**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| **In the Matter of the Application of Columbia Gas of Ohio, Inc. for an Adjustment of its Interim, Emergency and Temporary Percentage of Income Payment Plan Rider** | **)** |  |
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| **)** | **Case No. 12-1429-GA-PIP** |
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**APPLICATION OF**

**COLUMBIA GAS OF OHIO, INC.**

Columbia Gas of Ohio, Inc. (“Columbia”) hereby submits its annual Interim, Emergency and Temporary Percentage of Income Payment Plan Rider Report (“PIP Rider”) and also requests approval to decrease its current PIP Rider. In support of its Application, Columbia states the following:

1. Paragraph 51 of the Finding and Order in Case No. 08-1229-GA-COI, dated December 14, 2011, requires each natural gas company to file an annual PIP status report each May. The annual report is to include the level of PIP recoveries to write off and the rate if applicable. Attached hereto as Attachment 1 is Columbia’s annual PIP Rider Report.

1. The December 14, 2011 Finding and Order also requires natural gas companies to file for approval of a PIP rider rate adjustment whenever an increase or decrease of ten percent or more can be justified.
2. By Finding and Order dated December 2, 1993, in Case Nos. 88-1115-GE-PIP, 90-705-GE-PIP and 90-879-GE-ORD the Commission established a procedure which permits a utility to implement a new PIP rate on the forty-sixth day after the filing of an application, absent action by the Commission. This procedure is similar to the procedure established by the Commission in Case No. 93-1000-EL-FOR for recovery of certain State EPA Emission Application Fees.
3. Columbia’s current PIP Rider rate is 12.74¢ per Mcf. This rate became effective October 27, 2011, and was designed to recover the projected level of arrears expected to occur during the subsequent twelve-month period.
4. Columbia’s annual review of its PIP Rider rate indicates that the PIP Rider rate should be reduced to 2.94¢ per Mcf, a decrease of 9.80¢ per Mcf – a decrease of approximately 76.9%. Columbia hereby requests authority to reduce its PIP Rider rate to 2.94¢ per Mcf. Attachment 2 is a copy of the proposed tariff sheets that provide for the proposed reduction in Columbia’s PIP Rider rate.

6. The development of the proposed PIP Rider of 2.94¢ per Mcf and the change from the current rate is set forth on Attachment 3. The proposed rate is designed to recover the projected level of arrears expected to occur during the next twelve-month period, less an over-collection of $10,914,098.

7. The method of computing the proposed PIP Rider for purposes of this Application is consistent with that approved by the Commission’s Entry issued December 2, 1993, in Case No. 88-1115-GE-PIP et al. That Entry provides for the initiation of a proceeding by a gas or electric company to adjust its PIP Rider to a “true-up” rate to provide, as nearly as possible, for the recovery, over the course of twelve months, an amount equal to the PIPP arrearages to be accumulated over the year plus or minus any deficiency or excess recovered by the rider during a prior year. The Commission has continued to recognize that an emergency, as contemplated by Rev. Code § 4909.16 exists, and that in response to that emergency the PIP payment plan should continue to be made available to residential customers, as set forth in the Stipulation and Recommendation in Case No. 88-1115-GE-PIP et al., approved by the Commission in its Finding and Order dated December 2, 1993. Said Stipulation and Recommendation provides for the adjustment of PIP Riders upon request of the affected utility.

8. In direct testimony of the Commission Staff, accepted by the Commission in its December 2, 1993, Finding and Order, a procedure was adopted for the implementation of revised PIP rates similar to the procedure established by the Commission Entry dated June 24, 1993, in Case No. 93-1000-EL-FOR for recovery of certain State EPA Emission Application Fees. This procedure permits a utility to implement its new rate on the forty-sixth day after its application, absent action by the Commission. Columbia hereby requests that the proposed PIP Rider rate set forth in this Application, absent action by the Commission, become effective on the forty-sixth day after the filing of this Application.

**WHEREFORE,** Columbia Gas of Ohio, Inc. respectfully requests that the Commission approve this Application and the proposed PIP Rider as set forth in Attachment 2, to become effective with the first billing unit for the month immediately following the forty-sixth day after the filing of this Application.

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| Respectively submitted by  |
| **COLUMBIA GAS OF OHIO, INC.** |
| /s/ Stephen B. Seiple  |
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| **COLUMBIA GAS OF OHIO, INC.** |

**ATTACHMENT 1**

**PIP PLAN RIDER REPORT**

**ATTACHMENT 2**

**PROPOSED TARIFFS**

**ATTACHMENT 3**

**COMPUTATION OF PIP RIDER RATE**