



**Public Utilities  
Commission**

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M. Beth Trombold  
Thomas W. Johnson  
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May 19, 2017

Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus OH 43215

2017 MAY 19 AM 11:30  
PUCO

RE: *In the Matter of the Annual Report of Columbia Gas of Ohio, Inc. for Approval of  
Adjustment to its Infrastructure Development Rider Rate, Case No. 17-521-GA-RDR.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendation in regards to Columbia Gas of Ohio, Inc.'s application in Case No. 17-521-GA-IDR for approval of its economic development projects annual report and request to adjust its Infrastructure Development Rider.

Tamara S. Turkenton  
Chief, Regulatory Services Division  
Public Utilities Commission of Ohio

David Lipthratt  
Chief, Research and Policy Division  
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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**Columbia Gas of Ohio, Inc.**

**Case No. 17-521-GA-IDR**

**BACKGROUND:**

By Finding and Order (Order) dated June 1, 2016, in Case No. 15-871-GA-ORD, the Public Utilities Commission of Ohio (Commission) adopted rules in Ohio Adm. Code 4901:1-43 concerning the recovery of infrastructure development costs for natural gas company infrastructure development projects pursuant to R.C. 4929.16 - 4929.167. These rules allow natural gas companies to file applications for an *infrastructure development rider to recover costs of certain economic development projects*. The rules require a natural gas company that seeks recovery of economic development project costs to first file an application for an infrastructure development rider. The rules then require natural gas companies to file a notice with the Commission, prior to beginning construction, for approval of an economic development project. The rules then require natural gas companies to file an annual report with the Public Utilities Commission containing a detail of infrastructure development costs related to the applicable economic development project or projects, and to set forth the rider rate for the twelve months following the annual report.

**SUMMARY OF APPLICATION:**

On October 21, 2016, in Case Nos. 16-2067-GA-ATA and 16-2068-GA-IDR, Columbia Gas of Ohio, Inc. (Columbia or Company) filed an application to adopt an infrastructure development rider (IDR) tariff. The Company proposed to incorporate a new rider known as Infrastructure Development Rider (IDR) into its tariff. The IDR is a mechanism created pursuant to R.C. 4929.161 and Ohio Adm. Code 4901:1-43-04. The purpose of the rider is to recover Infrastructure Development Costs, as defined by R.C. 4929.16, associated with economic development projects approved under R.C. 4929.163 (economic development projects) and 4929.164 (certified sites projects). In addition to establishing the IDR, the Company is also revising the applicable tariff pages concerning the capital investments for distribution mains to new customers in order to reflect the impact of the IDR upon the tariff provision applicable to the extension of distribution mains.

On April 13, 2017, IGS Energy filed a Motion to Intervene and on May 1, 2017 the Office of Consumers' Counsel (OCC) filed a Motion to Intervene.

On October 24, 2016, in Case No. 16-2069-GA-EDP, the Company filed an application for approval of an economic development project entitled the Sofidel Pipeline Project. Staff filed a review and recommendation on November 21, 2016 and the application was deemed automatically approved on the thirtieth day after the date of the notice.

On March 15, 2017, in Case No. 17-521-GA-IDR, the Company filed an annual report to set the rider rate. Pursuant to Ohio Adm. Code 4901:1-43, the proposed rates will automatically become effective on the *seventy-sixth day, unless suspended by the commission for good cause shown or May 31, 2017*.

On May 03, 2017, Staff filed a Review and Recommendation recommending that the Commission approve the Company's application to establish an IDR tariff.

**STAFF'S REVIEW AND RECOMMENDATIONS:**

Staff has reviewed Columbia's annual report and rider adjustment in this case. Staff audited plant additions contained in the filing, reviewed invoices, and the general ledger. Staff also verified the calculation for the new rider rate.

Based on this review, in Staff's opinion, Columbia's annual report and rider adjustment are consistent with the Commission's rules governing the IDR annual report and rider adjustment process. Therefore, Staff recommends that the Commission accept Columbia's annual report in this case and approve the proposed increase to the Infrastructure Development Rider rate by operation of the automatic approval process established by the Ohio Adm. Code 4901:1-43-04(D).