

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's)
Review of the Natural Gas Retail Market) Case No. 13-1307-GA-COI
Development.)

ENTRY

The Commission finds:

- (1) Natural gas companies, as defined in Sections 4905.02 and 4905.03, Revised Code, are subject to the jurisdiction of the Commission in accordance with Sections 4905.04 through 4905.06, and 4929.03 Revised Code.
- (2) Section 4929.02, Revised Code, provides that it is the policy of the state of Ohio to, *inter alia*: promote effective competition and the diversity of natural gas supplies and suppliers, by giving consumers effective competitive choices; and recognize the continuing emergence of competitive natural gas markets, by developing and implementing flexible regulatory treatment.
- (3) Section 4929.04, Revised Code, authorizes the Commission, upon the application of a natural gas company, to exempt any commodity sales service or ancillary service from certain provisions of the Revised Code. Section 4929.04(A), Revised Code, provides that the Commission shall approve the request for exemption upon a finding, after hearing, that an applicant is in substantial compliance with the policy of this state specified in Section 4929.02, Revised Code, and that either: the company is subject to effective competition with respect to the commodity sales service or ancillary service; or customers of the commodity sales service or ancillary service have reasonably available alternatives.
- (4) In accordance with Chapter 4929, Revised Code, to date, the Commission has authorized Columbia Gas of Ohio, Inc.,¹ The

¹ *In re Columbia Gas of Ohio, Inc.*, Case No. 08-1344-GA-EXM, Opinion and Order (December 2, 2009) and Second Opinion and Order (September 7, 2011) (08-1344); and Case No. 12-2637-GA-EXM, Opinion and Order (January 9, 2013) (12-2637).

East Ohio Gas Company d/b/a Dominion East Ohio,² and Vectren Energy Delivery of Ohio, Inc.,³ to conduct competitive auctions in order to secure natural gas supplies for their customers.

- (5) It has been five years since the Commission authorized the first natural gas utility to secure natural gas for retail customers utilizing an auction process. At this time, the Commission finds it appropriate to initiate this docket to review certain aspects of the natural gas retail market and obtain feedback from interested persons. To be clear, the Commission is not seeking legal arguments regarding the scope of the Commission's jurisdiction to authorize exemptions under Chapter 4929, Revised Code. Rather, the Commission is interested in eliciting comments regarding the current standard choice offer (SCO) auctions and any recommendations on how to further support a fully competitive retail natural gas marketplace in Ohio. Specifically, the Commission asks interested persons to address the following questions as they relate to the current structure of the natural gas retail market in Ohio:
- (a) What regulatory changes, if any, should be made to further support a fully competitive retail natural gas marketplace?
 - (b) What types of educational programs, if any, should be implemented to ensure that retail customers are fully aware of the options open to them for purchasing retail natural gas service?
 - (c) Does the SCO provide a competitive level playing field for SCO providers and competitive retail natural gas service (CRNGS) providers? For example, how, if at all, do the following processes differ for SCO and CRNGS providers: data collection; contract administration; customer enrollment; and customer service?

² *In re The East Ohio Gas Company d/b/a Dominion East Ohio*, Case No. 05-474-GA-ATA, Opinion and Order (April 8, 2005) (05-474); Case No. 07-1224-GA-EXM, Opinion and Order (June 18, 2008) (07-1224); and Case No. 12-1842-GA-EXM, Opinion and Order (January 9, 2013) (12-1842).

³ *In re Vectren Energy Delivery of Ohio, Inc.*, Case No. 07-1285-GA-EXM, Opinion and Order (April 30, 2008) (07-1285); and Case No. 12-483-GA-EXM, Opinion and Order (May 16, 2012) (12-483).

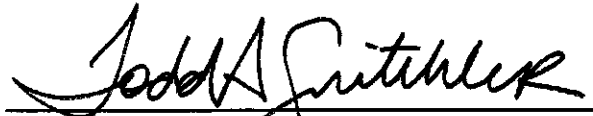
- (d) Are there barriers to market entry associated with the SCO and, if so, how are those barriers affecting the growth of Ohio's competitive market?
- (e) Is the SCO functioning as a competitive market price?
- (6) The Commission finds that interested persons wishing to address the questions set forth in finding (5) should file comments in this docket by July 9, 2013. Reply comments may be filed by July 30, 2013.

It is, therefore,

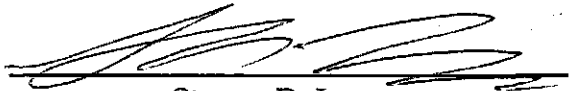
ORDERED, That interested persons wishing to address the questions set forth in finding (5) file comments and reply comments by July 9, 2013, and July 30, 2013, respectively. It is, further,

ORDERED, That a copy of this entry be sent to the gas-pipeline industry service lists and served upon: all natural gas local distribution companies; all CRNGS providers; all parties in 08-1344, 12-2637, 05-474, 07-1224, 12-1842, 07-1285, 12-483; the Ohio Gas Association; the Oil and Gas Association; and the Ohio Petroleum Council.

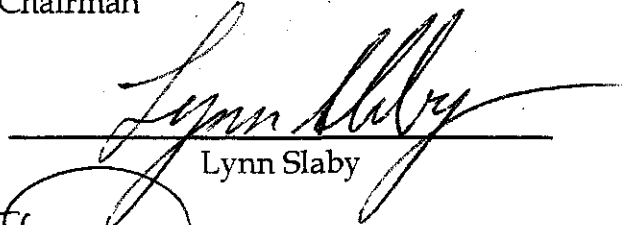
THE PUBLIC UTILITIES COMMISSION OF OHIO



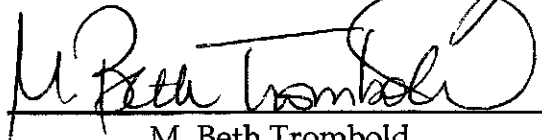
Todd A. Snitchler, Chairman



Steven D. Lesser



Lynn Slaby



M. Beth Trombold

CMTP/vrm

Entered in the Journal

JUN 05 2013Barcy F. McNeal
Secretary