BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Application of Columbia Gas of Ohio, Inc., for Authority to Amend its Filed Tariffs to Increase the Rates and Charges for Gas Services and Related Matters. |))) | Case No. 08-72-GA-AIR |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|
| In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval of an Alternative Form of Regulation and for a Change in its Rates and Charges. |))) | Case No. 08-73-GA-ALT |
| In the Matter of the Application of Columbia Gas of Ohio, Inc., for Approval to Change Accounting Methods. |) | Case No. 08-74-GA-AAM |
| In the Matter of the Application of Columbia Gas of Ohio, Inc., for Authority to Revise its Depreciation Accrual Rates. |) | Case No. 08-75-GA-AAM |

ENTRY

The Commission finds:

- (1) Columbia Gas of Ohio, Inc., (Columbia) is a natural gas company as defined by Section 4905.03(A)(6), Revised Code, and a public utility as defined by Section 4905.02, Revised Code. Columbia is, therefore, subject to the jurisdiction of this Commission.
- (2) A notice of intent to file an application for an increase in rates was received on February 1, 2008, pursuant to Section 4909.43(B), Revised Code, and in compliance with Rule 4901-7-01, Ohio Administrative Code (O.A.C.), Appendix A, Chapter I, paragraphs (A) and (B). The application seeking Commission authority to increase gas rates was received by this Commission on March 3, 2008, and is subject to Sections 4909.17 to 4909.19 and 4909.42, Revised Code. At the same time, Columbia filed an application seeking approval of an Alternative Rate Plan governed by Section 4929.05, Revised Code.
- (3) With the filing of its notice of intent to file an application seeking

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Commission authority to increase its gas rates, Columbia moved that its test period begin October 1, 2007, and end September 30, 2008, and that the date certain be December 31, 2007. Columbia's proposed test period and date certain comply with Section 4909.15(C), Revised Code, and were, therefore, approved by Commission Entry dated February 27, 2008.

- (4) The application meets the requirements of Section 4909.18, Revised Code, which enumerates the statutory requirements for an application to increase rates, and this Commission's Standard Filing Requirements. As such, the application should be accepted for filing as of March 3, 2008.
- (5) Columbia's proposed notice for publication, set forth in Schedule S-3 of its application, complies with the requirements of Section 4909.18(E), Revised Code, and should be approved. Columbia shall begin publication of the newspaper notice, pursuant to Section 4909.19, Revised Code, within thirty days of the date of this Entry and such notice shall not appear in the legal notices section of the newspaper.
- (6) Moreover, on March 19, 2008, the Commission issued an Entry finding that, in order to complete our review of the applications, the necessary audit should be conducted by a qualified independent auditing firm. Therefore, the Commission ordered staff to issue a request for proposals (RFP) from qualified independent auditors, with proposals due by April 9, 2008.
- (7) Letters announcing and giving instructions on how to access RFP U07-FA-5 on the Commission's website were mailed on March 20, 2008. Four auditors submitted timely proposals.
- (8) Staff has evaluated the proposals received in response to the RFP, and, after consideration of those proposals, the Commission selects Blue Ridge Consulting Services, Inc. to conduct the audit. The Commission finds that Blue Ridge Consulting Services, Inc. has the necessary experience to complete the required work under the RFP.
- (9) Columbia shall enter into a contract with Blue Ridge Consulting Services, Inc. for the purpose of providing payment for its auditing services. The contract shall incorporate the terms and

conditions of the RFP, the auditor's proposal, and relevant Commission entries in this case.

(10) Blue Ridge Consulting Services, Inc. will execute its duties pursuant to the Commission's statutory authority to investigate and obtain records, reports, and other documentation under Sections 4903.02, 4903.03, 4905.06, 4905.15, and 4905.16, Revised Code. The auditor shall be subject to the Commission's statutory duty under Section 4901.16, Revised Code, which states, in relevant part:

Except in his report to the public utilities commission or when called on to testify in any court or proceeding of the public utilities commission, no employee or agent referred to in section 4905.13 of the Revised Code shall divulge any information acquired by him in respect to the transaction, property, or business of any public utility, while acting or claiming to act as such employee or agent. Whoever violates this section shall be disqualified from acting as agent, or acting in any other capacity under the appointment or employment of the commission.

- (11) Upon request of the auditor or staff, Columbia shall provide any and all documents and information requested. Columbia may conspicuously mark such documents or information "confidential." In no event shall Columbia refuse or delay providing such information or documents.
- (12) Once the exception set forth in Section 4901.16, Revised Code, is satisfied, the following process applies to the release of any document or information Columbia marks as "confidential." The staff or the auditor shall not publicly disclose any document marked "confidential" by Columbia, except upon three days' prior written notice of intent to disclose served upon Columbia counsel. Three days after such notice, staff or the auditor may disclose or otherwise make use of such documents or information for any lawful purpose, unless Columbia moves the Commission for a protective order pertaining to such information within the three-day notice period. The three-day notice period will be computed according to Rule 4901-1-07, O.A.C. Service shall be complete upon mailing or delivery in person.

(13) The auditor shall perform its duties as an independent contractor. Neither the Commission nor its staff shall be liable for any acts committed by the auditor in the performance of its duties.

It is, therefore,

ORDERED, That the application of Columbia Gas of Ohio, Inc., be accepted for filing as of March 3, 2008. It is, further,

ORDERED, That the proposed newspaper notice submitted by Columbia Gas of Ohio, Inc., be approved for publication as set forth in Finding 5. It is, further,

ORDERED, That Blue Ridge Consulting Services, Inc. be selected to perform the consulting activities set forth above. It is, further,

ORDERED, That Columbia Gas of Ohio, Inc., and Blue Ridge Consulting Services, Inc. shall observe the requirements set forth in this Entry. It is, further,

ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Alan R. Schriber, Chairman

Paul A Centolella

Ronda Hartman Fergus

Valerie A. Lemmie

Cheryl L. Roberto

HW:djb

Entered in the Journal

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Reneé J. Jenkins

Secretary