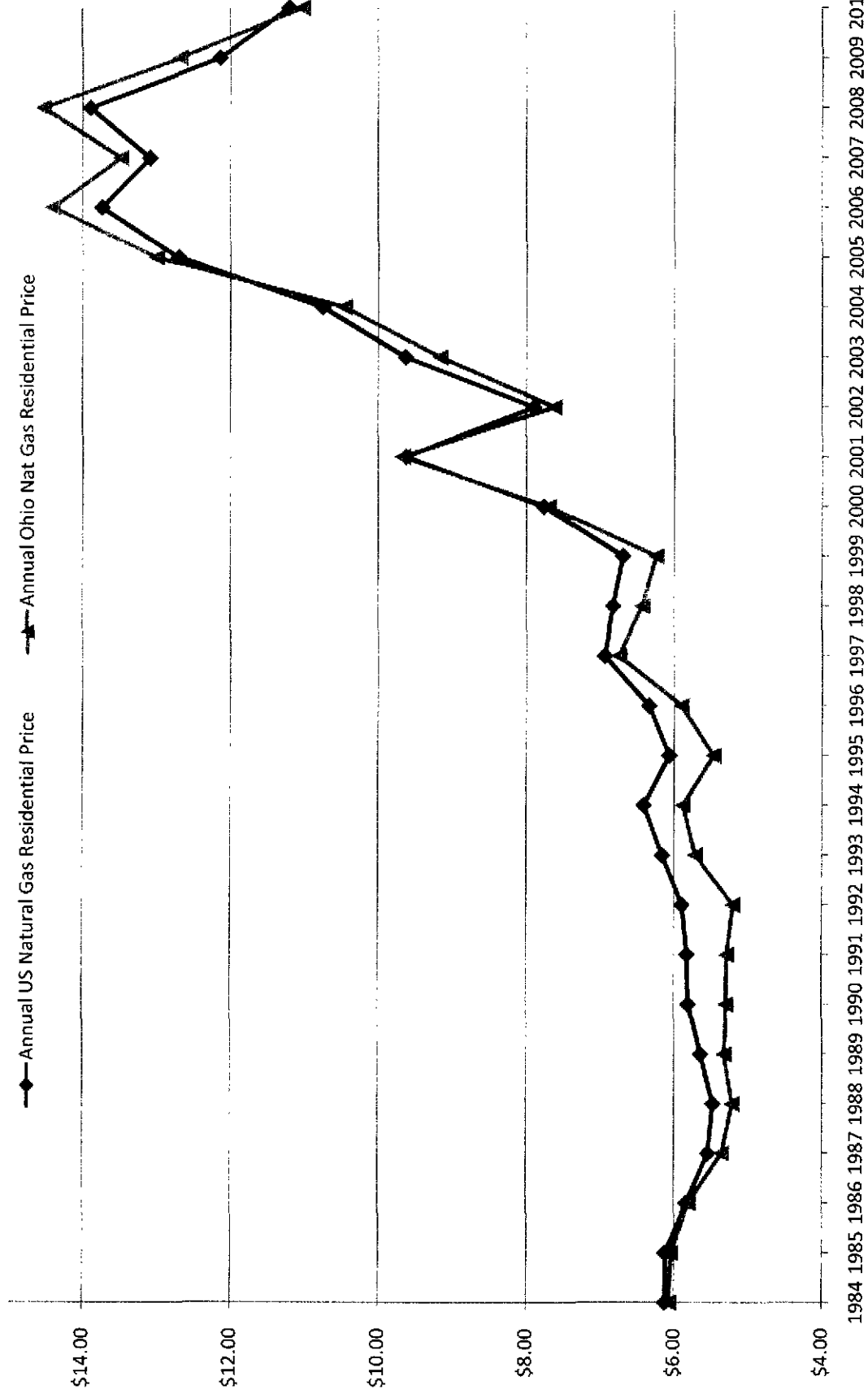
Active Percentage of Eligible Residential Choice Customers - COH



