



Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

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Consumers' Counsel

PUCO

2008 JUL -9 PM 5:10

REC'D - STORE FRM DIV

July 9, 2008

Ms. Renee Jenkins, Director
Public Utilities Commission of Ohio
180 East Broad Street, 13th Floor
Columbus, Ohio 43215-3793

Re: *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval of a Demand Side Management Program for Residential and Commercial Consumers, Case No. 08-0833-GA-UNC.*

Dear Ms. Jenkins:

The Office of the Ohio Consumers' Counsel ("OCC") files this letter in support of the Application filed by Columbia Gas of Ohio, Inc. ("Company") on July 1, 2008, in the above-captioned proceeding. The Company is asking the Public Utilities Commission of Ohio ("PUCO") to approve the proposed residential and commercial demand side management ("DSM") programs for calendar years 2009-2011.¹ The proposed DSM programs were developed with the consensus of interested stakeholder participants.² The Application in this case is seeking Commission authority to implement the proposed DSM programs. The approval of any cost recovery associated with these DSM programs will be determined in the Company's present rate proceeding ("Rate Case").³ On July 1, 2008, the Company also filed in the Rate Case a Motion to Take Administrative Notice of the Docket in this case.

¹ Application at 1.

² Application at 1 (The interested stakeholders included Columbia, OCC, Staff, Honda of America Manufacturing, Inc., Ohio Farm Bureau Federation, Ground Level Solutions, Inc., Corporation for Ohio Appalachian Development, Cornerstone Energy Conservation Services, American Society of Heating, Refrigeration and Air Conditioning Engineers - ASHRAE ("HAWA"), Industrial Energy Users-Ohio, Mid Ohio Regional Planning Commission ("MORPC"), Ohio Home Builders Association, Ohio Department of Development ("ODOD"), Ohio Partners for Affordable Energy, Ohio Board of Building Standards, Direct Energy, Air Conditioning Contractors of America - Ohio Chapter (Atlas Butler Heating Cooling), The Building Owners and Managers Association (CB Richard Ellis | Global Corporate Services), Neighborhood Housing Services of Toledo, City of Columbus, and Interstate Gas Supply, Inc. M. Blasnik and Associates, and KEMA served as DSM consultants.

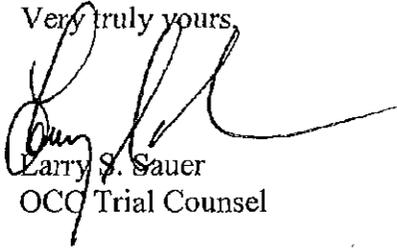
³ *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Authority to Amend Filed Tariffs to Increase the Rates and Charges for Gas Distribution Service, Case No. 08-72-GA-AIR, et al.*

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It is imperative that the Commission approve the implementation of the DSM programs expeditiously and not wait until the cost recovery issue is finalized in the Rate Case. OCC does not expect any major issues with the Company's DSM program cost-recovery since it is a basic recovery of program costs and the Company is not requesting program induced distribution lost revenues nor any incentive payments for administering the programs. The DSM programs will benefit consumers who are seeking relief from increased natural gas costs. Approving the Application will allow the Company to proceed with the implementation of the DSM programs while awaiting a decision on the cost recovery issue. By proceeding on dual tracks, the Company should be in a position to offer the DSM programs to consumers during the winter heating season beginning early in 2009.

Very truly yours,

A handwritten signature in black ink, appearing to read "Larry S. Sauer", with a long horizontal flourish extending to the right.

Larry S. Sauer
OCC Trial Counsel

cc: Parties of Record