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**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Columbia)
Gas of Ohio, Inc. for Authority to Amend Filed) Case No. 08-0072-GA-AIR
Tariffs to Increase the Rates and Charges for)
Gas Distribution Service.)

In the Matter of the Application of Columbia)
Gas of Ohio, Inc. for Approval of an Alternative) Case No. 08-0073-GA-ALT
Form of Regulation and for a Change in its)
Rates and Charges.)

In the Matter of the Application of Columbia Gas)
of Ohio, Inc. for Approval to Change Accounting) Case No. 08-0074-GA-AAM
Methods.)

In the Matter of the Application of Columbia)
Gas of Ohio, Inc. for Authority to Revise its) Case No. 08-0075-GA-AAM
Depreciation Accrual Rates.)

**MOTION OF
COLUMBIA GAS OF OHIO, INC.
TO STRIKE OBJECTIONS TO
THE STAFF REPORT OF INVESTIGATION**

Pursuant to the Commission's Entry of August 28, 2008, and pursuant to Ohio Admin. Code § 4901-1-12, Columbia Gas of Ohio, Inc. ("Columbia") files this Motion to Strike the following Objections to the Staff Report of Investigation filed in this case by Stand Energy Corporation ("Stand"), the Office of the Ohio Consumers' Counsel ("OCC") and by the Appalachian Peoples Action Coalition and Ohio Partners for Affordable Energy ("APAC/OPAE"):

Stand Objections in their entirety

OCC Objections II(E)(4), II(G)(1) through (8) and (11)

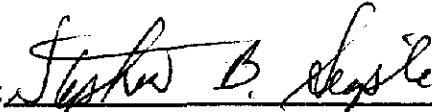
APAC/OPAE Objections III, X and XI

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In support of this Motion, the Commission is referred to the attached Memorandum in Support.

Respectfully submitted,

COLUMBIA GAS OF OHIO, INC.

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MEMORANDUM IN SUPPORT

The Staff Report of Investigation ("Staff Report") was filed in this case on August 21, 2008. Objections to the Staff Report were filed by seven parties, including Stand, the OCC and APAC/OPAE. For the reasons set forth below, Columbia moves to strike all of Stand's Objections and some of the Objections filed by the OCC and APAC/OPAE.

Stand Objections

Pursuant to Rev. Code § 4909.19, Objections to a Staff Report of Investigation must be filed within thirty days of the filing of the Staff Report. In this case, the Staff Report was filed on August 21, 2008, and Objections were thus due no later than September 22, 2008. Stand, however, filed its Objections on September 26, 2008¹ – four days later than required by statute. Stand's Objections were not filed in the time period specified by Rev. Code § 4909.19 and should therefore be stricken in their entirety.

OCC Objection II(E)(4)

In its Objection II(E)(4), on page 11 of the OCC Objections, the OCC objected to "Staff's failure to consider a review of the rates that COH charges customers who subscribe to the Volume Banking and Balancing Service to assure that the rates are cost base and not subsidized." This Objection should be stricken because it attempts to raise an issue that is not properly part of this rate case proceeding, and is thus not reasonably related to the subsequent introduction of relevant evidence.

¹ Stand also filed its Objections electronically, despite the Legal Director's directive admonition about electronic filing at the prehearing conference on September 25, 2008.

Columbia's 2004 and 2005 GCR cases (Case Nos. 04-221-GA-GCR et al.) were fully litigated, however, a stipulation was filed prior to the Commission's issuance of an opinion and order in the case. That stipulation, filed on December 28, 2007, resolved all issues in the cases and also dealt with issues during what was identified as a Transition Period ending March 31, 2010. The OCC was a signatory party to the Stipulation approved by the Commission in an Order dated January 23, 2008. Paragraph 35 of that Stipulation provides,

The Parties agree that Columbia's GTS Volume Banking and Balancing costs, and related services, will be subject to comprehensive review as part of the Regulatory Issues stakeholder process described hereinafter, as the stakeholders consider the implementation of a wholesale gas supply auction process and *will not be considered in the base rate case* as referenced in Paragraph 47 of this Stipulation² and Recommendation. However, there will be no changes to Columbia's Volume Banking and Balancing services prior to March 31, 2010, outside of those changes referenced in this Joint Stipulation and Recommendation, unless agreed to otherwise by the Parties.

(Emphasis Added).

The above language – agreed to by the OCC and approved by the Commission – could not be any clearer. Columbia's Volume Banking and Balancing costs, and related services, are not to be considered as part of this base rate case. Instead, they are to be considered as part of a stakeholder process established by the Stipulation in Case Nos. 04-221-GA-GCR et al. Thus, the OCC's attempt to subject Columbia's Volume Banking and Balancing Service rates to review in this case is improper and the OCC's Objection should be stricken.

OCC Objections II(G)(1) through (8) and (11) and APAC/OPAE Objections III, X and XI

Both the OCC and OPAE filed Objections that dealt with service issues. The majority of these Objections do not appear to allege that Columbia's service in any way fails to comply with the

² Paragraph 47 references the instant base rate case.

Commission's rules, but instead appear to seek to establish through the rate case process standards higher than those that exist in the current rules. This is improper. Furthermore, raising such issues in this case is a waste of the Commission's resources, as well as those of the parties, because the OCC and others have already raised such issues in a more appropriate proceeding.

By Entry dated June 25, 2008, in Case No. 08-723-AU-ORD, the Commission issued for review and comment its rules on security deposits and disconnection of service. Comments were filed by numerous parties, including the OCC, OPAE and APAC. In fact, the OCC's comments alone comprised 160 pages.

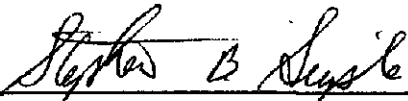
The OCC Objections II(G)(1) through (8) and (11) and APAC/OPAE Objections III, X and XI in the instant case are clearly motivated by a desire to change the Commission's rules on security deposits and disconnection of service. They do this through the guise of suggesting that Columbia be required to take certain actions not required under current Commission rules – i.e., that Columbia be forced to meet standards higher than those required by the current rules. However, it is in Case No. 08-723-GA-UNC that OCC and APAC/OPAE evidence their true intent – they want changes to the rules in order to raise the standards for all utilities. The issues raised in the OCC and APAC/OPAE Objections mirror some of their suggested rule revisions in Case No. 08-723-GA-ORD. Clearly, the proper proceeding in which to pursue changes to the Commission's rules on security deposits and disconnection rules is in Case No. 08-723-GA-ORD, and the OCC, APAC and OPAE are already active participants in that docket. The OCC, APAC and OPAE should not be permitted a “second bite at the apple” as part of this rate case, and OCC Objections II(G)(1) through (8) and (11) and APAC/OPAE Objections III, X and XI should be stricken.

WHEREFORE, for the reasons stated above, all of Stand's Objections, OCC Objections II(E)(4), II(G)(1) through (8) and (11) and APAC/OPAE Objections III, X and XI should be

stricken. To the extent the Commission grants this Motion, or any part of it, the Commission should also strike any testimony related to the stricken Objections.

Respectfully submitted,

COLUMBIA GAS OF OHIO, INC.

By: 
Stephen B. Seiple (Trial Attorney)

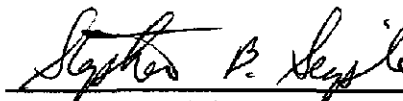
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion of Columbia Gas of Ohio, Inc. to Strike Objections to the Staff Report of Investigation was served upon all parties of record by electronic mail and regular U. S. mail this 1st day of October, 2008.



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