Source: Columbia Gas of Ohio monthly
Standard Service Offer (SSO) Program Data

U.S. Residential Gas Price vs Ohio Residential Gas Price

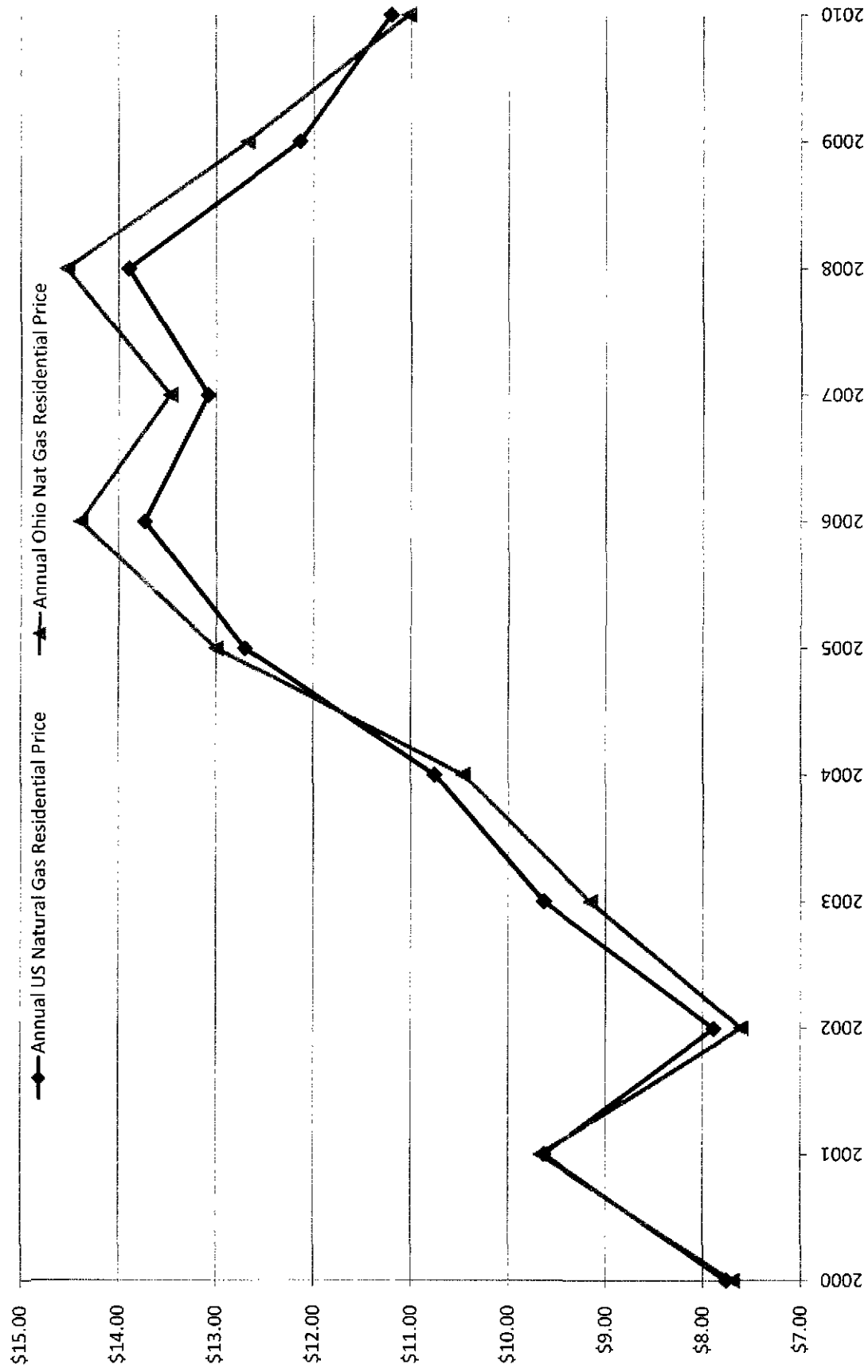
Attachment GS-4



Source: U.S. EIA Natural Gas Prices – Annual Residential Prices

U.S. Residential Gas Price vs Ohio Residential Gas Price

Attachment GS-5

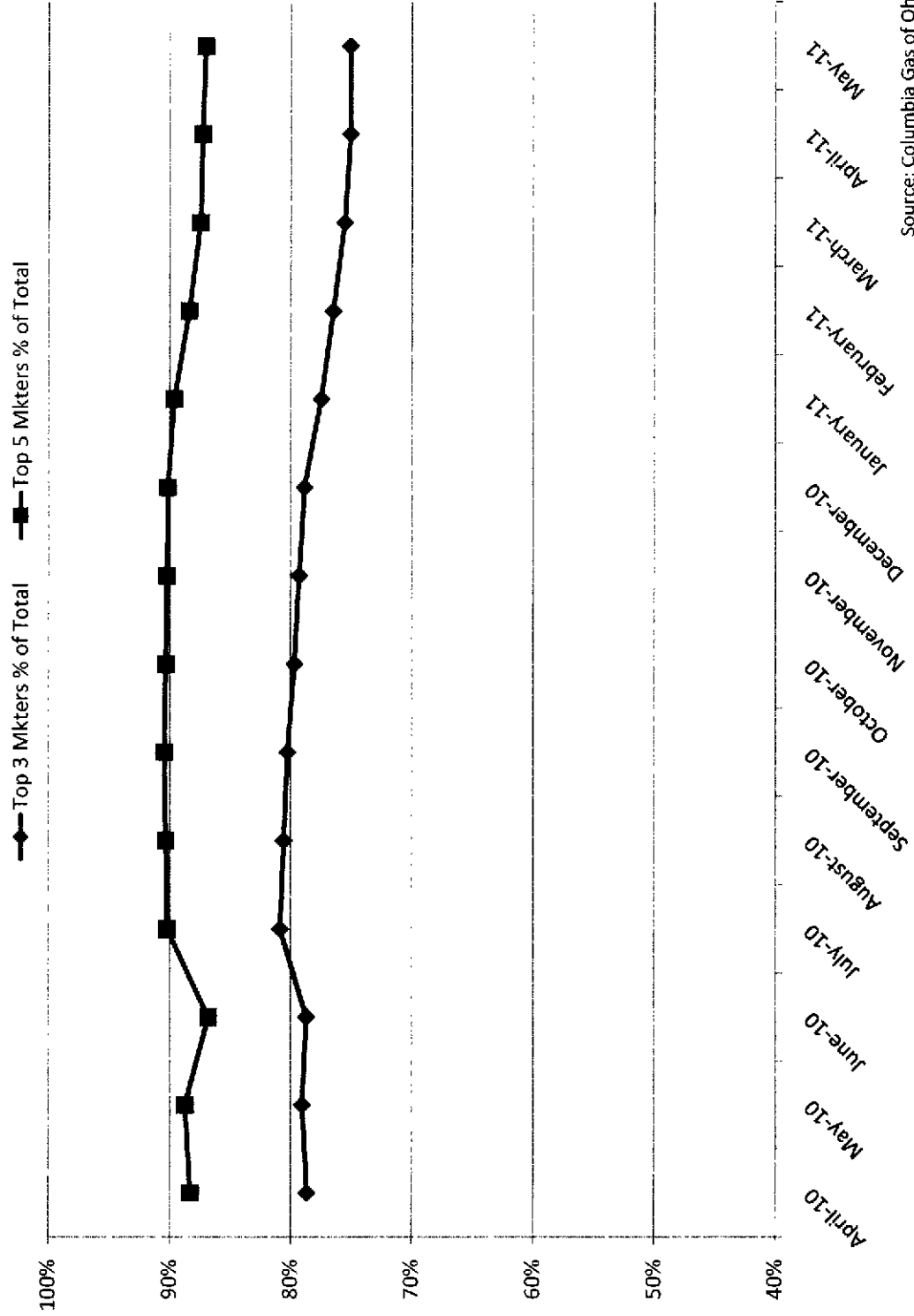


Source: U.S. EIA Natural Gas Prices – Annual Residential Prices

Ohio Gross Receipts Tax vs Sales Tax Comparison

February 2011 rate	SSO	Energy Cooperative	Energy Cooperative	Gateway Energy Service	Gateway Energy Service	Ohio Natural Gas	Ohio Natural Gas
Sales Tax Rate		6.50%	7.00%	6.50%	7.00%	6.50%	7.00%
Monthly Customer Usage Ccf	100	100	100	100	100	100	100
February 2011 Rate \$/Ccf	0.6250	0.6190	0.6190	0.6156	0.6156	0.6146	0.6146
Tax Rate	4.75%	6.50%	7.00%	6.50%	7.00%	6.50%	7.00%
Tax Rate Multiplier	1.04987	1.0650	1.0700	1.0650	1.0700	1.0650	1.0700
Supplier commodity cost, including tax	\$65.62	\$65.92	\$66.23	\$65.56	\$65.87	\$65.45	\$65.76

