

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Co- )  
lumbia Gas of Ohio, Inc. for Approval of ) Case No. 17-0445-GA-AEC  
an Arrangement with Suburban Natural )  
Gas Company for Natural Gas Service. )

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

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Now comes the Applicant, Columbia Gas of Ohio, Inc. ("Columbia"), and submits this Application with the Public Utilities Commission of Ohio ("Commission") for approval, pursuant to R.C. §§ 4905.16, 4905.31, and 4905.48, of a proposed arrangement for natural gas service with Suburban Natural Gas Company ("Suburban") in and around Lazelle Road and Old South Road in Delaware County, Ohio.

In support of this Application, Columbia represents to the Commission that:

1. Columbia is a public utility and a natural gas company subject to the Commission's jurisdiction by virtue of R.C. §§ 4905.02, 4905.03(E) and 4905.04, and maintains offices at 290 W. Nationwide Blvd., Columbus, Ohio 43215.
2. Suburban is a public utility and a natural gas company subject to the Commission's jurisdiction by virtue of R.C. §§ 4905.02, 4905.03(E) and 4905.04, and maintains offices at 2626 Lewis Center Road, Lewis Center, Ohio 43035-9206.
3. Suburban does not hold any ownership or interest in Columbia, nor does Columbia hold any ownership or interest in Suburban.
4. Columbia currently provides gas service to Suburban in the vicinity of Lazelle Road under two Commission-approved agreements. The first agreement was approved by the Commission on March 4, 1999, in Case No. 97-730-GA-AEC for a point of delivery located at 442 Lazelle Road, Columbus, Ohio ("442 Lazelle Road POD"). The second agreement, dated September 18, 2001, was approved by the Commission on October 24, 2001, in Case No. 01-2326-GA-AEC, and

as amended by an Amended Agreement dated July 30, 2002, which was approved on September 23, 2003. The latter agreement is for a point of delivery located at west corner of Lazelle and South Old State Roads (the "Existing POD"). All previously approved agreements will terminate with the approval of the Agreement enclosed as Attachment A.

5. Pursuant to the previously approved agreements, Columbia delivers natural gas to Suburban at two points of delivery. Pursuant to the agreement attached, Columbia will continue to provide natural gas service to Suburban at the 442 Lazelle Road POD, as an emergency source of supply, but will no longer provide service to the Existing POD due to a City of Columbus road widening project requiring the relocation of the Existing POD to a new site. Therefore, a new point of delivery is required to be built at the northeast corner of Lazelle and south Old State Roads (the "New POD").

6. Under this new Agreement, Suburban will construct the New POD according to Columbia's specifications. Columbia will provide natural gas service to Suburban at the New POD under the terms and conditions described in the Agreement. Suburban will pay Columbia the monthly New York Mercantile Exchange final settlement price plus the Retail Price Adjustment plus \$0.10 per Mcf for natural gas service to the New POD. Columbia will maintain the 442 Lazelle Road POD only for emergency purposes, which is also covered in the new Agreement.

7. Columbia submits that no hearing is required on this Application and that the public interest is served by the Commission expeditiously approving the same.

8. A copy of the Agreement between Columbia and Suburban for the New POD is attached to this Application as Attachment A and made a part hereof as if fully rewritten herein.

**WHEREFORE**, Columbia respectfully requests that the Commission approve this Application, approve the agreement attached as Attachment A, and authorize the implementation of the arrangement described in this Application and the agreement.

Respectfully submitted by,

**COLUMBIA GAS OF OHIO, INC.**

/s/ Joseph M. Clark

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**COLUMBIA GAS OF OHIO, INC.**

### **CERTIFICATE OF SERVICE**

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document is also being served via electronic mail on the 13<sup>th</sup> day of February, 2017 upon the parties listed below.

/s/ Joseph M. Clark

Joseph M. Clark

**Attorney for**

**COLUMBIA GAS OF OHIO, INC.**

Andrew J. Sonderman  
President and Chief Operating Officer  
Suburban Natural Gas Company  
asonderman@sngco.com

**ATTACHMENT A**

**AGREEMENT BETWEEN**

**COLUMBIA GAS OF OHIO, INC.**

**AND**

**SUBURBAN NATURAL GAS COMPANY**

ATTACHMENT "A"

Agreement for the Purchase and Sale of Natural Gas

This Agreement is made and entered into as of this 21 day of February, 2017, by and between Columbia Gas of Ohio, Inc., 290 West Nationwide Boulevard, P.O. Box 117, Columbus, Ohio 43215 ("Columbia"), and Suburban Natural Gas Company, 2626 Lewis Center Road, Lewis Center, Ohio 43035 ("Suburban").

