BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke Energy Ohio, Inc., for an Increase in Gas Rates	))))	Case No. 12-1685-GA-AIR
In the Matter of the Application of Duke Energy Ohio, Inc., for Tariff Approval	))))	Case No. 12-1686-GA-ATA
In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of an Alternative Rate Plan for Gas Distribution Service	)))))	Case No. 12-1687-GA-ALT
In the Matter of the Application of Duke Energy Ohio, Inc., for Approval to Change Accounting Methods	)))	Case No. 12-1688-GA-AAM

POST-HEARING REPLY BRIEF OF *AMICUS CURIAE* COLUMBIA GAS OF OHIO, INC.

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INTRODUCTION

In Columbia Gas of Ohio's initial Amicus Brief, Columbia Gas ("Columbia") showed that the Supreme Court of Ohio has approved the amortization of deferred expenses as test year expenses under Revised Code Section 4909.15(A)(4),[1] and that the Public Utilities Commission of Ohio ("Commission") has a long history of allowing regulated utilities to recover deferred expenses from before the test year by including them in test year expenses. Columbia further noted that Revised Code Section 4909.15(A)(4) does not impose a requirement that any such deferred expenses be related to property that was used and useful in rendering utility service, unlike Revised Code Section 4909.15(A)(1).

The intervenors and Commission Staff now argue that the Supreme Court of Ohio and this Commission apply a "used and useful" requirement to the recovery of expenses under Revised Code Section 4909.15(A)(4) even though none is found in the statute. The intervenors and Staff further argue that, even if no such standard applies to expenses under Revised Code Section 4909.15(A)(4), Duke Energy Ohio's manufactured gas plant ("MGP") investigation and remediation expenses are not the kind of utility expenses that the statute authorizes a public utility to recover.

These positions misconstrue the Ohio Supreme Court's ratemaking opinions and ignore the weight of Commission precedent. The Commission has previously held that expenses for nuclear remediation at retired generation facilities, or "decommissioning," is a recoverable expense.[2] And, the Commission routinely allows cost recovery for expenditures that have nothing to do with any "used and useful" property, including, for example, advertising and Demand-Side Management program costs. Duke Energy Ohio's request to recover deferred MGP-related expenses is authorized by statute, permitted under Ohio Supreme Court precedent, and consistent with decades of Commission practice. For all of these reasons, as further explained below, the Commission should authorize Duke Energy Ohio to recover its necessarily and prudently incurred environmental investigation and remediation costs, regardless of whether the remediated sites were used and useful in rendering gas distribution service as of the date certain in this proceeding.

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[1] *See Office of Consumers' Counsel v. Pub. Util. Comm.*, 58 Ohio St.2d 108, 116 (1979).

[2] *See In the Matter of the Commission's Investigation into the Funding of the Decommissioning Costs of Nuclear Generating Stations*, Case No. 87-1183-EL-COI, Entry, ¶4 (Aug. 18, 1987).

ARGUMENT

1. Restrictions On The Inclusion of MGP Property In Rate Base Are Irrelevant To Duke Energy Ohio's Application.

It is important to emphasize that Revised Code Section 4909.15(A)(4), and not Revised Code Section 4909.15(A)(1), is the statute that governs Duke Energy Ohio's recovery of MGP-related costs in this proceeding. Two of the intervenors in this action – the Kroger Co. ("Kroger") and the Office of the Ohio Consumers' Counsel ("OCC") – argued in post-hearing briefs that Duke Energy Ohio's MGP investigation and remediation costs should not be included in "[t]he valuation as of the date certain of the property of the public utility used and useful *** in rendering the public utility service for which rates are to be fixed and determined."[3] Kroger argued that Duke Energy Ohio's MGP-related expenses "should not be included in the calculation for plant in-service" because "[t]he MGP sites are not, and have not been for at least forty-five years, used and useful in the provision of natural gas services ***."[4] OCC similarly argued that, "[a]ssuming *arguendo* that the remediation costs in question are related to utility property that is no longer in use, then *** Duke is not entitled to the inclusion of MGP property in its rate base."[5]

Duke Energy Ohio has not sought to include the MGP properties in its rate base. Instead, Duke Energy Ohio's application in this proceeding lists its MGP investigation and remediation costs among its jurisdictional adjustments to operating revenues and expenses.[6] As Columbia explained in its initial Amicus Brief, Revised Code Section 4905.15(A)(1) and its "used and useful" standard do not apply to Duke Energy Ohio's recovery of MGP-related expenses because Duke did not capitalize those expenses and incorporate them into its rate base.[7] Accordingly, Kroger and OCC's arguments regarding Duke Energy Ohio's inability to include its MGP-related expenses in its calculation of plant in-service (*i.e.*, in rate base) are irrelevant to Duke's application and should be disregarded.