Percent of Total Residential Choice Customers by Largest Marketers



Source: Columbia Gas of Ohio Monthly SSO Program Data

Columbia Gas of Ohio
NATURAL GAS CUSTOMER CHOICE PROGRAM DATA

Date: June 10, 2011
Reporting Month: May, 2011

Enrollment			
	Enrolled	Eligible	% of Eligible
Residential	493,907	1,220,080	40%
Commercial	54,213	108,113	50%
Industrial	240	1,104	22%
Total	548,360	1,329,297	41%

Choice Marketers 23

Marketer	Number of Enrolled Customers & Market Share Ranking				Volumes (Mcf)			
	Residential	Commercial	Industrial	Total	Residential	Commercial	Industrial	Total Mcf
AZ	4,941	102	1	5,044	27,884	1,387	8	29,278
C	13,460	1,232	4	14,696	73,735	19,532	324	93,591
ED	91,903	12,981	38	104,922	504,534	168,763	2,263	675,560
EM	2,647	1,787	15	4,449	15,299	21,927	435	37,661
GP	611	213	0	824	3,816	4,522	0	8,338
IB	1	38	0	39	0	3,287	0	3,287
IX	151	1,003	3	1,157	1,719	38,404	87	40,210
K	231	6	2	239	1,287	64	32	1,383
LI	14,387	3,279	22	17,688	80,200	102,241	1,332	183,772
MA	8	156	1	165	85	7,609	200	7,894
Q	199,046	15,287	81	214,414	1,136,970	341,441	6,227	1,484,637
QQ	13	115	1	129	233	4,849	35	5,118
QR	10,360	552	2	10,914	57,651	7,840	24	65,515
RA	79,914	4,256	13	84,183	457,162	43,656	1,406	502,224
TA	33,567	666	1	34,234	158,431	9,231	4	167,666
TZ	0	11	0	11	0	6,767	0	6,767
U	440	3,444	22	3,906	3,243	306,674	1,566	311,482
UA	14,548	1,317	2	15,867	77,930	46,594	5	124,530
VA	25,413	7,077	30	32,520	123,429	145,255	1,605	270,289
WP	520	55	1	576	2,567	1,480	75	4,122
X	1,639	611	1	2,251	8,875	21,032	19	29,926
YV	0	25	0	25	0	1,990	0	1,990
ZR	107	0	0	107	460	0	0	460
Total	493,907	54,213	240	548,360	2,735,510	1,304,542	15,645	4,055,697

NOTE: All numbers above include Governmental Aggregation customers (details are listed below)

Includes Co-Ops served by Retail Natural Gas Suppliers

Governmental Aggregators	# of Customers
Canfield Township	52
City of Alliance	1,950
City of Bowling Green	4,724
City of Canfield	1,180
City of Clyde	517
City of Columbiana	694
City of Fostoria	888
City of Gallipolis	749
City of Marion	3,873
City of Mt Vernon	2,790
City of Pickerington	2,781
City of Rittman	139
City of Salem	994
Erie County	3,376
Fairfield Township	183
Stark County	728
St Clairsville	922
Village of Albany	154
Village of Barnesville	520
Village of Bethesda	191
Village of Bradner	25
Village of Brewster	257
Village of Bridgeport	392
Village of Cadiz	298
Village of Elmore	159
Village of Fredericktown	455
Village of Grafton	350
Village of Milan	165
Village of Navarre	224
Village of Pomeroy	135
Village of Warsaw	114
Village of Woodville	216
NOAC	
City of Genoa	22
City of Martin	4
City of Maumee	4,035
City of Northwood	1,083
City of Oregon	2,472
City of Rossford	18
City of Sylvania	4,888
City of Toledo	35,572
Lake Township (Walbridge; Millbury; Perr	2,124
Lucas County (Curtice)	58
Village of Holland	2,147
NOPEC	73,561
TOTAL	156,179

