

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Annual Applica-)
tion of Columbia Gas of Ohio, Inc. for) Case No. 13-2146-GA-RDR
an Adjustment to Rider IRP and Rider)
DSM Rates)

JOINT STIPULATION AND RECOMMENDATION

Introduction

Rule 4901-1-30, Ohio Administrative Code ("O.A.C.") provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in such proceeding. The purpose of this document is to set forth the understanding of Columbia Gas of Ohio, Inc. ("Columbia"), the Ohio Partners for Affordable Energy ("OPAE") and the Staff of the Public Utilities Commission of Ohio ("Staff") (which for the purpose of entering into this Joint Stipulation and Recommendation, will be considered a party by virtue of O.A.C. Section 4901-1-10(C))(collectively, the "Signatory Parties" or "Parties"), and to recommend that the Public Utilities Commission of Ohio ("Commission") approve and adopt this Joint Stipulation and Recommendation ("Stipulation"), resolving all of the issues in the above-captioned proceeding. This Stipulation, which shall be designated as Joint Exhibit 1, is supported by adequate data and information, represents a just and reasonable resolution of the issues in this proceeding; violates no regulatory principle or precedent; and is the product of serious bargaining among knowledgeable and capable parties. Although this Stipulation is not binding on the Commission, it is entitled to careful consideration by the Commission, where, as here, it is sponsored by Parties representing a wide range of interests, including Staff.

Except for enforcement purposes, neither this Stipulation nor the information and data contained herein or attached, nor the Commission Order approving the Stipulation shall be cited as precedent in any future proceedings for

or against any Signatory Party. The Signatory Parties' agreement to this Stipulation, in its entirety, shall not be interpreted in a future proceeding before this Commission as their agreement to only an isolated provision of this Stipulation. More specifically, no specific element or item contained in or supporting this Stipulation shall be construed or applied to attribute the results set forth in this Stipulation as the results that any Signatory Party might support or seek, but for this Stipulation in these proceedings or in any other proceeding.

Background

On November 25, 2013, Columbia filed a Notice of Intent to File an Application to Adjust Rider IRP and Rider DSM Rates. On March 3, 2014, Columbia filed its Application in this case requesting an increase in its Rider IRP and Rider DSM rates effective May 1, 2014. The Attorney Examiner in this case issued an Entry setting forth a procedural schedule, which allowed for Staff and interveners to file comments by March 28, 2014.¹ On March 28, 2014, Staff filed comments accepting Columbia's application in whole, with the exception of a proposed \$3.4 million adjustment relating to property tax, noting that Columbia should have used the "latest known property tax rate which is based on the actual property taxes paid and the proposed taxable value shown on the approved valuation notice for the State of Ohio Department of Taxation."

Prior to filing its Application, Columbia filed a Petition for Reassessment with the Ohio Department of Taxation. Columbia made this particular filing because it felt that the assessment overstated the true value of Columbia's personal property and that Columbia customers should not have to pay higher taxes based on this inflated assessment. As such, Columbia chose to pay its 2013 property tax bills to the various locales under a statutory "tender pay" process based on the 2013 values asserted by Columbia versus the values determined by the Department of Taxation. At the time Columbia filed its Application, the Department of Taxation had yet to determine the outcome of the appeal. Consequently, in its Application, Columbia calculated the property tax rates using the latest known rate based on its liability of booked property tax expenses instead of those actually paid.

Terms

¹ OPAE was granted intervention by Entry dated March 7, 2014, however, did not file substantive comments in this proceeding. OPAE participated in settlement negotiations on April 1, 2014 via telephone.

The Parties met on April 1, 2014 to discuss settlement, and in that meeting resolved all issues. For purposes of resolving the issues in this proceeding, the Signatory Parties stipulate and recommend as follows:

1. This Stipulation is entered into as an overall compromise and resolution of all of the issues presented in this proceeding and does not necessarily represent the position any Signatory Party would have taken absent the execution of this Stipulation. The Signatory Parties hereby enter into this Stipulation notwithstanding the Comments filed on March 28, 2014 in this matter. Such Comments may be reinstituted by the respective Parties if the Commission rejects or modifies this Stipulation in whole or part.