**WHEREAS**, Columbia is a natural gas distribution company providing retail gas service to customers located throughout the State of Ohio, in accordance with rate schedules approved by the Public Utilities Commission of Ohio ("Commission"); and

**WHEREAS**, Suburban is a natural gas distribution company providing retail natural gas service to various customers located north of Lazelle Road in Delaware County, Ohio; and

**WHEREAS**, Suburban currently provides natural gas service to various customers located north of Lazelle Road in Delaware County, Ohio, by purchasing volumes of natural gas from Columbia, which volumes are delivered to Suburban in the vicinity west of Lazelle and South Old State Roads in Delaware County ("Existing POD"), pursuant to a July 30, 2002 amended agreement approved by the Commission in PUCO Case No. 01-2326-GA-AEC on September 24, 2003; and

**WHEREAS**, a previously existing POD located approximately ten feet east of the driveway serving 442 Lazelle Road ("442 Lazelle Road POD"), Columbus, Ohio currently serves as an emergency source of supply to supplement the Existing POD; and

**WHEREAS**, the City of Columbus is undertaking a road widening project on Lazelle Road, which is in the vicinity of the Existing POD. The road widening project makes continued operation of the Existing POD a safety hazard due to the proximity of the widened Lazelle Road to the Existing POD; and

**WHEREAS**, Suburban desires to receive volumes from Columbia and Columbia desires to sell such volumes at a new Point of Delivery ("New POD")

located on right of way Suburban has acquired on the northeast corner of Lazelle Road and South Old State Roads in Delaware County, Ohio; and

**WHEREAS**, the Existing POD will be retired from service upon the placement of the New POD into service and the 442 Lazelle Road POD will remain as an emergency supply alternative or emergency supplement for the New POD; and

**WHEREAS**, Columbia is willing to provide such gas service, under the terms and conditions set forth herein. Now, therefore, in consideration of the premises and covenants hereinafter set forth, the parties mutually agree as follows:

1. Columbia agrees to provide, and Suburban agrees to take, natural gas service from Columbia at the 442 Lazelle Road POD and the New POD located on the north side of Lazelle Road in accordance with the rates, terms, and conditions set forth in this Agreement.

2. The New POD shall be constructed by Suburban at its cost and expense, in conformance with Columbia's specifications. Except as noted below, Suburban shall own the site and the facilities located at the New POD. Suburban shall be responsible for maintaining its facilities and for protecting all facilities at the New POD, regardless of ownership. Columbia shall supply at its cost inlet critical valves and Supervisory Control and Data Acquisition ("SCADA") monitoring to be located at the New POD, which facilities shall remain Columbia's property. Suburban shall supply a meter acceptable to Columbia at Suburban's cost; however, Columbia will own and operate the meter, which operation shall include reading and maintaining the meter.

3. Columbia shall deliver a maximum of 125 Mcf per hour at high pressure (+/- 130 psig) to Suburban at the New POD. The parties recognize and agree that specific delivery pressure at the New POD cannot be guaranteed on an hourly basis, but Columbia will exert its best efforts to meet the designated requirements. Suburban agrees to take a minimum of 18,000 Mcf per year at the New POD. Volumes of gas to be sold by Columbia to Suburban shall be delivered to Suburban on the North Columbus High Pressure System at the New POD and on the Westerville Medium Pressure System at the 442 Lazelle Road POD.

4. The 442 Lazelle Road POD shall only be available as an emergency feed for deliveries to Suburban in situations of emergency, as "emergency" is defined herein, subject to Columbia's delivery capabilities at that POD during any



such emergency. For the purpose of this Agreement, "emergency" shall mean loss or imminent threat of loss of service to Suburban due to interruption or imminent threat of interruption of supply to Suburban's customers unless deliveries are commenced through the 442 Lazelle Road POD, limited in duration to that loss or imminent threat of loss of service. In the event of an emergency requiring delivery through the 442 Lazelle Road POD, Suburban shall contact Columbia at (800) 344-4077, or a subsequent designee as established by Columbia in writing from time-to-time and provide the following information:

- the nature of the emergency as defined above;
- the expected duration of the emergency; and
- the expected required load during the emergency.

Columbia will then place the 442 Lazelle Road POD in operation or inform Suburban in the event that the 442 Lazelle Road POD cannot be placed into operation.

5. Columbia shall read the meters located at the New POD and 442 Lazelle Road POD. Columbia shall also read the two master meters at the entrance to the subdivisions served by Columbia located downstream of the PODs, and report the aggregate of such readings to Suburban. The volumes delivered to Suburban for deliveries to its customers under the Agreement shall be calculated by subtracting the volumes of gas consumed by Columbia's customers as measured at the two master meters plus the Unaccounted for Gas Percentage ("UFG") as reflected in the most recent annual UFG calculation made by Columbia from the volumes recorded at the New POD and/or 442 Lazelle Road POD. Suburban shall be given access to both the POD meters and individual master meter readings each month for the purpose of comparing such readings to any readings that Suburban may take on its own. If a discrepancy exists between Columbia's and Suburban's readings, the parties shall negotiate in good faith to attempt to resolve any such discrepancies. Suburban shall use best efforts to prevent imbalances or discrepancies. Columbia shall use its best efforts to advise Suburban of any early meter reading dates at the POD meters to assist Suburban in preventing imbalances or discrepancies. For so long as the aforesaid PODs are considered to be the points of delivery for determining Suburban's responsibility for the volumes of gas delivered hereunder, deliveries to Columbia's customers through said stations shall be limited to those customers in all phases of the Oak Creek and Wynstone Subdivisions, as originally specified in the June 30, 1997 Agreement approved by the Commission in Case No. 97-730-GA-AEC.