Columbia Gas of Ohio
STANDARD SERVICE OFFER (SSO) PROGRAM DATA

Date: June 10, 2011
Reporting Month: May, 2011

SSO Rider: 6.2570

SSO Suppliers: 7

SSO Supplier Defaults: 0

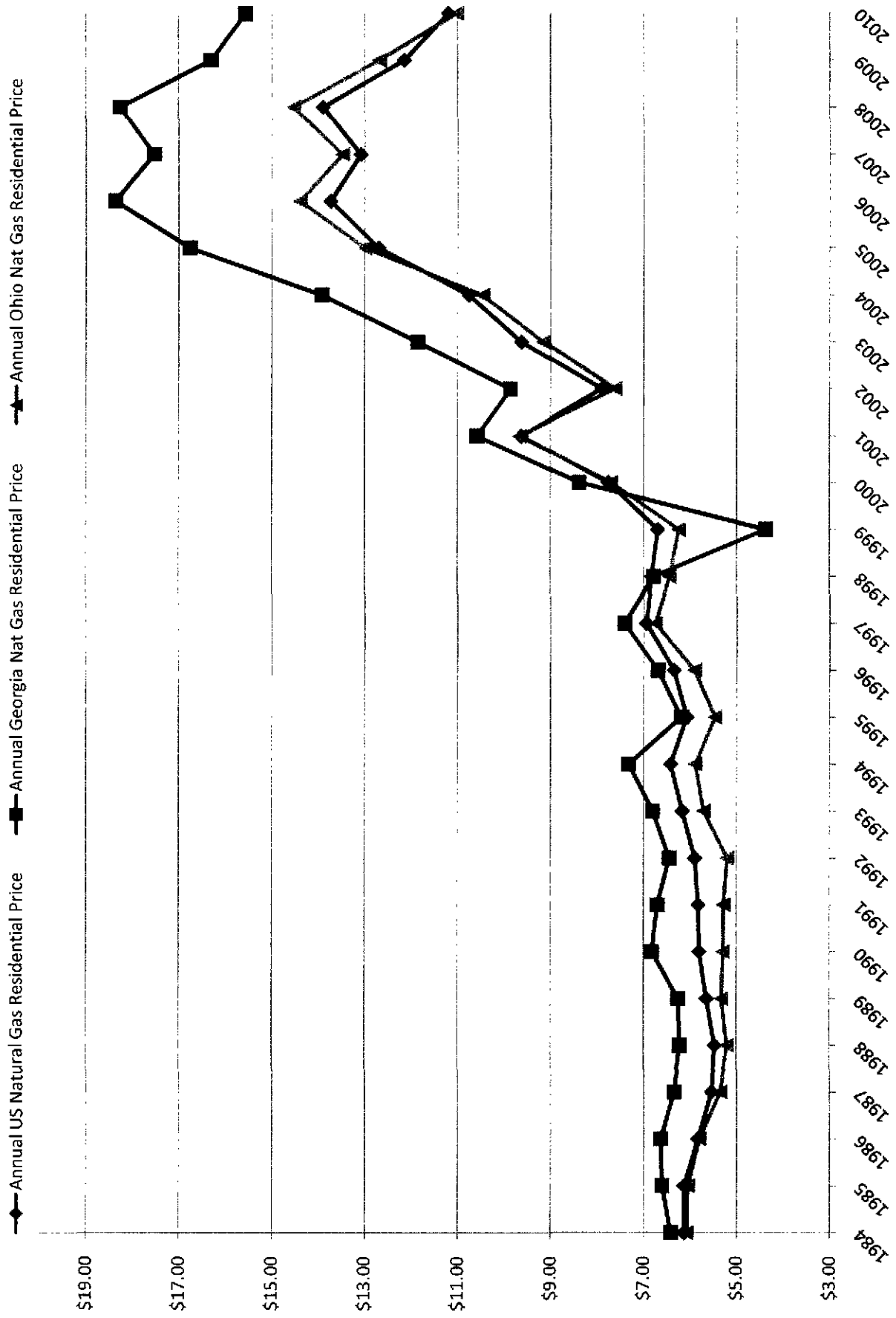
Number of SSO Customers					SSO Volumes (Mcf)				
Residential*	Commercial	Industrial	Public Utility	Total	Residential*	Commercial	Industrial	Public Utility	Total Mcf
793,064	51,130	1,126	1	845,321	3,721,999	765,294	18,430	19,435	4,525,158

* Residential Includes 78,700 PIPP Customers & 527,003 PIPP Volumes.

