

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Joint Motion to Modify)
the December 2, 2009 Opinion and Order)
and the September 7, 2011 Second Opinion) Case No. 12-2637-GA-EXM
and Order in Case No. 08-1344-GA-EXM)

STAND ENERGY CORPORATION'S MOTION TO INTERVENE

Stand Energy Corporation, by and through the undersigned counsel, pursuant to R.C. 4903.221 and Ohio Adm. Code 4901-1-11, moves the Commission for Leave to Intervene in the above-styled and numbered matter relating to the filing of a proposed Joint Stipulation principally signed only by Columbia Gas of Ohio, Inc. ("Columbia"), the Ohio Gas Marketer's Group ("OGMG") and PUCO Staff ("Staff") purporting to establish the terms and conditions under which Columbia may file an application to exit the merchant function for both residential and non-residential customers.

To date, not a single customer group in Ohio has signed onto the Columbia Stipulation which appears more designed to serve the interests of Columbia and the OGMG than Columbia customers. Also, to date, the number of Columbia customers selecting Choice service has never even approached the percentage of participation required under the Stipulation to trigger Columbia's Merchant Function Exit. As such, the purpose and beneficiaries of this proceeding are unclear to Stand Energy and the proceeding appears premature and not ripe for consideration because a condition precedent, the required Choice participation level, has not yet occurred and is not likely to occur in the reasonably near future.

Assuming *arguendo* that this proceeding is appropriate, if Columbia is allowed to exit the merchant function, it means that Columbia customers will no longer be able to receive commodity sales service from the local utility. Presently, commodity sales service is provided by the so-called, *Standard Choice Offer* (“SCO”). The SCO is a rate established through a reverse auction process that appears to have been very successful in providing relatively low gas prices for Columbia’s residential and small commercial customers in the relatively short period of its existence. Perhaps Ohio should not be so quick to throw out an auction process that has been universally lauded as a success by both residential and commercial customers and their respective interest groups. Stand Energy submits - if it’s not broken – don’t try to fix it.

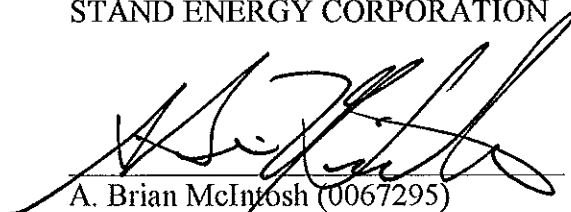
Importantly, if Columbia is allowed to exit the merchant function, Columbia’s residential and small commercial customers’ only option would be to purchase commodity service from a gas marketer. If customers did not choose a gas marketer, a marketer would be assigned to serve them. Considering the fact that there has not been a single study that as shown residential choice on the Columbia system to have saved residential customers money over the long term - the end result of approving this Stipulation will be to increase Columbia Residential Customer’s costs. That result, a customer rate increase, should only come as a last resort.

The proposed Joint Stipulation raises other important customer issues such as changes to the allocation of revenues from Columbia’s off-system sales and the renewal or non-renewal of legacy interstate pipeline capacity from the Gulf of Mexico to Ohio that many have argued is “excess capacity”. The Columbia Gulf capacity does not appear to Stand Energy to provide a benefit to Ohio ratepayers when compared to its cost. It could be argued that renewal of the Columbia Gulf capacity serves only to enrich Columbia’s sister company, Columbia Gulf Transmission Corporation, at the cost to its Ohio customers and customers in other states.

Stand Energy Corporation's interests and those of Stand Energy's Columbia residential and small commercial customers will be affected by this Stipulation if it is accepted by the Commission. For these reasons the Commission should grant Stand Energy leave to intervene in this case. A Memorandum in Support of this motion is attached.

Respectfully submitted,

STAND ENERGY CORPORATION

A handwritten signature in black ink, appearing to read 'A. Brian McIntosh', is written over a horizontal line.

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**MEMORANDUM IN SUPPORT OF
STAND ENERGY CORPORATION'S MOTION TO INTERVENE**

Stand Energy Corporation ("SEC"), is a Kentucky Corporation, with its primary office located at 1077 Celestial Street, Suite 110, Cincinnati, Ohio 45202-1629. SEC is engaged in the marketing of natural gas to numerous end use industrial, commercial, governmental and educational customers throughout Ohio, including customers on the Columbia Gas of Ohio, Inc. system.