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[3] Section 4909.15(A)(1), Revised Code.

[4] Kroger Brief at p. 7.

[5] OCC Brief at p. 20.

[6] *See* Application (Duke Ex. 2), Vol. 9, Schedule C-3.2; Direct Testimony of Peggy A. Laub (Duke Ex. 16) at p. 10; Direct Testimony of Jessica L. Bednarcik (Duke Ex. 21) at p. 4.

[7] *See* Columbia Brief at p. 5.

2. Duke Energy Ohio's MGP Investigation and Remediation Expenses May Be Recovered As Expenses

Staff agrees that "[t]he true issue in this case is whether the remediation costs Duke seeks to recover are recoverable expenses under R.C. 4909.15(A)(4)."[8] Under that statute, the Commission is directed to determine "[t]he cost to the utility of rendering the public utility service for the test period ***, less the total of any interest on cash or credit refunds paid, pursuant to section 4909.42 of the Revised Code, by the utility during the test period."[9] Unlike Section 4909.15(A)(1) of the Revised Code, Section 4909.15(A)(4) does not require that the property that is the basis for the expense be "used and useful *** in rendering the public utility service for which rates are to be fixed and determined."[10] Yet, Staff and the OCC seek to insert such a requirement into the statute, purporting to locate that requirement in common law. The Greater Cincinnati Health Council and Cincinnati Bell Telephone Company propose to add even more requirements to the statute, arguing, *inter alia*, that a public utility may recover only those expenses that are unique to the business of a public utility. And, OCC argues that Section 4909.15(A)(4) permits recovery only for normal and recurring expenses, which, it asserts, environmental remediation costs are not. As explained below, none of these arguments properly characterizes the Supreme Court of Ohio's and the Commission's interpretations and applications of Section 4909.15.

2.1. Duke Energy Ohio's MGP-Related Expenses Are "Normal" and "Recurring."

OCC argues, through its witness Bruce Hayes, that Duke Energy Ohio may not recover its "MGP-related investigation and remediation costs from customers" because those costs are not "normal and recurring in the course of rendering utility service."[11] Although OCC does not provide a legal citation for this standard, OCC presumably bases its argument on the Supreme Court of Ohio's 1981 decision in *Office of Consumers' Counsel v. Pub. Util. Comm.* (*"In re CEI"*), in which the Court described Section 4909.15(A)(4) of the Revised Code as having been "designed to take into account the normal, recurring expenses incurred by utilities in the course of rendering service to the public for the test period," such

[8] Staff Brief at p. 8.

[9] Section 4909.15(A)(4), Ohio Rev. Code.

[10] Section 4909.15(A)(1), Ohio Rev. Code.

[11] OCC Brief at p. 24, *quoting* Bruce Hayes Testimony (OCC Ex. No. 14) at pp. 34-35.

as "reasonable expenditures for repairs, maintenance, personnel-related costs, administrative expenses, and taxes."[12] OCC fails to note, however, that the Court subsequently limited its holding in that 1981 decision. And, regardless, Duke Energy Ohio's MGP-related expenses are properly considered "normal" and "recurring."

The issue in the 1981 *CEI* case was "[t]he Public Utilities Commission's treatment of a utility's investment in terminated nuclear generating stations as amortizable costs to be recovered from the utility's ratepayers ***."[13] The Supreme Court of Ohio overturned the Commission's finding below that Cleveland Electric Illuminating Co. ("CEI") could treat as costs of service, and amortize, approximately $56 million in preliminary expenses for the construction of four nuclear power plants that were ultimately cancelled. The Court noted that "[t]he now terminated nuclear plants represented a major capital investment that ultimately would have been included in the rate base under R. C. 4909.15(A)(1), had the projects not been cancelled," and concluded that the Commission could not "transform [that capital investment] into an ordinary operating expense pursuant to R.C. 4909.15(A)(4) by commission fiat."[14]

