

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Columbia Gas of Ohio, Inc. for)	Case No. 14-321-GA-UEX
Approval of an Adjustment to its)	
Uncollectible Expense Rider Rate.)	

**APPLICATION OF
COLUMBIA GAS OF OHIO, INC.**

Columbia Gas of Ohio, Inc. ("Columbia"), hereby submits its annual Uncollectible Expense Rider Report, and also requests approval to increase its Uncollectible Expense Rider rate. In support of its Application, Columbia states as follows:

1. By Finding and Order dated December 17, 2003 (the "December 17 Order"), in Case No. 03-1127-GA-UNC, the Commission approved, in concept, an Uncollectible Expense Rider for Columbia and several other natural gas companies.

2. Pursuant to the December 17 Order, Columbia is required to file an annual report each May that identifies the amounts recovered, deferred and, as applicable, amortized pursuant to the Uncollectible Expense Rider. Attached hereto as Attachment 1 is Columbia's annual Uncollectible Expense Rider Report.

3. By Entry dated April 7, 2004, in Case No. 03-2572-GA-ATA, the Commission approved Columbia's initial Uncollectible Expense Rider rate. However, the December 17 Order further provided utilities with the opportunity to adjust their Uncollectible Expense Rider rates. Pursuant to Columbia's Uncollectible Expense Rider tariffs,¹ Columbia shall request "approval to change

¹ See Section IV, Thirteenth Revised Sheet No. 29, for customers served under rate schedules SGS and GS; Section IV, Fifth Revised Sheet No. 69, for customers served under rate schedules SGTS and GTS; and Section VII, Twelfth Revised Sheet No. 29, Page 9 of 11, for customers served

the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.”

4. On April 15, 2013, Columbia filed an Application for Approval of an Adjustment to its Uncollectible Expense Rider in Case No. 13-0321-GA-UEX. This filing proposed the establishment of a revised Uncollectible Expense Rider rate of (\$0.0173) per Mcf. On May 23, 2013, Columbia filed an amendment to its application, adjusting the rate for tax benefits associated with carrying charges, and proposed a revised Uncollectible Expense Rider rate of (\$0.0176) per Mcf. By Finding and Order dated May 29, 2013, the Commission approved the amended application and revised Uncollectible Expense Rider rate to (\$0.0176) per Mcf.

5. Attachment 2 attached hereto shows that an increase of \$0.0470/Mcf in Columbia’s current Uncollectible Expense Rider is required to recover prior period under-collections. This adjustment is based on a positive projected balance of \$8,321,074 at May 31, 2014. The implementation of this adjustment results in an Uncollectible Expense Rider rate of \$0.0470 per Mcf. Columbia has also prepared another schedule, attached hereto as Attachment 3, in which Columbia projects uncollectible expenses and recoveries for the twelve-month period ending May 31, 2015. This period was selected since it is anticipated to be the initial twelve-month period that the new Uncollectible Expense Rider will be in effect. Attachment 3 shows that Columbia will experience an additional bad debt of \$17,467,967 during the twelve months ending May 31, 2015. To attempt to prevent this under-collection during the next reporting period and to recover prior period under-collection, Columbia’s current Uncollectible Expense Rider will need to be increased by \$0.1633 per Mcf. This change is necessary since it results in an increase greater than 10 percent. The implementation of this adjustment would result in a rate of \$0.1457 per Mcf.

6. Columbia believes it is reasonable to consider the prospective application of the Uncollectible Expense Rider in the development of the appropriate Uncollectible Expense Rider rate because it better matches expenses with recoveries. The computation of the Uncollectible Expense Rider rate based on the collection year: (1) properly matches recoveries with expenses; (2) is consistent with the method approved by the Commission in Case No. 13-0321-GA-UEX for determining Columbia’s current Uncollectible Expense Tracker rate; and (3) in the aggregate, cannot result in over-collection of costs due to the

through Columbia’s CHOICE Program. All tariff sheets include identical billing rates and adjustment provisions.

annual true-up program requirements. For this reason, Columbia, therefore, proposes to increase its Uncollectible Expense Rider rate from (\$0.0176) to \$0.1457 per Mcf. The rate is comprised of: (1) Columbia's projected deferred uncollectible expenses at May 31, 2014; and (2) Columbia's estimated uncollectible accounts expense for the twelve-month period ending May 31, 2015. The calculation of the proposed Uncollectible Expense Rider rate is shown on Attachment 4.

7. The resulting Uncollectible Expense Rider rate of \$0.1457 per Mcf is just and reasonable and Columbia requests that the Commission expeditiously approve the proposed rate. Clean copies of the proposed tariff sheets and scored current tariff sheets are attached hereto as Attachment 5.

WHEREFORE, Columbia respectfully requests that the Commission approve the proposed Uncollectible Expense Rider rate proposed herein.

Respectfully submitted by,

COLUMBIA GAS OF OHIO, INC.

/s/ Melissa L. Thompson
Melissa L. Thompson, Trial Attorney

Stephen B. Seiple (0003809)
Melissa L. Thompson (0086367)
P.O. Box 117
200 Civic Center Drive
Columbus, Ohio 43216-0117
Telephone: (614) 460-4874
Facsimile: (614) 460-6986
E-mail: mlthompson@nisource.com
sseiple@nisource.com

Attorneys for
COLUMBIA GAS OF OHIO, INC.