The grounds for this motion to intervene are that Stand Energy and the customers we represent have a real and substantial interest in this proceeding and the Commission's disposition of this proceeding without Stand Energy's participation may impair or impede Stand Energy's ability to protect its interests and the interests of its customers. Stand Energy seeks leave to intervene in this proceeding to protect our customers with gas transportation issues and to attempt to prevent any further changes or reductions to Columbia Gas of Ohio transportation services that may be discussed in this docket that would be detrimental to current Columbia transportation customers and to the competitive market for natural gas in the Columbia service territory.

Because of differing commercial goals and direction, SEC avers that no other actual or potential participant in this proceeding can adequately represent its interests in this case.

Pursuant to RC §4903.221 and OAC §4901-1-11, SEC respectfully requests that the Commission grant it full Intervenor status. For purposes of considering requests for leave to intervene, OAC 4901-1-11(A) provides that:

Upon timely motion, any person shall be permitted to intervene in a proceeding upon a showing that: ... (2) The person has a real and substantial interest in the proceeding, and the person is so situated that the disposition of the proceeding may, as a practical matter, impair or impede his or her ability to protect that interest, unless the person's interest is adequately represented by existing parties.

Further, RC 4903.221 (B) provides that the Commission, in ruling upon applications to intervene in its proceedings, shall consider the following criteria:

(1) The nature and extent of the prospective intervenor's interest; (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case; (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings; (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.

OAC 4901-1-11 (B) also provides for the following factors to be considered:

(1) The nature of the person's interest; (2) The extent to which the person's interest is represented by existing parties; (3) The person's potential contribution to a just and expeditious resolution of the issues involved in the proceeding; and (4) Whether granting the requested intervention would unduly delay the proceeding or unjustly prejudice any existing party.

The disposition of issues without Stand Energy's participation would impair or impede Stand Energy's ability to protect its interests. No other party participating in these proceedings purports to, nor could in fact, adequately protect Stand Energy's interests, and accordingly, Stand Energy respectfully asserts that it would be inappropriate to resolve these issues without Stand Energy's participation. Stand Energy's interests and operational experience of over 28 years on the Columbia system are substantially and directly related to these issues and the merits of this proceeding. Stand Energy's intervention will contribute to the full and equitable resolution of

these matters, and will assist in the expeditious resolution of these issues. Lastly, Stand Energy's intervention will not unduly delay or unjustly prejudice any existing party.

Simultaneously with this proceeding, the Commission is considering the adoption of new rules for applications by gas utilities to exit the merchant function (Case No. 11-5590-GA-ORD). The timing of a filing to Exit the Merchant Function - while the rules to Exit the Merchant Function are under consideration by the Commission - could not appear any more opportunistic and therefore could not be any more suspect. For this reason, these two public proceedings must be completely transparent to protect the integrity of the Commission and its processes from even the hint of impropriety.

WHEREFORE, Stand Energy Corporation respectfully submits that the Commission should grant its request to intervene in the above-referenced docket.

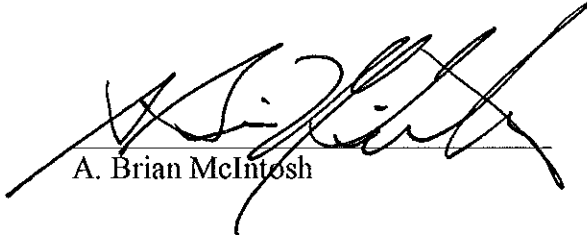
Respectfully submitted,
STAND ENERGY CORPORATION



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CERTIFICATE OF SERVICE

I hereby certify that a copy of Stand Energy Corporation's Motion to Intervene and Memorandum in Support was served upon the following parties of record electronically on October 22, 2012.


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Case No(s). 12-2637-GA-EXM

Summary: Motion Stand Energy Corporation's Motion To Intervene in 12-2637-GA-EXM.
electronically filed by John M. Dosker on behalf of Stand Energy Corporation and Mr. John
Dosker and Mr. Brian McIntosh