The Court did opine that the expenses at issue in that case – "expenditures for engineering, siting, environmental, geological, and seismic studies, and for obtaining state and federal licenses" and to purchase "certain plant components"[15] – were probably not "the normal, recurring expenses" that "the General Assembly contemplated that the commission would treat *** as costs under R.C. 4909.15(A)(4)."[16] However, the Court subsequently explained, in 1983, that the "principal factor" in *In re CEI* was that the expenditures at issue represented a "'major capital investment.'"[17] The Court explained that the 1981 opinion "reversed the commission for its transformation without statutory authorization of a 'major capital investment,' which had never provided any service to the utility's customers, into an item of expense."[18]

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[12] *Office of Consumers' Counsel v. Pub. Util. Comm.*, 67 Ohio St.2d 153, 164 (1981) ("*In re CEI*").

[13] *Id.*, at syllabus.

[14] *Id.* at 164.

[15] *Id.* at pp. 153-154.

[16] *Id.* at p. 164.

[17] *Office of Consumers' Counsel v. Pub. Util. Comm.*, 6 Ohio St.3d 405, 408 (1983) (*quoting In re CEI*).

[18] *Id.*

Regardless of whether the "normal and recurring" standard set forth in *In re CEI* stands as a decisive interpretation of Revised Code Section 4909.15(A)(4) or *obiter dictum*, Duke Energy Ohio's MGP-related expenses meet that standard. MGP-related investigation and remediation costs are normal. Columbia Gas's application for authority to defer its environmental investigation and remediation costs (*see* Case No. 08-606-GA-AAM), as well as the many ratemaking cases in other states involving MGP-related investigation and remediation costs (*see* Columbia Brief at pp. 12-14), show that natural gas utilities commonly incur such costs. Those costs were also "recurring." Duke Energy Ohio's MGP-related investigation and remediation activities began in 2007, continued through 2012, and are still on-going. (See Duke Brief at pp. 37-40.) Thus, even under a strict "normal and recurring" standard, Duke Energy Ohio may recover its MGP-related expenses.

2.2. Duke Energy Ohio's MGP-Related Expenses Are Costs of Rendering A Public Utility Service Even If They Are Not Unique To Public Utility Service.

The Greater Cincinnati Health Council ("Cincinnati Health") and Cincinnati Bell Telephone Company ("Cincinnati Bell") next argue that Duke Energy Ohio's MGP investigation and remediation expenses are not "cost[s] *** of rendering [a] public utility service," as required by statute.[19] Cincinnati Health and Cincinnati Bell argue that Duke Energy Ohio's MGP environmental remediation costs are due to Duke's "history of ownership and operation of the sites" and "would have been required irrespective of its current lines of business ***."[20] "Costs Duke would have had to incur even if it [were] not in the gas utility business," Cincinnati Health and Cincinnati Bell assert, "are not recoverable from ratepayers."[21] Cincinnati Health and Cincinnati Bell further argue that, because Ohio did not regulate gas companies as public utilities until 1911, any contamination of the MGP sites before 1911 should not be considered "the result of providing past utility service."[22]

Cincinnati Health and Cincinnati Bell's first argument is contrary to the Commission's written rules and procedures. The Commission authorizes the re-

[19] Section 4909.15(A)(4), Revised Code.

[20] Cincinnati Health and Cincinnati Bell Brief at p. 6.

[21] *Id.* at p. 8.

[22] *Id.* at p. 6 (emphasis omitted).

covery of numerous categories of expenses that are also incurred by companies not in the public utility business, including, as just a few examples, income taxes, customer service expenses, pension costs, and payroll.[23] Nothing in Ohio's Revised Code or Administrative Code limits a public utility to recovering costs of service that are unique to public utility companies.

Cincinnati Health and Cincinnati Bell's second argument mischaracterizes the primary basis for Duke Energy Ohio's request for cost recovery. Although Cincinnati Health and Cincinnati Bell appear to agree that Duke Energy Ohio's predecessor would have been considered a public utility from at least 1918 to 1963 (the period after 1911 when Duke's predecessor was engaging in MGP operations[24]), the public utility operations of those MGP sites is not the basis for Duke's request for cost recovery. The environmental remediation costs that Duke Energy Ohio is incurring are Duke's modern-day costs of operating and maintaining its business.[25] They are costs that result from current liabilities imposed by new federal and state laws.[26] They are not belated costs of operating the business of Duke Energy Ohio's predecessors during the period when the MGPs were in service, because there was no remediation requirement, no liability for remediation, and no remediation costs during that period.[27] Because Duke Energy Ohio's MGP-related costs are its current business expenses, Duke is entitled to recover all such expenses that the Commission finds prudent and necessary.

