

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Re- )  
view of the Standard Filing Require- ) Case No. 19-2103-AU-ORD  
ments for Rate Increases in Ohio )  
Adm.Code 4901-7 )

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

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Pursuant to the Commission's December 16, 2020 Entry in the above-referenced docket, Columbia Gas of Ohio, Inc. ("Columbia") is submitting these Initial Comments for the Commission's consideration. Staff's proposed changes to Ohio Adm. Code Chapter 4901-7 reflect some of the changes suggested at the Commission's workshop held on December 19, 2019. Columbia requests that the Commission consider revising and clarifying these proposed changes as described in these Initial Comments.

**Chapter II – Standard Filing Requirements (Large Utilities)**

Staff proposes several changes to the "functional areas" listed in Division (B)(9) and removes the restriction limiting information requested under this section to three of these functional areas. While Columbia recognizes the necessity that Staff receive all information required for its review of an application for an increase in rates, the timing associated with this rule change creates a potential practical problem. Requests for information under this division are filed ten business days after the filing of a notice of intent, which is filed thirty days prior to the filing of an application. This leaves a company twenty days to prepare information responsive to staff's requests. It is important to note that this twenty-day window runs parallel to a company's work to finalize an application. This tight deadline is manageable so long as there is a limit to the amount of information requested. As proposed, however, the new requirement creates the potentially burdensome mandate that the company address a limitless number of subjects. Further, elimination of the clause explaining the list of functional areas at the end of the first paragraph in Division (D)(9) creates confusion in the rule. If Staff's

proposed amendments are adopted, there is no frame of reference explaining the purpose of the remaining subpart (a).

Columbia supports the proposed changes to Division(C). The documents removed from the list of required disclosures are all publicly available on the internet from various sources.

In its proposed changes, Staff makes several alterations to Division (D). As an initial matter, Columbia supports the removal of former subparts (9) and (10). Columbia, however, requests clarification related to the removal of the language in the first paragraph of the Division that currently specifies that this information must be provided on the first day of the field audit. In particular, the Commission should clarify whether this information be provided upon request, or at filing of the application. Further, Staff's language added to new Divisions D(11) through (13) would require extensive information related to company budgets. Some of these proposed changes are based on implicit assumptions that may make compliance impossible. For example, (D)(11) requires the submission of a signed statement attesting to the fact that a budget was approved by the President and the Board of Directors of the company. This assumes that every utility's corporate budget is approved by these two parties. If this is not the case, utilities with different methods of approving budgets would need to ask for a waiver of this rule with every filing. The information requested by these changes could be obtained through data requests, which would prevent the necessity of a waiver. Further, Columbia questions whether so much information is necessary for staff's review given that the budget is later trued up with actual information. The burden of preparing all of this information outweighs its use in an application of this kind.

Finally, in the new subpart (d) of former Division (D)(3), the term "CAM" is used multiple times. Columbia respectfully requests that this term be defined as used in this section. The use of this abbreviation is likely referring to "Cost Allocation Manual" for common services provided by corporate functions, but the abbreviation is also commonly used to refer to "Common Area Maintenance" in lease agreements. As applicable to natural gas utilities, the statutory support for Division (D)(3) as a whole is unclear. If Staff intends this new subpart to apply only to electric utilities required to maintain cost allocation manuals under Ohio Adm.Code Chapter 4901:1-37, the subpart should be revised to clarify the Commission's intention. Further, Staff's request for companies to provide details of the "specific change requested" and to "provide a detailed rationale" for changes to its CAM appears to be duplicative of subpart (a). In compliance with the requirements mandated by the Federal Energy Regulatory Commission ("FERC")

and the Public Utilities Holding Company Act, NiSource Corporate Services Company ("NCSC") uses a billing pool system to collect costs that are applicable and billable to affiliates, including Columbia. NCSC allocates costs for a particular billing pool in accordance with bases of allocation that have been previously approved by the Securities Exchange Commission ("SEC") and filed annually with the FERC. A description of each basis of allocation is provided in a contract that is submitted in compliance with subpart (a). Subpart (d)'s requirement to quantify the impact of each change in the CAM would require substantial work and would add to the costs of the rate case. Columbia questions whether this additional cost is necessary given the fact that the bases of allocation were reviewed and approved by the SEC and are filed annually with the FERC.

#### *Section A: Revenue Requirement (Large Utilities)*

Staff proposes additional language to be included in Division (C). This language includes the sentence: "Uncollectible expenses recovered in its entirety in a separate rider shall also be omitted." Columbia requests clarification on the purpose of the clause "in its entirety." Columbia recovers its uncollectible expense for Large General Service (LGS) customers in base rates, albeit not through the Gross Conversion Factor. In this context, "in its entirety" creates confusion.

#### *Section C Operating Income*

Staff proposes the addition of new Division (B)(4) in its list of information requirements for operating income schedules. The first sentence of the new language specifies that Schedule C-3 should be adjusted to exclude from base rates, the revenue and expenses from riders "that are not being proposed to be incorporated in base rates." The second sentence refers to "the adjusted total company" that excludes "all revenue and expenses." This second sentence does not include the above qualifier and could be interpreted broadly. Columbia requests, for clarification sake, that the qualifying sentence "that are not being proposed to be incorporated in base rates" be added to the end of new Division (B)(4).

### **Chapter IV – Standard Filing Requirements (Abbreviated Filing)**

In Division (A)(1), Staff proposes that applicants have "supplemental schedules" on file for the most recent calendar year and at least two prior years. As used in this sentence, "supplemental schedules" is not defined. Columbia requests that a definition or clarifying language be added to specifically identify what schedules are being referenced here.

Respectfully submitted by,

**COLUMBIA GAS OF OHIO, INC.**

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Summary: Comments Initial Comments electronically filed by Mr. John R Ryan on behalf of  
Columbia Gas of Ohio