2. This Stipulation resolves all issues in the case. Given the extenuating circumstances regarding Columbia's tax appeal described above, the Parties agree that Columbia shall use the property tax rate of \$91.07 per \$1,000 of valuation, reflecting the full expense associated with its liability of property tax expenses. Columbia will continue to use the calculations described by Staff in its comments to determine property tax expenses in all future cases or until the Commission determines otherwise.

Any over-collection in Columbia's 2013 IRP Revenue Requirement resulting from Columbia's successful appeal of its assessed value shall be flowed back to customers in a future IRP application as a line item reduction including 3% interest for one year on the refunded amount. If Columbia's appeal is unsuccessful and no refund is present to return to customers, recognition of carrying charges is not necessary for incorporation in future IRP proceedings.

The Signatory Parties agree to the Rider IRP rates listed on the tariff sheets attached hereto as Stipulation Attachment 1. The development of these Rider IRP rates is illustrated on Stipulation Attachment 2.

3. The Parties agree that there are no adjustments to the proposed Rider demand side management ("DSM") rates included in Columbia's Application filed in this docket, also reflected in Stipulation Attachment 1.

4. The Parties believe that this Stipulation represents a reasonable compromise of varying interests. This Stipulation is expressly conditioned upon

adoption in its entirety by the Commission without material modification.² Should the Commission reject or materially modify all or any part of this Stipulation, the Parties shall have the right, within thirty (30) days of issuance of the Commission's order, to file an application for rehearing or to terminate and withdraw from the Stipulation by filing a notice with the Commission in this proceeding, including service to all the Parties. The Parties agree that they will not oppose or argue against any other Party's application for rehearing that seeks to uphold the original unmodified Stipulation. Upon the Commission's issuance of any entry on rehearing that does not adopt the Stipulation without material modification, any party may terminate and withdraw from the Stipulation by filing a notice with the Commission within thirty (30) days of the Commission's entry on rehearing. Upon notice of termination or withdrawal by any party, pursuant to the above provisions, the Stipulation shall immediately become null and void. In such event, the Signatory Parties agree that a hearing shall go forward, and the Signatory Parties should be afforded the opportunity to present evidence through any witnesses for whom pre-filed direct testimony was filed,³ to cross-examine all witnesses, to present rebuttal testimony, and to brief all issues which shall be decided based upon the record and briefs as if this Stipulation had never been executed.

5. This Stipulation is submitted for purposes of this proceeding only, and is not deemed binding in any other proceeding, nor is the Stipulation, or the Order approving the Stipulation, to be offered for or against any Signatory Party, except as necessary to enforce the terms of this Stipulation.

6. The Signatory Parties agree that all pre-filed testimony and filed comments in this matter shall be deemed admitted into the record and all cross-examination of such witnesses will be waived, unless this Stipulation becomes null and void due to a material modification by the Commission.

7. The Signatory Parties stipulate, agree and recommend that the Commission issue a final Opinion and Order in this proceeding, ordering as follows:

² Any Signatory Party has the right, in its sole discretion, to determine what constitutes a "material" change for purposes of that Party withdrawing from the Stipulation.

³ In the event the Stipulation becomes null and void, the Signatory Parties agree to modify the procedural schedule to provide each Signatory Party with the opportunity to file testimony in support of issues raised in Comments that were filed prior to the execution of this Stipulation.

- A. The rates, terms and conditions agreed to in this Stipulation by all Signatory Parties are approved in accordance with Sections 4909.15, 4909.18, 4909.19 and 4929.11 Ohio Revised Code;
- B. The rates, terms and conditions provided in this Stipulation and agreed to by all Signatory Parties are ordered to become effective with bills rendered on and after the filing of compliance tariffs with the Commission;
- C. The monthly rates for Rider IRP as agreed to and contained in Attachment 1 are as follows:

Small General Service:	\$5.71/account
General Service	\$42.18/account
Large General Service	\$781.93/account
- D. The monthly rate for Rider DSM for the applicable rate schedules is \$.1595/mcf.
- E. Columbia is authorized to cancel and withdraw, as of the effective date of the new rates and tariffs, the superseded rate schedules and tariff sheets presently in effect; and,
- F. The Application in this matter is adopted in accordance with the recommendations of the Signatory Parties, subject to the modifications set forth in the Stipulation.