2.3. Duke Energy Ohio's MGP-Related Expenses Are Costs of Rendering A Public Utility Service Even If They Are Not Related To "Used And Useful" Property.

OCC and Staff finally argue that Duke Energy Ohio's MGP-related expenses are not recoverable under Revised Code Section 4909.15(A)(4) because "the facilities that these costs relate to are not being used to provide current ser-

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[23] *See* Ohio Adm. Code Chapter 4901-7-01, Appendix A, Standard Filing Requirements, at p. 74; *see also generally* Staff Report (Jan. 4, 2013) .

[24] *See* Duke Brief at p. 30.

[25] *See In the Matter of the Application of Duke Energy Ohio, Inc., for Authority to Defer Environmental Investigation and Remediation Costs*, Case No. 09-712-GA-AAM, Finding and Order, at ¶8 (Nov. 12, 2009) (finding that Duke's "environmental investigation and remediation costs are business costs incurred by Duke").

[26] *See id.*

[27] *See* Duke Brief at pp. 5-6.

vice to customers."[28] Staff asserts that "[i]t is well-established precedent that expenses associated with property that is not used and useful must be excluded from recovery. Long ago the Commission accepted this principle of 'matching' expenses with property that is used and useful."[29] Staff further asserts that the Supreme Court of Ohio has adopted this "matching principle."[30] Duke Energy Ohio has introduced evidence demonstrating that the MGP remediation sites at issue in this proceeding are, indeed, "currently used and useful in connection with utility operations."[31] Yet, even if those sites were not "used and useful," Duke Energy Ohio's MGP-related expenses would be recoverable. The Commission's rulings are far from consistent in applying the "matching principle," and Staff misconstrues the Ohio Supreme Court opinions that it cites.

Staff's arguments regarding Ohio Supreme Court precedent primarily rely on a series of cases involving the recovery of capital expenses related to cancelled nuclear power plants. As discussed above, in 1981's *In re CEI*, the Court held that the Commission could not allow a public utility to recover "a major capital investment that ultimately would have been included in the rate base under R. C. 4909.15(A)(1), had the projects not been cancelled," by "transform[ing] [that capital investment] into an ordinary operating expense pursuant to R.C. 4909.15(A)(4) ***."[32] Two years later, in 1983, the Court made clear that its opinion in *In re CEI* was based on the Commission's impermissible attempt to allow a public utility to recharacterize capital expenses for a never-used facility as expenses that are recoverable under Section 4909.15(A)(4).[33] And, in a separate opinion issued that same year, the Court held that "[t]he Public Utilities Commission's disallowance of a utility's request to treat its expenditures associated with a cancelled generating plant as amortizable costs pursuant to R.C. 4909.15(A)(4) does not violate the Fifth and Fourteenth Amendments to the Constitution of the United States."[34] Staff quotes a portion of this latter 1983 opinion that states that "consumers may not be charged 'for utility investments and expenditures that are neither included in the rate base nor properly categorized as

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[28] OCC Brief at p. 23.

[29] Staff Brief at p. 8.

[30] *See id.* at pp. 11-13.

[31] Duke Brief at p. 15.

[32] *In re CEI*, 67 Ohio St.2d 153, 164 (1981).

[33] *Office of Consumers' Counsel v. Pub. Util. Comm.*, 6 Ohio St.3d 405, 408 (1983).

[34] *Dayton Power & Light Co. v. Pub. Util. Comm.*, 4 Ohio St.3d 91, at paragraph two of the syllabus (1983).

costs.'"[35] Yet, that opinion does not support Staff's position. The opinion does not state that a public utility may recover expenditures from ratepayers only if those expenditures are "matched" with property that was "used and useful" during the test period. At most, it simply states that some expenses may not be recovered under Revised Code Section 4909.15(A)(4) and confirms that capital expenditures associated with cancelled generating facilities are among those uncollectible expenses.

