

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of       )  
Columbia Gas of Ohio, Inc., for       ) Case No. 11-5515-GA-ALT  
Approval of an Alternative Form of       )  
Regulation.                               )

ENTRY

The attorney examiner finds:

- (1) On December 3, 2008, the Commission approved and adopted a stipulation regarding applications filed by Columbia Gas of Ohio, Inc. (Columbia), for approval of an increase in gas distribution rates (Case No. 08-72-GA-AIR); for approval of an alternative rate plan for its gas distribution service (Case No. 08-73-GA-ALT); for approval of an application to modify certain accounting methods (Case No. 08-74-GA-AAM); and for authority to revise its depreciation accrual rates (Case No. 08-75-GA-AAM).<sup>1</sup> In pertinent part, the stipulation provided that Columbia should be authorized to establish an infrastructure replacement program rider (Rider IRP) and that: "[t]he IRP shall be in effect for the lesser of five years from the effective date of rates approved in this proceeding or until new rates become effective as a result of Columbia's filing of an application for an increase in rates pursuant to Section 4909.18, Revised Code, or Columbia's filing of a proposal to establish base rates pursuant to an alternative method of regulation pursuant to Section 4929.05, Revised Code." *Columbia Gas of Ohio, Inc., Case Nos. 08-72-GA-AIR, et al. (October 24, 2008) (Rate Case Stipulation).*
- (2) On December 9, 2011, Columbia filed a notice of intent to file an application for approval of an alternative rate plan pursuant to Rule 4901:1-19-05, Ohio Administrative Code (O.A.C.). Attached to its notice, Columbia provides several pre-filing notice exhibits, including a summary of the alternative rate plan. According to the summary, Columbia seeks authority to implement an alternative rate plan consisting of two separate rate recovery mechanisms.

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<sup>1</sup> The office of the Ohio Consumers' Counsel and Ohio Partners for Affordable Energy were signatories to the stipulation.

In the first rate recovery mechanism, Columbia seeks authority to extend for five years the IRP portion of its alternative rate plan, which was approved pursuant to the *Rate Case Stipulation*. Columbia further states that it also seeks to clarify and amend the scope of its Rider IRP. In the second rate recovery mechanism, Columbia proposes an economic development cost recovery mechanism, Rider ED, intended to create a fund to promote economic development opportunities within Columbia's service area.

- (3) On January 4, 2012, the office of the Ohio Consumers' Counsel (OCC) filed a motion to intervene in this proceeding. In support of its motion, OCC asserts that it represents the residential customers of Columbia in this case involving the extension of an alternative rate plan that may impact the affordability of residential customers' energy bills. Furthermore, OCC asserts that its participation will not cause undue delay, will not unjustly prejudice any existing party, and will contribute to the just and expeditious resolution of this matter. No memorandum contra was filed in response to OCC's petition to intervene. The attorney examiner finds that the motion to intervene is reasonable and should be granted.
- (4) On January 5, 2012, Ohio Partners for Affordable Energy (OPAE) filed a motion to intervene in this proceeding. In support of its motion, OPAE asserts that it is a corporation that advocates for affordable energy policies for low and moderate income Ohioans whose energy service may be affected by Columbia's application. Furthermore, OPAE asserts that its participation will not cause undue delay, will not unjustly prejudice any existing party, and will contribute to the just and expeditious resolution of this matter. No memorandum contra was filed in response to OPAE's motion to intervene. The attorney examiner finds that the motion to intervene is reasonable and should be granted.
- (5) On December 22, 2011, Columbia filed a motion for a waiver of certain provisions contained in Rule 4901:1-19-05(C), O.A.C., regarding standard filing requirements required to be filed with alternative rate plan applications.
- (6) On January 6, 2012, OCC filed a memorandum contra Columbia's motion for a waiver of the standard filing requirements.

