

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of       )  
Columbia Gas of Ohio, Inc. for Ap-       )       Case No. 17-321-GA-UEX  
proval of an Adjustment to its Uncol-       )  
lectible Expense Rider Rate.               )

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

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Columbia Gas of Ohio, Inc. (“Columbia”), hereby submits its annual Uncollectible Expense Rider Report, and also requests approval to decrease 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,<sup>1</sup> Columbia shall request “approval to change the rate if

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<sup>1</sup> See Section V, Sixteenth Revised Sheet No. 29, for customers served under rate schedules SGS and GS; Section VI, Eighth Revised Sheet No. 69, for customers served under rate schedules SGTS and GTS; and Section VII, Sixteenth Revised Sheet No. 29, Page 9 of 11, for customers served through Columbia’s CHOICE Program. All tariff sheets include identical billing rates and adjustment provisions.

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 14, 2016, Columbia filed an Application for Approval of an Adjustment to its Uncollectible Expense Rider in Case No. 16-0321-GA-UEX. This filing proposed the establishment of a revised Uncollectible Expense Rider rate of \$0.0555 per Mcf. By Finding and Order dated June 15, 2016, the Commission approved the amended application and revised Uncollectible Expense Rider rate to \$0.0555 per Mcf.

5. Attachment 2 shows the impact per Mcf of the projected over-collection of bad-debt expense to be experienced by Columbia during the period July 2016 through May 2017. On May 31, 2017, Columbia projects it will have an over-collected balance of \$2,196,287. Without accounting for any projected changes in the bad debt balance, a decrease of \$0.0124/Mcf would be required to pass back this prior period over-collection. Rather than decreasing the Uncollectible Expense Rider to pass back this over collection, Columbia recommends subtracting this over-collection of \$2,196,287 from the projected total bad debt to be incurred by Columbia from June 2017 through May 2018. Therefore, included as Attachment 3, is a projection of Columbia’s anticipated bad debt under-recovery for the period June 2017 through May 2018. Attachment 3 shows a projected bad debt write off of \$9,943,767 during the period June 2017 through May 2018. Combining the projected over-collected balance at May 31, 2017 of (\$2,196,287), with the bad debt projection for the twelve-month period ending May 31, 2018 results in a bad-debt recovery requirement of \$7,747,480 or a revised rate of \$0.0438. Therefore, Columbia proposes to decrease its current Uncollectible Expense Rider by \$0.0117/Mcf in order that it may properly match its projected bad-debt experience with recoveries during the period twelve months ending May 31, 2018.

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. 16-0321-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 annual true-up program requirements. For this reason, Columbia, therefore, proposes to decrease its Uncollectible Expense Rider rate from \$0.0555 to \$0.0438 per Mcf. The rate is comprised of: (1) Columbia’s projected deferred uncollectible expenses at May 31,

2017; and (2) Columbia's estimated uncollectible accounts expense for the twelve-month period ending May 31, 2018. The calculation of the proposed Uncollectible Expense Rider rate is shown on Attachment 4.

7. The resulting Uncollectible Expense Rider rate of \$0.0438 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/ Joseph M. Clark

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**COLUMBIA GAS OF OHIO, INC.**

## **ATTACHMENT 1**

Columbia Gas of Ohio, Inc.  
Uncollectible Expense Rider Report

Line  
No.