6. For billing purposes, the gas volumes delivered (measured in Ccf) shall be grossed up by the UFG, as reflected in the most recent annual UFG calculation made by Columbia, equating to the Billable Volumes. Suburban shall pay an amount equal to the Billable Volumes times the Gas Rate. The Gas Rate shall equal, subject to any necessary Mcf to Ccf conversion, the New York Mercantile Exchange ("NYMEX") final settlement price for the month plus the applicable Retail Price Adjustment plus one (1) cent per Ccf.

7. The rate specified in Paragraph 6, above, is predicated upon maximum hourly deliveries by Columbia to Suburban under this Agreement of 125 Mcf per hour at the New POD. It is understood and agreed by the parties that, in the event of Suburban's recurring hourly requirements under this Agreement exceeding the foregoing maximum hourly deliveries, Columbia may need to upgrade facilities upstream of the New POD. Suburban will be held responsible only for rate increases or contributions in aid of construction that are associated with actual upgrades required to meet Suburban's requirements in excess of said maximum hourly deliveries. In the event of such an increase in Suburban's delivery requirements from Columbia, if Suburban and Columbia are unable to agree as to the amount of such rate increase or contribution in aid of construction, each agrees to submit the matter to the Public Utilities Commission of Ohio for resolution.

8. Except for the obligation to make payment for services provided hereunder, neither party to this Agreement shall be liable to the other for any act or omission directly attributable to events of *force majeure*. For purposes of this Agreement, the term *force majeure* shall mean acts of God, including but not limited to, lightning, earthquakes, storms, and floods; and, in addition, shall mean any acts of the enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, fires, washouts, arrests and restraints, civil disturbances, explosions, breakages of or accidents to machinery or lines of pipe, failure of equipment or materials, freezing of wells or delivery facilities, orders of a court or governmental authority, or any other event which is beyond the reasonable control of the party claiming *force majeure*, provided that such event was not caused by the negligent or intentional act or omission of such party, and provided, further, that such party cannot, through reasonable diligence, remedy the *force majeure* event. Neither party may claim *force majeure* (1) to the extent that such party's failure to perform its obligations hereunder was due to the sole or contributory negligence of such party; (2) to the extent that such party's failure to perform its obligations hereunder was due to its failure to remedy a *force majeure* condition through reasonable diligence; or (3) to the extent that such party's failure to perform its



obligations was due to economic hardship, which shall not constitute *force majeure* for purposes of this Agreement.

9. Except as otherwise provided in this Agreement, service to Suburban shall be governed by Columbia's Rules and Regulations Governing the Distribution and Sale of Gas, as approved by the Commission from time to time.

10. The parties agree that this Agreement supersedes and replaces the July 30, 2002 Agreement, which was submitted to and approved by the Commission on September 24, 2003 in PUCO Case No. 01-2326-GA-AEC.

11. The parties recognize that this Agreement is subject to the approval of the Commission. This Agreement shall be null and void if it is not approved by the Commission; and either party may terminate the Agreement, upon ten (10) days written notice to the other party after the issuance of the Commission approval or modification of this Agreement, if the Commission modifies the Agreement in a manner which is unacceptable to such party. If the Agreement is not approved by the PUCO Commission or is terminated in accordance with this paragraph, the parties agree that the currently effective Agreement, as approved by the Commission on September 24, 2003 in PUCO Case No. 01-2326-GA-AEC, shall remain in full force and effect, notwithstanding the terms of Paragraph 8 of this Agreement.

12. The rate for delivery service under this Agreement shall continue in effect for so long as Suburban meets its obligations to Columbia hereunder; provided, that either party may request renegotiation of the delivery rate specified in Paragraph 4 above five (5) years after the effective date hereof and every five year period thereafter by providing not less than one hundred twenty (120) days written notice to the other party prior to the expiration of each five year period. Should the parties, in good faith, not be able to arrive at a new or amended rate, they shall submit the matter to the Commission for resolution.

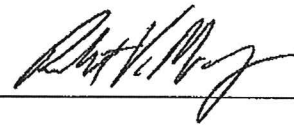
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date hereinabove first written.

Suburban Natural Gas Company

By: 

Its: PRESIDENT / C.O.O.

Columbia Gas of Ohio, Inc.

By:  Robert V. Mooney

Its: VP Engineering & Construction

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**2/13/2017 9:33:13 AM**

**in**

**Case No(s). 17-0445-GA-AEC**

Summary: Application for approval of a proposed arrangement for natural gas service electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.