Suppliers	Tranche Number	Non Compliance	
		Volumes Dth	Dollars
S5	4	0	\$0
S7	4	0	\$0
S8	1	0	\$0
S9	2	0	\$0
S10	2	0	\$0
S11	2	0	\$0
S12	1	0	\$0
Total	16	0	\$0

COMPARISON OF RESIDENTIAL GAS PRICES – U.S. – GEORGIA - OHIO

Attachment GS-9



Source: U.S. EIA Price of Natural Gas
Delivered to Residential Customers (\$/Mcf)

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.	:	

RESPONSES OF DOMION RETAIL, INC.
TO
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
OF
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

(First Set dated June 15, 2011)

Pursuant to Rules 4901-1-19 and 4901-1-20, Ohio Administrative Code ("OAC"), Dominion Retail, Inc. ("Dominion Retail") hereby provides the following responses to the First Set of Interrogatories and Requests for Production of Documents of the Office of the Ohio Consumers' Counsel ("OCC") dated June 15, 2011.

GENERAL OBJECTIONS

1. Dominion Retail objects to each Interrogatory and Request for Production of Documents to the extent the information or documents sought are protected by the attorney-client privilege or constitute attorney work product.
2. The scope of this phase of the above-captioned proceeding has been narrowly defined by the Commission's June 1, 2011 entry, and is limited to the presentation of evidence regarding the relative merits of proceeding with a Standard Contract Offer ("SCO") auction as

22. If the response to OCC Interrogatory No. 21 is affirmative please quantify the anticipated benefits that Columbia's customers will realize by transitioning from an SSO auction to an SCO auction?

RESPONSE:

As a general proposition, Dominion Retail anticipates that the an SCO auction will produce a lower price per Mcf on a pretax basis for default customers. However, Dominion Retail has not conducted a study to quantify this benefit.

23. Who are the Dominion Retail's witnesses (i.e. please identify) that will file testimony on behalf of Dominion Retail and what are the subject matters to which each person will testify?

RESPONSE:

Dominion Retail does not anticipate presenting a witness in this proceeding. If Dominion Retail were subsequently to determine that it would present a witness, Dominion Retail will timely supplement this response.

24. Please identify the efforts you have undertaken to educate residential customers regarding the Choice program.

RESPONSE:

Objection. This Interrogatory seeks information that is not reasonably calculated to lead to the discovery of admissible evidence.

**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)	Case No. 08-1344-GA-EXM
Sales Services or Ancillary Services from)	
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.)	

**RESPONSE OF THE OHIO GAS MARKETERS GROUP TO THE OFFICE OF
THE OHIO CONSUMERS' COUNSEL'S INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
FIRST SET**

Pursuant to Rules 4901-1-19 and 4901-1-20 of the Ohio Administrative Code, the Ohio Gas Marketers Group (OGMG) provides responses for the seven members (Commerce Energy, Inc.; Direct Energy Services, LLC; Integrys Energy Services, Inc.; Interstate Gas Supply, Inc.; Vectren Retail LLC; and Constellation NewEnergy, Inc.) who were served with identical discovery requests save for the name. Although the OCC served its discovery on the members of the OGMG individually, the true party in interest is the OGMG. All pleadings have been in the name of the OGMG and each pleading contains the advisory that the positions represented are those of the OGMG and not any individual member. During the course of the proceedings the membership of OGMG has changed so that individual members have come or gone. Similarly, for the past three years the OGMG has participated in the Columbia Collaborative, once again presenting the voice of the OGMG and not the position of any particular member.

available, would be burdensome to produce, and constitutes sensitive, confidential and proprietary information which is of a trade secret nature.

Without waiving the objections, the Respondent believes that an SCO auction will yield lower costs per Mcf on a pretax basis for default customers as well as provide them with additional service options not offered in SSO method of outsourcing default natural gas supplies.

22. If the response to OCC Interrogatory No. 21 is affirmative please quantify the anticipated benefits that Columbia's customers will realize by transitioning from an SSO auction to an SCO auction?

RESPONSE: Objection. This Interrogatory seeks information which is not reasonably calculated to lead to the discovery of admissible evidence, is not readily available, would be burdensome to produce, and constitutes sensitive, confidential and proprietary information which is of a trade secret nature.

Without waiving the above objections, the OGMG has not conducted a study or quantified the anticipated monetary benefits of the SCO over the SSO auction to the public, but believes them to be substantial.

23. Who are the OGMG's witnesses (i.e. please identify) that will file testimony on behalf of OGMG and what are the subject matters to which each person will testify?

RESPONSE: The Respondent has not yet identified any witness(es) who will testify on its behalf and states that it will identify any expert witnesses in accordance with

SSO & GAS MARKETERS VARIABLE RATE OFFERS