WHEREFORE, the undersigned respectfully request that the Commission issue its Opinion and Order approving and adopting this Joint Stipulation and Recommendation in accordance with the terms set forth above.

AGREED THIS 7th DAY OF APRIL, 2014.

/s/ Brooke E. Leslie
Columbia Gas of Ohio, Inc.

By its attorney Brooke E. Leslie

/s/ Ryan O'Rourke
Staff of the Public Utilities Commission
of Ohio

By its attorney Ryan O'Rourke

/s/ Colleen Mooney
Ohio Partners for Affordable Energy

By its attorney Colleen Mooney

STIPULATION ATTACHMENT 1

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

RIDER IRP –
INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

APPLICABILITY

Applicable to all customer accounts served under rate schedules SGS, GS and LGS.

DESCRIPTION

An additional charge per account per month, regardless of gas consumed, to recover costs associated with:

- a) **Riser and Hazardous Customer Service Line Replacement Program** - The replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure and the maintenance, repair and replacement of hazardous customer-owned service lines.
- b) **Accelerated Mains Replacement Program** – The replacement of bare steel and cast iron or wrought iron main lines, and associated company and customer-owned metallic service lines.
- c) **Automated Meter Reading Devices Program** – The installation of automated meter reading devices on meters located at customer premises.

This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after the first billing unit of May of each year.

RATE

Rate SGS, Small General Service	\$5.714.71 /Month
Rate GS, General Service	\$42.1833.34 /Month
Rate LGS, Large General Service	\$781.93533.23 /Month

Filed in accordance with Public Utilities Commission of Ohio Opinion and Order issued April 24, 2013 in Case No. 132-2146923-GA-RDR.

Issued: April 26, 2013

Effective: With meter readings on or after
April 30, 2013 ~~2014~~

Issued By
J. W. Partridge Jr., President

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

**RIDER IRP –
INFRASTRUCTURE REPLACEMENT PROGRAM RIDER**

APPLICABILITY

Applicable to all customer accounts served under rate schedules SGTS, GTS and LGTS.

DESCRIPTION

An additional charge per account per month, regardless of gas consumed, to recover costs associated with:

- a) **Riser and Hazardous Customer Service Line Replacement Program** - The replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure and the maintenance, repair and replacement of hazardous customer-owned service lines.
- b) **Accelerated Mains Replacement Program** – The replacement of bare steel and cast iron or wrought iron main lines, and associated company and customer-owned metallic service lines.
- c) **Automated Meter Reading Devices Program** – The installation of automated meter reading devices on meters located inside customer's premises.

This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after the first billing unit of May of each year.

RATE

Rate SGTS, Small General Transportation Service	\$5,714.71 /Month
Rate GTS, General Transportation Service	\$42.1833.34 /Month
Rate LGTS, Large General Transportation Service	\$781.93533.23 /Month

Filed in accordance with Public Utilities Commission of Ohio Opinion and Order issued April 24, 2013 in Case No. 132-2146923-GA-RDR.

Issued: April-26, 2013

Effective: With meter readings on or after
April 30, 2014~~3~~

Issued By
J. W. Partridge Jr., President

Columbia Gas of Ohio, Inc.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

RIDER IRP –
INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

29.3 APPLICABILITY

Applicable to all customer accounts served under rate schedules FRSGTS, FRGTS, FRLGTS.

29.4 DESCRIPTION

An additional charge per account per month, regardless of gas consumed, to recover costs associated with:

- a) **Riser and Hazardous Customer Service Line Replacement Program** - The replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure and the maintenance, repair and replacement of hazardous customer-owned service lines.
- b) **Accelerated Mains Replacement Program** – The replacement of bare steel and cast iron or wrought iron main lines, and associated company and customer-owned metallic service lines.
- c) **Automated Meter Reading Devices Program** – The installation of automated meter reading devices on meters located inside customer's premises.

