

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Annual Application of)
Columbia Gas of Ohio, Inc. for an) Case No. 12-2923-GA-RDR
Adjustment to Rider IRP and Rider DSM)
Rates.)

**COMMENTS ON THE APPLICATION OF COLUMBIA GAS OF OHIO, INC.
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

I. INTRODUCTION

The Office of the Ohio Consumers' Counsel ("OCC"), an intervenor in the above-captioned proceeding, hereby files these Comments on the Application of Columbia Gas of Ohio, Inc. ("Columbia" or "the Utility") to increase the total rates it charges customers through the Infrastructure Replacement Program Rider ("Rider IRP") from \$3.57 per customer per month to \$4.71 per customer per month. Columbia states that the purpose of Rider IRP is to collect from customers the costs incurred for the following three components:

The first component recovers the costs associated with the replacement of natural gas risers that are prone to failure, along with the costs associated with the maintenance, repair and replacement of customer service lines that have been determined by Columbia to present an existing or probable hazard to persons and property. As set forth in the Application filed in Case No. 07-0478-GA-UNC, Columbia will identify and replace approximately 320,000 risers, with costs that could approximate \$160 million. The second component recovers the costs associated with Columbia's Accelerated Mains Replacement Program ("AMRP"). Under the AMRP, Columbia plans to replace approximately 3,770 miles of bare steel pipe, 280 miles of cast iron/wrought iron pipe and an estimated 350,000 to 360,000 steel service lines (company owned and customer-owned) over a period of approximately 25

years. The third component recovers the costs associated with Columbia's installation of Automatic Meter Reading Devices ("AMRD"). During the calendar years 2009 through 2013, Columbia will install AMRDs throughout its system at a total cost of approximately \$81.3 million.¹

Pursuant to the Stipulation and Recommendation ("Stipulation") filed on October 24, 2008, in Case No. 08-72-GA-AIR et al., and the Opinion and Order of the Public Utilities Commission of Ohio ("PUCO" or "the Commission") dated December 3, 2008, customers who pay the Rider IRP are subject to annual increases, up to a predetermined cap, in each year from 2009 through 2013.²

In addition, Columbia seeks to amend the amount of costs it collects from customers related to the implementation of a Demand Side Management Program Rider ("DSM Rider") from \$0.1240 per Mcf to \$0.1360 per Mcf. The DSM Rider is intended to allow customers to manage their gas usage with a goal of reducing bills through various conservation programs as set forth in Case No. 08-833-GA-UNC.³

By way of background, on November 30, 2012, Columbia submitted a pre-filing notice of its intent to file an application for approval of an increase in the Rider IRP rate and DSM Rider rate that customers pay. OCC filed its Motion to Intervene in these cases on January 16, 2013. OCC's Motion to Intervene was granted by an Attorney Examiner Entry, dated March 4, 2013 ("Entry"). In the March 4 Entry, the PUCO also established a procedural schedule whereby Comments must be filed by March 28, 2013. OCC hereby files its Comments in accordance with that Entry.

¹ Application to Adjust Rider IRP and Rider DSM Rates of Columbia Gas of Ohio, Inc. ("Application"), at 2 (Feb. 28, 2013).

² *In re Columbia Rate Case*, Case No. 08-72-GA-AIR, et al., Opinion and Order at 9 (December 3, 2008).

³ *In re DSM Case*, Case No. 08-833-GA-UNC, Application (July 1, 2008), and approved by the Commission in Finding and Order (July 23, 2008).

II. BURDEN OF PROOF

The Application has been filed pursuant to R.C. 4929.11. In such a case, the burden of proof regarding the Application rests upon Columbia. In a hearing regarding a proposal that involves an increase in rates, R.C. 4909.19 provides that, “[a]t any hearing involving rates or charges sought to be increased, the burden of proof to show that the increased rates or charges are just and reasonable shall be on the public utility.”

Inasmuch as the annual IRP cases are an outgrowth of Columbia’s 2008 Rate Case, Columbia in this case bears the burden of proof. Therefore, neither OCC nor any other intervenor bears any burden of proof in this case.

III. COMMENTS

OCC has no issues with the Application as filed. Nevertheless, OCC reserves the right to supplement these Comments and/or file expert testimony in accordance with the procedural schedule in this case. Pursuant to the procedural schedule included in the Attorney Examiner’s March 4, 2013 Entry, the Parties have until April 2, 2013 to inform the Commission that issues raised in the Comments have been resolved.⁴ Otherwise, parties filing testimony must file by April 9, 2013, and prepare for the hearing scheduled for April 11, 2013.⁵

⁴ *In the Matter of the Application of Columbia Gas Ohio, Inc. for an Adjustment to Rider IRP and Rider DSM Rates*, Entry, at 3 (March 4, 2013).

⁵ *Id.*

IV. CONCLUSION

The OCC respectfully files these Comments on the Columbia IRP and DSM Application in accordance with the procedural schedule included in the Attorney Examiner's March 4, 2013 Entry.⁶

Respectfully submitted,

BRUCE J. WESTON
OHIO CONSUMERS' COUNSEL

/s/ Joseph P. Serio

Joseph P. Serio, Counsel of Record
Assistant Consumers' Counsel

Office of the Ohio Consumers' Counsel

10 West Broad Street, Suite 1800

Columbus, Ohio 43215-3485

614-466-9565 (Serio)

serio@occ.state.oh.us

⁶ Id.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the *Comments* was served via electronic mail to the parties of record identified below, on this 28th day of March 2013.

/s/ Joseph P. Serio
Joseph P. Serio
Assistant Consumers' Counsel

SERVICE LIST

Stephen B. Seiple
Columbia Gas of Ohio, Inc.
200 Civic Center Drive, P.O. Box 117
Columbus, Ohio 43216-0117
sseiple@nisource.com

Stephen A. Reilly
Ryan P. O'Rourke
Assistant Attorneys General
Public Utilities Section
180 East Broad Street, 6th Floor
Columbus, Ohio 43215
stephen.reilly@puc.state.oh.us
ryan.o'rourke@puc.state.oh.us

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/28/2013 5:03:15 PM

in

Case No(s). 12-2923-GA-RDR

Summary: Comments Comments on the Application of Columbia Gas of Ohio, Inc. by the Office of the Ohio Consumers' Counsel electronically filed by Patti Mallarnee on behalf of Serio, Joseph P.