|  | Calendar Year 2016 Actual Balances |                |                |                |                |                |                |              |              |                |                 |                |
|--|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|----------------|-----------------|----------------|
|  | January                            | February       | March          | April          | May            | June           | July           | August       | September    | October        | November        | December       |
| 1 Balance - Beginning of Month (a)               | 8,050,518.94                       | 4,229,425.12   | 472,729.77     | (2,063,954.42) | (3,546,822.72) | (2,831,950.47) | (1,079,511.98) | 1,226,374.10 | 3,148,032.40 | 4,642,228.28   | 4,841,662.56    | 3,034,509.05   |
| 2 Bad Debts Written Off                          | 2,531,790.78                       | 2,266,582.33   | 2,109,286.25   | 2,188,859.18   | 2,498,252.13   | 2,817,325.15   | 2,946,856.59   | 2,685,207.37 | 2,376,922.24 | 2,906,151.68   | 11,807,452.42   | 3,457,952.19   |
| 3 Amortization of 2001 Deferral                  | -                                  | -              | -              | -              | -              | -              | -              | -            | -            | -              | -               | -              |
| 4 Recovery - Base Rates                          | -                                  | -              | -              | -              | -              | -              | -              | -            | -            | -              | -               | -              |
| 5 Consultant Fees                                | -                                  | -              | -              | -              | -              | -              | -              | -            | -            | -              | -               | -              |
| 6 Recovery - Bad Debt Rider                      | (3,366,785.64)                     | (3,589,523.89) | (2,729,346.52) | (1,983,037.92) | (1,089,078.29) | (606,858.69)   | (182,478.03)   | (177,479.76) | (180,579.90) | (288,469.30)   | (520,069.23)    | (1,267,869.48) |
| 7 Recovery - Other                               | (2,989,290.92)                     | (2,434,976.03) | (1,915,987.68) | (1,686,446.15) | (691,432.43)   | (456,464.01)   | (458,535.43)   | (587,348.45) | (704,424.44) | (2,421,021.33) | (13,096,839.81) | (4,339,546.55) |
| 8 Incremental Bad Debt (2)+[(3)+(4)+(5)+(6)+(7)] | (3,824,285.78)                     | (3,757,917.59) | (2,536,047.95) | (1,480,624.89) | 717,741.41     | 1,754,002.45   | 2,305,843.13   | 1,920,379.16 | 1,491,917.90 | 196,661.05     | (1,809,456.62)  | (2,149,463.84) |
| 9 Balance Subtotal (1) + (8)                     | 4,226,233.16                       | 471,507.53     | (2,063,318.18) | (3,544,579.31) | (2,829,081.31) | (1,077,948.02) | 1,226,331.15   | 3,146,753.26 | 4,639,950.30 | 4,838,889.33   | 3,032,205.94    | 885,045.21     |
| 10 Carrying Charges [(1)+[(9)/2]x(12)]           | 3,191.96                           | 1,222.24       | (636.24)       | (2,243.41)     | (2,869.16)     | (1,563.96)     | 42.94          | 1,279.14     | 2,277.98     | 2,773.23       | 2,303.11        | 1,273.86       |
| 11 Balance - End of Month (9)+(10)               | 4,229,425.12                       | 472,729.77     | (2,063,954.42) | (3,546,822.72) | (2,831,950.47) | (1,079,512)    | 1,226,374      | 3,148,032    | 4,642,228    | 4,841,663      | 3,034,509       | 886,319        |
| 12 Monthly Pool Rates                            | 0.08%                              | 0.08%          | 0.08%          | 0.08%          | 0.09%          | 0.08%          | 0.09%          | 0.09%        | 0.09%        | 0.09%          | 0.09%           | 0.10%          |

Columbia Gas of Ohio, Inc.  
Uncollectible Expense Rider Report  
Calendar Year 2017 Actual

| Line<br>No. |  | January     | Actual<br>February | March       |
|-------------|--|-------------|--------------------|-------------|
| 1           | Balance - Beginning of Month               | 886,319     | (752,058)          | (2,121,422) |
| 2           | Bad Debts Written Off                      | 1,947,422   | 1,759,885          | 2,193,659   |
| 3           | Amortization of 2001 Deferral              | -           | -                  | -           |
| 4           | Recovery - Base Rates                      |             |                    |             |
| 5           | Consultant Fees                            |             |                    | -           |
| 6           | Recovery - Bad Debt Rider                  | (1,760,591) | (1,431,982)        | (1,317,375) |
| 7           | Recovery - Other                           | (1,825,257) | (1,695,830)        | (1,787,816) |
| 8           | Incremental Bad Debt (2)+[(3)+(4)+(5)+(6)] | (1,638,425) | (1,367,928)        | (911,531)   |
| 9           | Balance Subtotal (1) + (8)                 | (752,106)   | (2,119,986)        | (3,032,953) |
| 10          | Carrying Charges [(1)+[(9)/2]x(11)]        | 48          | (1,436)            | (2,835)     |
| 11          | Balance - End of Month (9)+(10)            | (752,058)   | (2,121,422)        | (3,035,788) |
| 12          | Monthly Pool Rates                         | 0.11%       | 0.10%              | 0.11%       |