This Rider shall be calculated annually pursuant to a Notice filed no later than November 30 of each year based on nine months of actual data and three months of estimated data for the calendar year. The filing shall be updated by no later than February 28 of the following year to reflect the use of actual calendar year data. Such adjustments to the Rider will become effective with bills rendered on and after the first billing unit of May of each year.

29.5 RATE

Rate FRSGTS, Full Requirements Small General Transportation Service	\$ 5.71 4.71/Month
Rate FRGTS Full Requirements General Transportation Service	
\$ 42.18 33.34/Month	
Rate FRLGTS, Full Requirements Large General Transportation Service	
\$ 781.93 533.23/Month	

Filed in accordance with Public Utilities Commission of Ohio Opinion and Order issued April 24, 2013 in Case No. 132-2146923-GA-RDR.

Issued: April 26, 2013

Effective: With meter readings on or after
April 30, 2013

Issued By
J. W. Partridge Jr., President

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

DEMAND SIDE MANAGEMENT RIDER

APPLICABILITY

Applicable to all volumes delivered under the Company's SGS rate schedule.

DESCRIPTION

An additional charge, for all gas consumed, to recover costs associated with the implementation of comprehensive, cost-effective energy efficiency programs made available to residential and commercial customers.

RATE

All gas consumed per account per month \$0.15950-1360/Mcf

Filed in accordance with Public Utilities Commission of Ohio Opinion and Order issued April 24, 2013 in Case No. 132-2146923-GA-RDR.

Issued: April 26, 2013

Effective: With meter readings on or after
April 30, 2013

Issued By
J. W. Partridge Jr., President

COLUMBIA GAS OF OHIO, INC.

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

DEMAND SIDE MANAGEMENT RIDER

APPLICABILITY

Applicable to all volumes delivered under the Company's SGTS rate schedule.

DESCRIPTION

An additional charge, for all gas consumed, to recover costs associated with the implementation of comprehensive, cost-effective energy efficiency programs made available to residential and commercial customers.

RATE

All gas consumed per account per month \$0.1595-0.1360/Mcf

Filed in accordance with Public Utilities Commission of Ohio Opinion and Order issued April 24, 2013 in Case No. 132-2146923-GA-RDR.

Issued: April 26, 2013

Effective: With meter readings on or after
April 30, 20143

Issued By
J. W. Partridge Jr., President

Columbia Gas of Ohio, Inc.

Section VII
~~Ninth~~~~Eighth~~ Revised Sheet No. 29
Cancels
~~Seventh~~~~Eighth~~ Revised Sheet No. 29
Page 3 of 11

SECTION VII
PART 29 - BILLING ADJUSTMENTS

DEMAND SIDE MANAGEMENT RIDER

29.6 APPLICABILITY

Applicable to all volumes delivered under the Company's Full Requirements Small General Transportation Service schedule.

29.7 DESCRIPTION

An additional charge, for all gas consumed, to recover costs associated with the implementation of comprehensive, cost-effective energy efficiency programs made available to residential and commercial customers.

29.8 RATE

All gas consumed per account per month \$0.15950~~0.1360~~/Mcf

Filed in accordance with Public Utilities Commission of Ohio Opinion and Order issued April 24, 2013 in Case No. 132-2146923-GA-RDR.