Nor is there any indication that the Commission interpreted the Court's holdings as an endorsement of any "matching principle." Indeed, only four years after that 1983 opinion was issued, the Commission held that "[t]he cost to an electric utility of safely removing or decontaminating the radioactive portion of a nuclear generating station *after its retirement from service* (decommissioning), in a manner meeting regulatory requirements, is a normal cost of providing electric service" and, thus, recoverable under Section 4909.151, Revised Code.[36] That provision of the Revised Code, which discusses in greater detail the kinds of costs recoverable under Revised Code Section 4909.15(A)(4), states:

> In fixing the just, reasonable, and compensatory rates, joint rates, tolls, classifications, charges, or rentals to be observed and charged for service by any public utility, the public utilities commission may consider the costs attributable to such service. The utility shall file with the commission an allocation of the cost, except cost related to sparsity of population, for services for which a change in rates is proposed when evidence relating thereto is presented which indicates that the rate or rates do not generally reflect the cost of providing these services. As used in this section, "costs" includes [include] operation and maintenance expense, depreciation expense, tax expense, and return on investment as actually incurred by the utility. The costs allocated to each service shall include only those costs used by the public utilities commission to determine total allowable revenues.[37]

In its 1987 opinion, the Commission noted that decommissioning expenses were at that time "treated as a cost of removal in determining depreciation expense and reserve" and questioned whether such expenses should instead be "consid-

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[35] *Id.* at 103 (*cited in* Staff Brief at p. 12).

[36] *In the Matter of the Commission's Investigation into the Funding of the Decommissioning Costs of Nuclear Generating Stations*, Case No. 87-1183-EL-COI, Entry, ¶4 (Aug. 18, 1987) (emphasis added).

[37] Section 4909.151, Revised Code.

ered as a separate expense item[.]"[38] The Commission did not, however, question whether a public utility could recover the costs of performing nuclear remediation on a facility that was no longer used and useful. Instead, the Commission considered such expenses "a normal cost of providing electric service." Under the same logic, Duke Energy Ohio's expenses for remediating past MGP sites after those sites were retired from service should be considered "a normal cost of providing [gas] service."

This is not to say that the Commission has not, in a few cases, endorsed the "matching principle" that Staff asks it to apply here. As Staff points out, the Commission declined in a 1980 opinion to allow Toledo Edison to include in rate base, or recover expenses for, eight floors of office space that it leased to third parties.[39] This is unremarkable, as Toledo Edison's expenses as a commercial landlord were clearly unrelated to its activities as a public utility.

The Commission also applied a "matching principle" for test-year operating expenses in its opinion in Ohio Edison's 1990 rate case.[40] In that case, the Commission agreed with Staff's recommendation to exclude costs associated with maintaining certain generating facilities in "cold standby status," stating: "we are not inclined to deviate from the concept of matching test-year expenses to used and useful plant and equipment."[41] Similarly, in FirstEnergy's 2007 rate case, the Commission held that FirstEnergy could not recover "expenses associated with securing and maintaining several retired OE generation facilities," because those expenses "[did] not reflect costs to the utility of rendering public utility service for the test period ***."[42] But this is far from "well-established precedent."[43] The "matching principle" that Staff asserts the Commission accepted

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[38] *Id.*, Appendix A, ¶1.

[39] *See In the Matter of the Application of The Toledo Edison Company for an increase in the rates and charges to be collected for electric service*, Case No. 79-143-EL-AIR, 1980 Ohio PUC LEXIS 3, Opinion and Order (Feb. 3, 1980).

[40] *See In the Matter of the Application of Ohio Edison Company for Authority to Change Certain of Its Filed Schedules Fixing Rates and Charges for Electric Service,* Case No. 89-1001-EL-AIR, 1990 Ohio PUC LEXIS 912, at *143-144 (Aug. 16, 1990).

[41] *Id.* at *144.

[42] *In the Matter of the Application of Ohio Edison Co. et al. for Authority to Increase Rates for Distribution Service, Modify Certain Accounting Practices, and for Tariff Approvals*, Case Nos. 07-551-EL-AIR et al. ("*In re Ohio Edison 2007 Rate Case*'), Opinion and Order, at p. 14 (Jan. 21, 2009).

[43] Staff Brief at p. 8.