NISOURCE INC. AND SUBSIDIARIES  
OPERATING COMPANIES MONEY POOL RATES  
January 2016 Through March 2017

| MONTH    | DAYS | AVERAGE DAILY BALANCES |                  |                  | MONTHLY INTEREST ACCRUALS |                  |                 | MONTHLY RATES * |             |                |
|----------|------|------------------------|------------------|------------------|---------------------------|------------------|-----------------|-----------------|-------------|----------------|
|          |      | S-T DEBT<br>\$         | INVESTMENT<br>\$ | COMPOSITE<br>\$  | S-T DEBT<br>\$            | INVESTMENT<br>\$ | COMPOSITE<br>\$ | S-T DEBT<br>%   | INVEST<br>% | COMPOSITE<br>% |
| JAN 2016 | 31   | 282,599,096.77         | 714.68           | 282,599,811.45   | 239,420.42                | 0.19             | 239,420.61      | 1.00%           | 0.31%       | 1.00%          |
| FEB      | 29   | 204,379,310.34         | 0.00             | 204,379,310.34   | 155,069.45                | 0.00             | 155,069.45      | 0.95%           | 0.00%       | 0.95%          |
| MAR      | 31   | 322,903,225.81         | 0.00             | 322,903,225.81   | 264,640.28                | 0.00             | 264,640.28      | 0.96%           | 0.00%       | 0.96%          |
| APR      | 30   | 459,912,666.67         | 0.00             | 459,912,666.67   | 377,568.19                | 0.00             | 377,568.19      | 1.00%           | 0.00%       | 1.00%          |
| MAY      | 31   | 606,167,709.68         | 0.00             | 606,167,709.68   | 530,260.26                | 0.00             | 530,260.26      | 1.03%           | 0.00%       | 1.03%          |
| JUN      | 30   | 776,569,700.00         | 0.00             | 776,569,700.00   | 659,420.71                | 0.00             | 659,420.71      | 1.03%           | 0.00%       | 1.03%          |
| JUL      | 31   | 920,664,129.03         | 0.00             | 920,664,129.03   | 806,559.97                | 0.00             | 806,559.97      | 1.03%           | 0.00%       | 1.03%          |
| AUG      | 31   | 914,202,774.19         | 0.00             | 914,202,774.19   | 817,640.58                | 0.00             | 817,640.58      | 1.05%           | 0.00%       | 1.05%          |
| SEP      | 30   | 960,882,000.00         | 0.00             | 960,882,000.00   | 827,902.67                | 0.00             | 827,902.67      | 1.05%           | 0.00%       | 1.05%          |
| OCT      | 31   | 827,355,161.29         | 0.00             | 827,355,161.29   | 767,541.20                | 0.00             | 767,541.20      | 1.09%           | 0.00%       | 1.09%          |
| NOV      | 30   | 1,092,472,000.00       | 0.00             | 1,092,472,000.00 | 978,178.42                | 0.00             | 978,178.42      | 1.09%           | 0.00%       | 1.09%          |
| DEC      | 31   | 1,198,220,483.87       | 0.00             | 1,198,220,483.87 | 1,227,459.50              | 0.00             | 1,227,459.50    | 1.21%           | 0.00%       | 1.21%          |
| JAN 2017 | 31   | 1,065,531,741.94       | 0.00             | 1,065,531,741.94 | 1,172,404.92              | 0.00             | 1,172,404.92    | 1.30%           | 0.00%       | 1.30%          |
| FEB      | 28   | 934,300,892.86         | 0.00             | 934,300,892.86   | 903,468.82                | 0.00             | 903,468.82      | 1.26%           | 0.00%       | 1.26%          |
| MAR      | 31   | 1,015,902,096.77       | 0.00             | 1,015,902,096.77 | 1,123,069.18              | 0.00             | 1,123,069.18    | 1.30%           | 0.00%       | 1.30%          |

## **ATTACHMENT 2**



Columbia Gas of Ohio, Inc.  
Uncollectible Expense Rider Report  
Based on Historic Balance @ March 31, 2017

| Line<br>No. | Description   | Amount      |
|-------------|---|-------------|
| 1           | Deferred Uncollectible Accounts Expense Balance As of May 31, 2017                                | (2,196,287) |
| 2           | Projected Volumes Twelve Months Ending May 31, 2018   | 176,863,529 |
| 3           | Plus: Under(Over) Recovery of Uncollectible Expense TME May 31, 2017 per Mcf<br>(Line 1 / Line 2) | (0.0124)    |