Issued: April 26, 2013

Effective: With meter readings on or after
April 30, 20143

Issued By
J. W. Partridge Jr., President

STIPULATION ATTACHMENT 2

Columbia Gas of Ohio, Inc.
Case No. 13-2146-GA-RDR
Summary of Rates by Class
Effective May 2014

Infrastructure Replacement Program

	Riser Sch R-11	AMRP Sch AMRP-11	AMRD Sch AMRD-11	Total Monthly Rate
Small General Service	\$2.18	\$3.10	\$0.43	\$5.71
<u>Includes:</u>				
Small General Sales Service				
Small General Sales Service-Schools				
Small General Transportation Service				
Full Requirements Small General Transportation Service				
General Service	\$2.62	\$34.69	\$4.87	\$42.18
<u>Includes:</u>				
General Service				
General Service - Schools				
General Transportation Service				
General Transportation Service-Schools				
Full Requirement General Transportation Service				
Full Requirement General Transportation Service-Schools				
Large General Service	\$0.00	\$781.93	\$0.00	\$781.93
<u>Includes:</u>				
Large General Sales Service				
Large General Sales Service-Schools				
Large General Transportation Service				
Full Requirements Large General Transportation Service				
Full Requirements Large General Transportation Service-Schools				
Large General Transportation Service-Mainline				

Revenue Requirement by Rate Schedule

	Riser	AMRP	AMRD	Total
Small General Service	\$36,359,963	\$51,662,693	\$7,141,179	\$95,163,835
General Service	1,190,433	15,769,577	2,213,713	19,173,723
Large General Service	0	3,961,279	0	3,961,279
	<u>\$37,550,396</u>	<u>\$71,393,549</u>	<u>\$9,354,892</u>	<u>\$118,298,837</u>

Demand Side Management Program

Total Revenue Requirement	\$18,646,610
Small General Service Rate per MCF	\$0.1595
<u>Includes:</u>	
Small General Sales Service	
Small General Sales Service-Schools	
Small General Transportation Service	
Full Requirements Small General Transportation Service	

Columbia Gas of Ohio, Inc.
Infrastructure Tracking Mechanism - Riser Program
Case No. 13-2146-GA-RDR
Revenue Requirement Calculation

Schedule R-1

Data: 2013 - 12 Months Actual

Line No.		Actual Through December 31, 2012	Activity Through December 31, 2013	Total As Of December 31, 2013	Reference
Return on Investment					
1	Plant In-Service				
2	Additions	\$246,161,225	\$21,222,240	\$267,383,465	Schedule 2
3	Retirements	0	0	0	Schedule 4
4	Total Plant In-Service	<u>\$246,161,225</u>	<u>\$21,222,240</u>	<u>\$267,383,465</u>	Line 2 + Line 3
Less: Accumulated Provision for Depreciation					
5	Depreciation Expense	\$21,472,981	\$8,189,246	\$29,662,227	Schedule 5
6	Cost of Removal	0	0	0	Schedule 3
7	Retirements	0	0	0	Schedule 4
8	Total Accumulated Provision for Depreciation	<u>\$21,472,981</u>	<u>\$8,189,246</u>	<u>\$29,662,227</u>	Lines 5 + 6 + 7
9	Net Deferred Plant Depreciation	\$5,431,152	\$376,172	\$5,807,323	Schedule 5
10	Net Deferred PISCC	10,310,004	699,856	11,009,860	Schedule 6
11	Net Deferred Property Taxes	1,791,693	111,255	1,902,948	Schedule 7
12	Deferred Taxes on PISCC	(3,608,502)	(244,949)	(3,853,451)	(Line 10 * 35%)
13	Deferred Taxes on Property Taxes	(627,093)	(38,939)	(666,032)	(Line 11 * 35%)
14	Deferred Taxes on Liberalized Depreciation	<u>(35,726,769)</u>	<u>(5,017,986)</u>	<u>(40,744,755)</u>	Schedule 8
15	Net Rate Base	\$202,258,730	\$8,918,402	\$211,177,132	Line 4 - Line 8 + Lines 9 through 14
16	Approved Pre-tax Rate of Return	10.95%	10.95%	10.95%	Joint Stipulation & Recommendation Case No. 08-0072 GA-AIR
17	Annualized Return on Rate Base	\$22,147,331	\$976,565	\$23,123,896	Line 15 * Line 16
Operating Expenses					
18	Annualized Depreciation	7,877,159	679,112	8,556,271	Schedule 5
19	Annualized Deferred Depreciation Amortization	183,084	17,640	200,724	Schedule 5
20	Annualized PISCC Amortization	346,939	32,991	379,929	Schedule 6
21	Annualized Property Tax Expense	5,073,439	356,226	5,429,665	Schedule 7
22	Deferred Property Tax Expense Amortization	59,368	5,279	64,648	Schedule 7
23	Operation & Maintenance Expense	104,138	(71,487)	32,651	Schedule 9
24	Revenue Requirement	<u>\$35,791,459</u>	<u>\$1,996,325</u>	<u>\$37,787,784</u>	Lines 17 through 23
25	Prior Year's (Over)/Under Recovered Balance	(126,056)	(111,332)	(237,388)	Schedule 10
26	TOTAL Amount to be collected beginning May 2014	<u>\$35,665,403</u>	<u>\$1,884,993</u>	<u>\$37,550,396</u>	Line 24 + Line 25

