

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Audit of the)	
CHOICE/SSO/SCO Reconciliation)	Case No. 16-221-GA-EXR
Rider of Columbia Gas of Ohio, Inc.)	

In the Matter of the Audit of the Uncol-)	
lectible Expense Rider of Columbia Gas)	Case No. 16-321-GA-UEx
of Ohio, Inc.)	

In the Matter of the Audit of the Per-)	
centage of Income Payment Plan Rider)	Case No. 16-421-GA-PIP
of Columbia Gas of Ohio, Inc.)	

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

Introduction

On April 7, 2016, the Commission issued an Entry ("Entry") in these proceedings in which it established a procedural schedule and initiated financial audits of Columbia Gas of Ohio, Inc.'s ("Columbia") Choice/Standard Choice Offer Reconciliation Rider ("CSRR"), Uncollectible Expense Rider ("UEx") and Percentage of Income Payment Plan Tariff Schedule Rider ("PIPP") to be performed by Columbia's auditor. The Entry required the final audit reports to be filed by September 30, 2016, with comments and reply comments filed by October 14, 2016 and October 28, 2016, respectively. Columbia's auditor, Deloitte & Touche LLP ("Deloitte"), conducted audits of the CSRR, UEx, and PIPP. The audit period for all three audit reports is the period of April 1, 2015 through March 31, 2016. Deloitte filed the final UEx report on September 23, 2016, and the final CSRR and PIPP Audit reports on September 29, 2016. Columbia hereby submits its comments to each audit report.

CSRR Audit

The CSRR Audit Report found Columbia's application and accounting systems accurate in most respects, but it did identify several discrepancies. Columbia examined each of these discrepancies and provides in response the following comments:

Audit Paragraph 3(d)

Deloitte found that Columbia's quarterly CSRR filing effective October 2015 reflected a variance in the reported pass back of OSS and CR revenue from the general ledger. This variance of \$8,250 in April 2015 and (\$8,250) in May 2015 resulted from the Columbia accounting department's inadvertent use of the previous year's volumes for the month of April 2015 to compute its pass back of OSS and CR. This error was corrected in May 2015, which resulted in a further variance from the CSRR, which had properly reported the pass back of these shared revenues. This variance had no impact on the CSRR rider rate because the CSRR had properly reported the pass back of these shared revenues.

Audit Paragraph 5

Deloitte found that the Computation of Supplier Refund and Reconciliation Adjustment included in Columbia's CSRR filings effective October 2015 and January 2016 reflected a variance from the general ledger of (\$187,287.70) for the quarterly period ended June 2015, and by \$187,287.70 for the quarterly period ended September 2015. This variance resulted from this refund not being booked to the Rate Refund account until July 2015 rather than the month received, June 2015. This variance had no impact on the CSRR rider rate because the CSRR had properly provided for pass back of the refund based on the month received rather than the month it was reflected on Columbia's books.

UEX Audit

The UEX Audit Report found Columbia's accounting systems to be accurate in all respects, and identified no discrepancies.

PIPP Audit

The PIPP Audit Report found Columbia's application and accounting systems accurate in most respects, but it did identify a discrepancy. Columbia examined this discrepancy, and provides the following comment:

Audit Paragraph C(1)

Deloitte noted that Columbia's accounting schedule summarizing PIPP balances for December 2015 was \$2,863.94 less than that reported in the PIPP Rider filing. This accounting error resulted from the change in the structure of the Columbia reports being used internally to determine the correct PIPP balance. This minor error was corrected in February 2016. This variance had no impact on the PIPP Rider rate because the error was corrected within the accounting period.

Conclusion

Columbia agrees with the findings contained in Deloitte's audit reports filed in these proceedings. All variances identified in the audit reports have been corrected. For these reasons, Columbia requests the Commission's issuance of an Entry in these dockets accepting the audit reports and closing these matters.

Respectfully submitted by,

COLUMBIA GAS OF OHIO, INC.

/s/ Stephen B. Seiple

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Summary: Comments to Audit Reports electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.