"[l]ong ago" and also applied in "recent rate cases"[44] turns out to have been applied only three times in the last 35 years, and primarily in instances in which public utilities sought to recover expenses they *chose* to incur by maintaining generating facilities that were no longer in use. Here, Duke Energy Ohio is seeking to recover expenses it *had* to incur, due to its legal liability under CERCLA.

The Commission has authorized cost recovery in numerous circumstances, in which the expenses incurred were not "matched" to "used and useful" property. For example, in the same 1990 rate case in which the Commission applied Staff's proposed "matching principle," the Commission also approved Ohio Edison's recovery of "outside consultant fees" for "a work force reduction plan."[45] The Commission concluded that "[r]easonable test-year costs associated with performing reorganizations should *** be recoverable in cost of service" because "it is sound policy to encourage utilities to streamline their operations to the extent possible ***."[46] Nowhere in the Commission's opinion did the Commission consider whether consultant fees associated with a workforce reduction plan could be "matched" with "used and useful plant and equipment." In the early 1990s, the Commission authorized electric utilities to defer their incremental Demand-Side Management ("DSM") program expenses, with carrying charges, and recover those deferred expenses through base rate proceedings.[47] The Commission did not "match" these expenses with "used and useful plant and equipment"; to the contrary – the purpose for encouraging DSM was "to displace more expensive generation, transmission, and distribution facilities."[48] And, in FirstEnergy's 2007 rate case, the Commission agreed with Staff that 80% of the cost of FirstEnergy's incentive compensation payments could be recovered from ratepayers.[49] Again, the Commission made no effort to match this expense with "used and useful plant and equipment." These examples, coupled with the Commission's finding (discussed above) that nuclear decommissioning costs

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[44] Staff Brief at pp. 8-9.

[45] *In re CEI*, 1990 Ohio PUC LEXIS 912, at *140.

[46] *Id.* at *142.

[47] *See In the Matter of the Commission's Investigation into the Impacts of Demand-Side Management Programs and Power Purchases on the Profitability of Electric Utilities*, Case No. 90-723-EL-COI, Finding and Order (Feb. 7, 1991); Entry Nunc Pro Tunc (July 23, 1992); Entry on Rehearing (Apr. 4, 1991); Finding and Order (Oct. 1, 1992).

[48] *In the Matter of the Regulation of the Electric Fuel Component Contained Within the Rate Schedules of The Cleveland Electric Illuminating Company and Related Matters,* Case Nos. 93-08-EL-EFC et al., 1994 Ohio PUC LEXIS 912, at *40 (Aug. 10, 1994).

[49] *In re Ohio Edison 2007 Rate Case*, Opinion and Order, at p. 17.

were properly recoverable expenses, suggest that the Commission's application of the "matching principle" is rare and, at best, limited to circumstances not present here.

CONCLUSION

Duke Energy Ohio is seeking in this proceeding to recover expenses it incurred as a result of its unavoidable liability under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Duke Energy Ohio's MGP site remediation clearly furthers the state's environmental policies. But, so far as the Commission concludes Duke's remediation expenses were also prudent and necessary, recovery of those expenses from taxpayers also furthers the state's utility ratemaking policies.

A public utility must have a realistic opportunity to recover its reasonable costs of conducting its business. Otherwise, its ability to earn its cost of capital, including the cost of debt and equity, that enable it to continue to attract and retain capital on reasonable terms (including price, *i.e.*, interest rates on debt, and return on equity) will be adversely affected.

The Commission should support Duke Energy Ohio's recovery of its MGP investigation and remediation expenses. If Duke Energy Ohio's remediation costs are reasonable and necessary current costs of business, then they are reasonable and necessary costs of providing current services and are recoverable under Revised Code Sections 4909.15(A)(4) and 4909.15. Cost recovery would further the Commission's objectives and be consistent with the Commission's past practices, particularly its decision to allow cost recovery for nuclear plant decommissioning.

For all of the reasons expressed above and in its initial amicus brief, Columbia Gas of Ohio, Inc. respectfully requests that the Commission hold that expenses incurred to investigate and remediate MGP sites and deferred pursuant to Commission authorization are costs of rendering public utility service and may later be recovered, either through base rates or through a rider, if they are determined to have been prudent and necessary.

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Summary: Reply Brief of Amicus Curiae Columbia Gas of Ohio, Inc. electronically filed by Mr. Eric B. Gallon on behalf of Columbia Gas of Ohio, Inc.