Columbia Gas of Ohio, Inc.
Infrastructure Tracking Mechanism-Accelerated Mains Replacement Program
Case No. 13-2146-GA-RDR
Calculation of Revenue Requirement

Data: 2013 - 12 Months Actual

Schedule AMRP-1

Line No.		Actual Through December 31, 2012	Activity Through December 31, 2013	Total As Of December 31, 2013	Reference
	Return on Investment				
1	Plant In-Service				
2	Additions	\$365,338,601	\$167,588,738	\$532,927,339	Schedule 2
3	Retirements	(46,090,249)	(19,539,767)	(65,630,016)	Schedule 4
4	Total Plant In-Service	<u>\$319,248,352</u>	<u>\$148,048,972</u>	<u>\$467,297,324</u>	Line 2 + Line 3
	Less: Accumulated Provision for Depreciation				
5	Depreciation Expense	\$13,462,084	\$10,209,264	\$23,671,348	Schedule 5
6	Cost of Removal	(13,713,880)	(6,519,749)	(20,233,629)	Schedule 3
7	Retirements	(46,090,249)	(19,539,767)	(65,630,016)	Schedule 4
8	Total Accumulated Provision for Depreciation	<u>(\$46,342,045)</u>	<u>(\$15,850,252)</u>	<u>(\$62,192,297)</u>	Lines 5 + 6 + 7
9	Net Deferred Depreciation	4,375,147	2,289,308	6,664,455	Schedule 5
10	Net Deferred PISC	12,382,606	6,631,842	19,014,448	Schedule 6
11	Net Deferred Property Taxes	1,304,941	1,057,944	2,362,885	Schedule 7
12	Deferred Taxes on PISC	(4,333,912)	(2,321,145)	(6,655,057)	(Line 10 * 35%)
13	Deferred Taxes on Deferred Property Taxes	(456,729)	(370,280)	(827,010)	(Line 11 * 35%)
14	Deferred Taxes on Liberalized Depreciation	<u>(60,039,338)</u>	<u>(32,444,735)</u>	<u>(92,484,073)</u>	Schedule 8
15	Net Rate Base	\$318,823,111	\$138,742,157	\$457,565,268	Line 4 - Line 8 + Lines 9 through: 14
16	Approved Pre-tax Rate of Return	10.95%	10.95%	10.95%	Joint Stipulation & Recommendation Case No. 08-0072-GA-AIR
17	Annualized Return on Rate Base	\$34,911,131	\$15,192,266	\$50,103,397	Line 15 * Line 16
	Operating Expenses				
18	Annualized Depreciation	7,442,233	3,360,003	10,802,236	Schedule 5
19	Annualized Deferred Depreciation Amortization	113,763	59,819	173,581	Schedule 5
20	Annualized PISC Amortization	305,579	164,113	469,692	Schedule 6
21	Annualized Property Tax Expense	7,041,701	3,431,604	10,473,305	Schedule 7
22	Deferred Property Tax Expense Amortization	30,726	24,781	55,507	Schedule 7
23	Operation & Maintenance Expense	149,329	(27,500)	121,829	Schedule 9A
24	Operation & Maintenance Savings	<u>(760,000)</u>	<u>(250,000)</u>	<u>(1,000,000)</u>	Schedule 9B
25	Revenue Requirement - To be collected beginning May 2014	<u>\$49,244,462</u>	<u>\$21,955,085</u>	<u>\$71,199,547</u>	Lines 17 through 24
26	Prior Year's (Over)/Under Recovered Balance	142,645	51,356	194,002	Schedule 10
27	Stipulated Reduction to Revenue Requirement	-	-	-	
28	TOTAL Amount to be collected beginning May 2014	<u>\$49,387,107</u>	<u>\$22,006,442</u>	<u>\$71,393,549</u>	Lines 25 through 27