## **ATTACHMENT 3**

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## **ATTACHMENT 4**

Columbia Gas of Ohio, Inc.  
Uncollectible Expense Rider Calculation

| Line<br>No. | Description  | Amount<br>\$     |
|-------------|--|------------------|
| 1           | Incremental Net Charge Offs for TME May 31, 2018 (Attachment 3 line 14)                                | 9,943,767        |
| 2           | Projected Volumes TME May 31, 2018   | 176,863,529      |
| 3           | Proposed Revised Rate Effective June 1, 2017 per Mcf<br>(Line 3 / Line 4)                              | 0.0562           |
| 4           | Plus: Under(Over) Recovery of Uncollectible Expense TME June 1, 2017 per Mcf<br>(Attachment 2, Line 3) | <u>(0.0124)</u>  |
| 5           | <b>Proposed Revised Rate Effective June 1, 2017 per Mcf</b><br>(Line 5 + Line 6)                       | <b>\$ 0.0438</b> |

Columbia Gas of Ohio, Inc.  
Projected Bad-Debt Recovery @ Current Rates

Attachment 4  
Sheet 2 of 2

|       | Throughput   | Current<br>Rate | Revenue |
|-------|--------------|-----------------|---------|
| Apr   | 17,644,115.3 | 0.0555          | 979,248 |
| May   | 9,379,874.2  | 0.0555          | 520,583 |
| Jun   | 4,853,195.7  | -               | -       |
| Jul   | 3,497,970.3  | -               | -       |
| Aug   | 3,425,131.6  | -               | -       |
| Sep   | 3,589,748.0  | -               | -       |
| Oct   | 5,407,745.4  | -               | -       |
| Nov   | 12,057,597.6 | -               | -       |
| Dec   | 23,667,997.3 | -               | -       |
| Jan   | 33,679,278.9 | -               | -       |
| Feb   | 32,787,144.6 | -               | -       |
| Mar   | 26,410,215.7 | -               | -       |
| Apr   | 18,253,648.5 | -               | -       |
| May   | 9,233,855.0  | -               | -       |
| Total | 176,863,529  |                 | -       |

## **ATTACHMENT 5**

**COLUMBIA GAS OF OHIO, INC.**

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

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**UNCOLLECTIBLE EXPENSE RIDER**

**APPLICABLE:**

To all customers served under rate schedules SGS and GS.

**UNCOLLECTIBLE EXPENSE RIDER:**

A charge of \$0.0438 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs 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 Entry dated.

Issued:

Issued By  
Daniel A. Creekmur., President

Effective: With meter readings on or



COLUMBIA GAS OF OHIO, INC.

**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 charge of ~~\$0.0555~~\$0.0438 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs 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 Entry dated ~~June 16, 2016~~ in Case No. 16-321-GA-UEX.

Issued: ~~June 28, 2016~~

Effective: With meter readings on or ~~after June-~~  
~~29, 2016~~

Issued By  
Daniel A. Creekmur., President

**COLUMBIA GAS OF OHIO, INC.**

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

---

**UNCOLLECTIBLE EXPENSE RIDER**

**APPLICABLE**

To all customers served under rate schedules SGTS and GTS.

**UNCOLLECTIBLE EXPENSE RIDER**

A charge of \$0.0438 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs 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.

Issued:

Filed in accordance with Public Utilities Commission of Ohio Entry.

Effective: With meter readings on or after

Issued By  
Daniel A. Creekmur, President

COLUMBIA GAS OF OHIO, INC.

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

---

**UNCOLLECTIBLE EXPENSE RIDER**

**APPLICABLE**

To all customers served under rate schedules SGTS and GTS.

**UNCOLLECTIBLE EXPENSE RIDER**

A charge of ~~\$0.0555~~\$0.0438 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs 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.

**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

A charge of \$0.0438 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs 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.

Issued:

Filed in accordance with Public Utilities Commission of Ohio Entry dated.

Effective: With meter readings on or after

Issued By  
Daniel A. Creekmur, President

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

A charge of ~~\$0.0555~~\$0.0438 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs 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.

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

**Commission of Ohio Docketing Information System on**

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**in**

**Case No(s). 17-0321-GA-UEx**

Summary: Application for Approval of an Adjustment to its Uncollectible Expense Rider Rate electronically filed by Ms. Melissa L. Thompson on behalf of Columbia Gas of Ohio, Inc.