

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Review)
of Chapter 4901-7, Ohio Administrative) Case No. 12-2338-AU-ORD
Code, Standard Filing Requirements for)
Rate Increases.)

ENTRY ON REHEARING

The Commission finds:

- (1) In a Finding and Order issued on April 2, 2014, the Commission adopted certain modifications to the Appendix for Ohio Adm.Code 4901-7-01 and directed that the rule and amended Appendix be filed with the Joint Committee on Agency Rule Review, the Secretary of State, and the Legislative Service Commission.
- (2) Pursuant to R.C. 4903.10, any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined by the Commission, within 30 days of the entry of the order upon the Commission's journal.
- (3) On May 2, 2014, Columbia Gas of Ohio, Inc. (Columbia or Company) filed an application for rehearing of the April 2, 2014 Finding and Order. Columbia recommends that the Commission reconsider the revision to the Appendix for Ohio Adm.Code 4901-7-01 Chapter II A (5)(d) and change the 30-day requirement to file actual valuation data when a date certain beyond the filing date is used to 60 days. Columbia states that the additional time is needed to submit all new base rate related schedules, including plant, reserve for depreciation, deferred taxes, and working capital. Additionally, a utility will have to submit updated revenue requirement schedules that reflect the impact of the change in plant balances, e.g., annualized depreciation, annualized property taxes, and federal income taxes. Since Columbia normally closes its books around the tenth day of the month, adoption of the 30-day time frame would make it impossible for the Company to provide the actual valuation data in the time allotted. Columbia also claims that the Commission uses a 60-day deadline for companies to submit updated data when a utility uses more

than nine months of estimated operating income data in the application. This same time consideration should be given when a company uses a date certain that is beyond the filing date according to Columbia.

- (4) Columbia's application for rehearing is denied as a blanket 60-day time frame would leave the Commission insufficient time to consider an application to increase rates. As acknowledged by the amended Appendix, R.C. 4909.15(C)(2) now permits a natural gas, waterworks, or sewage disposal company to utilize a date certain that is not later than end of the test period but that could be later than the date an application for an increase in rates is filed. R.C. 4909.18 affords the Commission a total of 275 days from the date an application is filed to investigate and issue an order on an application seeking an increase in rates. Moreover, in all rate increase application cases, R.C. 4909.19 requires the Commission to cause an investigation to be made of the application and filed with the Commission and served by certified mail upon certain persons outlined in the statute. Therefore, affording an applicant 60 days after the date certain, rather than the 30 days already provided for in the rule, to file necessary information needed to investigate and rule on the rate increase application would make it impossible, in most instances, for the Commission and Staff to perform the necessary evaluation and review of the applicant's proposal within the remaining time allotted under the statute. The Commission would, however, entertain a reasonable extension beyond the 30-day filing deadline pursuant to the provisions of Chapter II (A)(4)(a). Any such request for extension would be balanced against the 275-day time frame provided for in R.C. 4909.18.

Additionally, we note that the 60-day deadline used as an example by Columbia in its rehearing application was premised off of the application filing date, which also used to be the last permissible date certain, not off of the extended date certain now permitted to be after the application filing date but no later than the end of the test year by R.C. 4909.15(C)(2) for natural gas, waterworks, and sewage disposal companies. Thus, Columbia's comparison is inapposite and rehearing is denied.

It is, therefore,

ORDERED, That Columbia's application for rehearing is denied in accordance with Finding (4). It is, further,

ORDERED, That nothing in this Entry on Rehearing shall be binding upon the Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

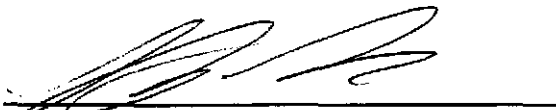
ORDERED, That notice of the issuance of this Entry on Rehearing be served upon all public utilities subject to the jurisdiction of this Commission via the industry electronic mail listserves. It is, further,

ORDERED, That a copy of this Entry on Rehearing be served upon Columbia Gas of Ohio, Inc.

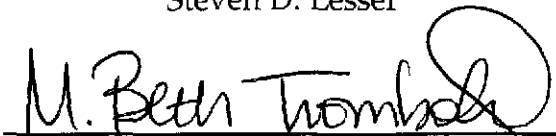
THE PUBLIC UTILITIES COMMISSION OF OHIO



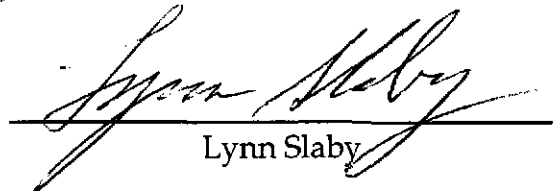
Thomas W. Johnson, Chairman




Steven D. Lesser



M. Beth Trombold



Lynn Slaby

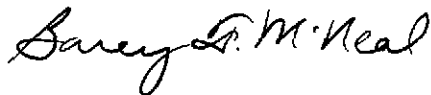


Asim Z. Haque

JRJ/vrm

Entered in the Journal

MAY 21 2014



Barcy F. McNeal
Secretary