Columbia Gas of Ohio, Inc.
Infrastructure Tracking Mechanism - Automated Meter Reading Devices
Case No. 13-2146-GA-RDR
Revenue Requirement Calculation

Schedule AMRD-1

Data: 2013 - 12 Months Actual

Line No.		Actual Through December 31, 2012	Activity Through December 31, 2013	Total As Of December 31, 2013	Reference
Return on Investment					
1	Plant In-Service				
2	Additions	\$77,640,853	\$1,940,279	\$79,581,132	Schedule 2
3	Devices Not Installed	\$0	(\$480,467)	(\$480,467)	Schedule 2
4	Retirements	0	0	0	Schedule 4
5	Total Plant In-Service	<u>\$77,640,853</u>	<u>\$1,459,812</u>	<u>\$79,100,665</u>	<u>Lines 2 + 3 + 4</u>
Less: Accumulated Provision for Depreciation					
6	Depreciation Expense	\$8,772,021	\$5,248,078	\$14,020,099	Schedule 5
7	Cost of Removal	0	0	0	Schedule 3
8	Retirements	0	0	0	Schedule 4
9	Total Accumulated Provision for Depreciation	<u>\$8,772,021</u>	<u>\$5,248,078</u>	<u>\$14,020,099</u>	<u>Lines 6 + 7 + 8</u>
10	Net Deferred Plant Depreciation	\$3,273,380	\$374,419	\$3,647,800	Schedule 5
11	Net Deferred PISCC	2,920,591	413,891	3,334,482	Schedule 6
12	Net Deferred Property Taxes	379,593	144,695	524,289	Schedule 7
13	Deferred Taxes on PISCC	(1,022,207)	(144,862)	(1,167,069)	(Line 11 * 35%)
14	Deferred Taxes on Property Taxes	(132,858)	(50,643)	(183,501)	(Line 12 * 35%)
15	Deferred Taxes on Liberalized Depreciation	<u>(12,366,873)</u>	<u>849,062</u>	<u>(11,517,811)</u>	<u>Schedule 8</u>
16	Net Rate Base	\$61,920,459	(\$2,201,704)	\$59,718,755	Line 5 - Line 9 + Lines 10 Through 15
17	Approved Pre-tax Rate of Return	10.95%	10.95%	10.95%	Joint Stipulation & Recommendation Case No. 08-0072-GA-AIR
18	Annualized Return on Rate Base	\$6,780,290	(\$241,087)	\$6,539,204	Line 16 * Line 17
Operating Expenses					
19	Annualized Depreciation	\$5,178,645	\$97,369	\$5,276,014	Schedule 5
20	Annualized Deferred Depreciation Amortization	229,918	38,363	268,281	Schedule 5
21	Annualized PISCC Amortization	204,665	39,490	244,155	Schedule 6
22	Annualized Property Tax Expense	1,640,908	(3,411)	1,637,497	Schedule 7
23	Deferred Property Tax Expense Amortization	26,227	11,163	37,391	Schedule 7
24	Operation & Maintenance Expense	0	0	0	Schedule 9A
25	Operation & Maintenance Savings	(3,502,089)	(1,228,974)	(4,731,063)	Schedule 9B
26	Revenue Requirement	<u>\$10,558,565</u>	<u>(\$1,287,085)</u>	<u>\$9,271,480</u>	<u>Lines 18 through 25</u>
27	Prior Years (Over)/Under Recovered Balance	(34,104)	117,516	83,412	Schedule 10
28	Stipulated Reduction to Revenue Requirement	0	0	0	
29	TOTAL Amount to be collected beginning May 2014	<u>\$10,524,461</u>	<u>(\$1,169,569)</u>	<u>\$9,354,892</u>	<u>Lines 26 through 28</u>