ATTACHMENT 1

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report
Calendar Year 2014 Actual

Line No.		January	Actual February	March
1	Balance - Beginning of Month	2,299,308	3,101,375	3,804,093
2	Bad Debts Written Off	2,815,131	2,546,977	2,437,604
3	Amortization of 2001 Deferral	-	-	-
4	Recovery - Base Rates	0	0	
5	Consultant Fees			-
6	Recovery - Bad Debt Rider	652,056	681,463	574,843
7	Recovery - Other	(2,666,174)	(2,526,844)	(2,117,936)
8	Incremental Bad Debt (2)+[(3)+(4)+(5)+(6)]	801,014	701,596	894,511
9	Balance Subtotal (1) + (8)	3,100,322	3,802,971	4,698,604
10	Carrying Charges [(1)+[(9)/2]x(11)]	1,053	1,122	1,382
11	Balance - End of Month (9)+(10)	3,101,375	3,804,093	4,699,986
12	Monthly Pool Rates	0.06%	0.05%	0.05%

NISOURCE INC. AND SUBSIDIARIES
OPERATING COMPANIES MONEY POOL RATES
January 2013 Through March 2014

MONTH	DAYS	AVERAGE DAILY BALANCES			MONTHLY INTEREST ACCRUALS			MONTHLY RATES *		
		S-T DEBT \$	INVESTMENT \$	COMPOSITE \$	S-T DEBT \$	INVESTMENT \$	COMPOSITE \$	S-T DEBT %	INVEST %	COMPOSITE %
JAN	31	463,542,516.13	0.00	463,542,516.13	466,592.21	0.00	466,592.21	1.19%	0.00%	1.19%
FEB	29	256,504,678.57	0.00	256,504,678.57	230,589.26	0.00	230,589.26	1.17%	0.00%	1.17%
MAR	31	699,726,193.55	0.00	699,726,193.55	636,808.36	0.00	636,808.36	1.07%	0.00%	1.07%
APR	30	200,140,333.33	0.00	200,140,333.33	158,120.88	0.00	158,120.88	0.96%	0.00%	0.96%
MAY	31	32,258.06	0.00	32,258.06	15.28	0.00	15.28	0.56%	0.00%	0.56%
JUN	30	37,279,333.33	0.00	37,279,333.33	20,646.81	0.00	20,646.81	0.67%	0.00%	0.67%
JUL	31	189,374,483.87	0.00	189,374,483.87	112,679.13	0.00	112,679.13	0.70%	0.00%	0.70%
AUG	31	394,303,387.10	0.00	394,303,387.10	229,618.73	0.00	229,618.73	0.69%	0.00%	0.69%
SEP	30	537,163,000.00	0.00	537,163,000.00	302,395.48	0.00	302,395.48	0.68%	0.00%	0.68%
OCT	31	291,151,612.90	0.00	291,151,612.90	167,942.35	0.00	167,942.35	0.68%	0.00%	0.68%
NOV	30	279,452,666.67	0.00	279,452,666.67	156,736.54	0.00	156,736.54	0.68%	0.00%	0.68%
DEC	31	375,423,258.08	0.00	375,423,258.08	226,108.48	0.00	226,108.48	0.71%	0.00%	0.71%
JAN	31	328,543,419.35	0.00	328,543,419.35	199,226.62	0.00	199,226.62	0.71%	0.00%	0.71%
FEB	28	167,246,428.57	0.00	167,246,428.57	88,854.03	0.00	88,854.03	0.69%	0.00%	0.69%
MAR	31	270,738,612.90	0.00	270,738,612.90	139,152.48	0.00	139,152.48	0.61%	0.00%	0.61%

ATTACHMENT 2

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report
Based on Historic Balance @ March 31, 2014

Line No.	Description	Amount
1	Deferred Uncollectible Accounts Expense Balance As of May 31, 2014	8,321,074
2	Projected Volumes Twelve Months Ending May 31, 2015	176,963,632
3	Plus: Under(Over) Recovery of Uncollectible Expense TME May 31, 2014 per Mcf (Line 1 / Line 2)	0.0470

ATTACHMENT 3

[illegible]

ATTACHMENT 4

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Calculation

Line No.	Description	Amount \$
1	Incremental Net Charge Offs for TME May 31, 2015 (Attachment 3 line 14)	17,467,967
2	Projected Volumes TME May 31, 2015	176,963,632
3	Proposed Revised Rate Effective May 31, 2014 per Mcf (Line 3 / Line 4)	0.0987
4	Plus: Under(Over) Recovery of Uncollectible Expense TME May 31, 2014 per Mcf (Attachment 2, Line 3)	<u>0.0470</u>
5	Proposed Revised Rate Effective May 30, 2014 per Mcf (Line 5 + Line 6)	\$ 0.1457

ATTACHMENT 5

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE:

To all customers served under rate schedules SGS and GS.

UNCOLLECTIBLE EXPENSE RIDER:

A ~~credit charge~~ of ~~-\$0.01760.1457~~ per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to ~~recover costs pass back to customers over collections~~ associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

Filed in accordance with Public Utilities Commission of Ohio Entries dated July 6, 1989 in Case No. 89-500-GA-TRF.

Issued: ~~May 30, 2013~~

Effective: ~~May 30, 2013~~ With meter readings on
or after

Issued By
J. W. Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

Thirteenth Revised Sheet No. 29

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J. W. Partridge Jr., President

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Issued: ~~May 30, 2013~~

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SECTION VII

PART 29 - BILLING ADJUSTMENTS

UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS and FRGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

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Summary: Application of Columbia Gas of Ohio, Inc. electronically filed by Ms. Melissa L. Thompson on behalf of Columbia Gas of Ohio, Inc.