- (7) On January 11, 2012, Columbia and OPAE filed reply memoranda to OCC's memorandum contra.
- (8) Thereafter, on January 13, 2012, Columbia filed a motion to strike and a memorandum in reply to OPAE's reply memorandum to OCC's memorandum contra.
- (9) On January 19, 2012, OPAE responded with a memorandum contra Columbia's motion to strike. Thereafter, on January 23, 2012, Columbia filed a reply memorandum to OPAE's memorandum contra.
- (10) On March 5, 2012, Columbia filed an amended notice of intent to file an application for approval of an alternative rate plan. In its amended notice, Columbia advises that it intends to file its application pursuant to Section 4929.051(B), Revised Code. Columbia states in its amended notice that its application will seek authority to continue the IRP portion of its alternative regulation plan for another five-year period. Additionally, Columbia asserts that its application will clarify the scope of its IRP.
- (11) Contemporaneous with its March 5, 2012, amended notice of intent, Columbia filed an amended motion for waiver of standard filing requirements. In its amended motion for a waiver of standard filing requirements, Columbia states that it intends to file its application requesting authority to implement an alternative regulation plan in April 2012. Columbia further states that recent modifications to Section 4929.051(B), Revised Code, by Am. Sub. H. B. 95, eliminated the requirement that an applicant file a base rate case in conjunction with an alternative rate plan case, as the statute now provides that, where the applicant seeks authorization to continue a previously approved alternative rate plan, the application shall be considered not for an increase in rates. Columbia argues that, consequently, the Commission is no longer required to determine just and reasonable base rates under Section 4909.15, Revised Code, as part of an alternative rate plan application filed pursuant to Section 4929.051(B), Revised Code. Therefore, Columbia argues that it is unnecessary to file exhibits (A) through (E) of Section 4909.15, Revised Code, or any of the exhibits in Appendix A that support a base rate proceeding. Thus, Columbia states that the portions of Rules 4901:1-19-05(C)(1) and (2), O.A.C., that reference a base rate proceeding, should be waived.

- (12) On March 16, 2012, Columbia, the Commission's Staff, OCC, and OPAE filed a joint stipulation regarding procedural matters in this case. In the joint stipulation, OCC and OPAE represent that they have the same concerns and objections to Columbia's March 5, 2012, amended motion for waiver that they had to Columbia's original motion for waiver filed on December 22, 2011. Further, Columbia states that, were OCC and OPAE to file the same objections, Columbia's responses would be the same. Consequently, the parties agree that the pleadings filed on January 6, 2012, and on January 11, 2012, should apply to Columbia's amended motion for waiver; that Columbia's January 13, 2012, motion to strike and reply memorandum should be considered only a reply memorandum to OPAE's January 11, 2012, pleading; that Columbia withdraws its motion to strike; and that the pleadings filed on January 19, 2012, and January 23, 2012, are moot.
- (13) Finally, the attorney examiner notes that it is inappropriate and problematic for parties to file a pleading through which they request action by the attorney examiner the next business day, absent extraordinary circumstances and a request for expedited treatment. Further, the attorney examiner questions whether the manner in which the parties proceeded, filing a joint stipulation regarding procedural matters, was the correct vehicle for accomplishing the parties' objectives, where various options, including requesting a telephonic conference with the attorney examiner, would have been procedurally more judicious. Nevertheless, the attorney examiner finds that this joint stipulation regarding procedural matters should be adopted in its entirety.

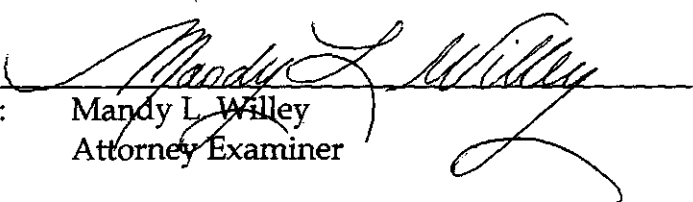
It is, therefore,

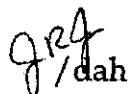
ORDERED, That the motions to intervene filed by OCC and OPAE be granted. It is, further,

ORDERED, That the parties' joint stipulation regarding procedural matters is adopted. It is, further,

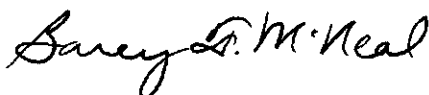
ORDERED, That a copy of this entry be served upon all interested parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

By:   
Mandy L. Willey  
Attorney Examiner



Entered in the Journal  
MAR 19 2012



Barcy F. McNeal  
Secretary