Columbia Gas of Ohio, Inc.
Demand Side Management Program
Case No. 13-2148-GA-RDR
Revenue Requirement Calculation

Date: 2013 - 12 Months Actual

Schedule DSM-1

Line No.	Actual Thru December 31, 2008 (1)	Actual Thru December 31, 2009 (2)	Actual Thru December 31, 2010 (3)	Actual Thru December 31, 2011 (4)	Actual Thru December 31, 2012 (5)	Actual Thru December 31, 2013 (6)	Total As Of December 31, 2013 (7 = 1 thru 6)	Reference
DSM Expenditures								
1	\$0	\$805,870	\$5,094,514	\$11,075,753	\$5,042,078	\$7,885,709	\$32,705,924	DSM-2
2	\$0	\$387,682	\$256,293	\$433,001	\$344,365	\$373,944	\$1,795,286	DSM-2
3	\$0	\$0	\$401,353	\$1,519,893	\$2,186,540	\$3,435,744	\$7,543,531	DSM-2
4	\$0	\$0	\$58,489	\$22,168	\$0	\$0	\$79,657	DSM-2
5	\$0	\$118,016	\$286,631	(\$32,179)	\$0	\$0	\$37,258	DSM-2
6	\$0	\$7,700	\$7,700	\$877	\$238,315	\$411,185	\$725,877	DSM-2
7	\$0	\$0	\$89,887	\$130,280	\$250	\$152	\$220,589	DSM-2
8	\$0	\$0	\$0	\$149,566	\$256,111	\$615,620	\$1,021,298	DSM-2
9	\$0	\$0	\$0	\$0	\$19,063	\$577,103	\$596,172	DSM-2
10	\$0	\$0	\$0	\$0	\$0	\$39,903	\$39,903	DSM-2
11	\$0	\$0	\$0	\$0	\$0	\$419,186	\$419,186	DSM-2
12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	DSM-2
13	\$0	\$0	\$0	\$278,172	\$272,771	\$437,778	\$1,592,195	DSM-2
14	\$0	\$315,443	\$278,030	\$0	\$5,470	\$9,967	\$171,721	DSM-2
15	\$94,443	\$20,784	\$35,231	\$16,845	\$2,672,017	\$3,677,733	\$8,349,750	DSM-2
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	DSM-2
17	\$84,443	\$1,456,475	\$5,506,169	\$13,586,477	\$14,098,980	\$17,863,072	\$53,823,616	Sum of Lines 1 through 16
18			(\$1,487,816)	(\$6,769,419)	(\$14,473,920)	(\$16,204,727)	(\$38,945,862)	DSM-3
19						\$0	\$567,400	DSM-3
20	\$1,719	\$21,815	\$189,189	\$654,539	\$1,071,002	\$1,164,830	\$3,103,214	DSM-4
21					\$100,579	\$197,683	\$298,262	DSM-5
22	\$86,162	\$1,478,390	\$5,112,739	\$8,339,840	\$358,601	\$3,040,878	\$18,646,610	Sum of Lines 17 through 21

Columbia Gas of Ohio, Inc.
Demand Side Management Program
Case No. 13-2146-GA-RDR
Computation of Rate Per Customer
For Rates Effective May 2014

Schedule DSM-6

Line No.	Description	Reference	Amount
1	TOTAL REVENUE REQUIREMENT	Sch DSM-1	\$18,646,610
2	SGS Projected Annual Throughput, MCF ⁽¹⁾		116,942,233
3	SGS Rate per MCF	Line 1 divided by Line 2	\$0.1595

Notes:

(1) Includes SGS, SGTS, and FRSGTS throughput for Twelve Months Ended April 2015.

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Case No(s). 13-2146-GA-RDR

Summary: Stipulation Joint Stipulation and Recommendation electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc. and Ms. Brooke E Leslie