

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Co-)
lumbia Gas of Ohio, Inc. for Approval) Case No. 14-1615-GA-AAM
to Change Accounting Methods)

**APPLICATION OF COLUMBIA GAS OF OHIO, INC.
FOR AUTHORITY TO ESTABLISH A REGULATORY ASSET**

Pursuant to Rev. Code § 4905.13, Columbia Gas of Ohio, Inc. (“Columbia”) files this Application with the Public Utilities Commission of Ohio, (“Commission”) for authority to modify its accounting procedures. Columbia is seeking authority to establish a regulatory asset and defer, for accounting and financial reporting purposes, the related expenditures to be incurred by Columbia associated with its new Pipeline Safety Program (“PSP”), a program designed to further improve the safety of its distribution system. In support of its Application, Columbia states:

1. Columbia is a natural gas company within the meaning of Rev. Code § 4905.03(A)(6), and as such, is a public utility subject to the jurisdiction of the Commission.
2. Rev. Code § 4905.13 authorizes the Commission to establish systems of accounts to be kept by public utilities and to prescribe the manner in which these accounts shall be kept. In Chapter 4901:1-13-01 Ohio Administrative Code, the Commission has adopted the Uniform System of Accounts (“USOA”) for gas utilities established by the Federal Energy Regulatory Commission (“FERC”) for use in Ohio. For Ohio regulatory purposes, the system of accounts is only applicable to the extent that it has been adopted by the Commission. Therefore, the Commission may modify the USOA prescribed by FERC as it applies to utilities within the state of Ohio.
3. In December 2009, the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (“PHMSA”) amended the Federal Pipeline Safety Regulations, Code of Federal Regulations (CFR 49) § 192, to include a new subpart, Subpart P “Gas Pipeline Integrity Management.” This federal regulation requires operators of gas distribution pipelines to develop and

implement a gas Distribution Integrity Management Program (“DIMP”) that includes a written integrity management plan. The rule requires that operators identify risks to their pipelines where an incident could cause serious consequences and focus priority attention in those areas. Subpart P requires operators to implement a program to accelerate risk reduction on its system. The DIMP approach was designed to promote continuous improvement in pipeline safety by requiring operators to identify and implement appropriate risk control measures.

4. Over the last several years using its own resources, Columbia has developed an internal organization whose specific role is to develop and implement a program that addresses: (a) knowledge of its distribution system; (b) threat identification; (c) risk evaluation and ranking; (d) implementation of measures to address risk; (e) measurement of performance, monitoring results, and evaluating effectiveness; (f) periodic evaluation and improvement; and (g) reporting results.

5. Through this process, Columbia has identified programs to reduce risks in an accelerated manner. As a result, Columbia has developed the PSP, a program consisting of four initiatives designed to target the greatest threats to Columbia’s system. The PSP will also assist Columbia in the development of risk management tools and processes required to more aggressively enhance pipeline safety. The PSP contains four initiatives: the Cross Bore Safety Initiative (which addresses legacy cross bores); the Damage Prevention Technology Initiative; the Advanced Workforce Training Initiative; and the Enhanced Public Awareness Initiative. A detailed description of each of these programs is attached hereto as Attachment A.

6. The costs of implementing the PSP are prudent and necessary business expenses incurred by Columbia in compliance with PHMSA’s regulations. The incurrence of these costs may result in a significant and unavoidable negative impact on Columbia’s earnings. Additionally, these costs are not recovered in Columbia’s current base rates. Consequently, Columbia requests that the Commission authorize Columbia to revise its accounting procedures and permit Columbia to defer income statement recognition of these incremental PSP costs incurred by Columbia after December 31, 2014. The recovery of the deferred amount will be addressed through a separate proceeding or in Columbia’s next base rate case proceeding. Columbia also requests authority to recover carrying charges on the deferred balance, computed at its actual long-term cost of debt. Columbia proposes to record all costs as a regulatory asset on its balance sheet in

Account 182, Other Regulatory Assets. Commission approval for this deferral accounting treatment is necessary for Columbia to assert probability of recovery of such expenditures under GAAP.

7. These deferred expenses will remain in Account 182, until a new rider can be established in a separate proceeding or in Columbia's next general rate case proceeding, and recovery of the deferred expenses commences. At that time, Columbia will reduce the new regulatory asset and charge the applicable expense account. The annual increase in Account 182, beginning with approval of this application, will not exceed \$15 million per calendar year.

8. The establishment of a rider in a separate proceeding or in Columbia's next general rate case will provide for recovery of these prudent and necessary business expenses on a dollar-for-dollar basis with no possibility of over-recovery from customers. This rider will be applicable to customers served under all rate schedules. When Columbia seeks to recover the deferred amounts, it will propose an amortization period that results in a rider not greater than fifty cents per month to its customers served under its Small General Service rate schedule(s), unless determined by Staff and Columbia that greater customer charge is appropriate. This approach will also benefit customers served under its other rate schedules because an extended amortization period may result, which could provide a reduction in overall revenue requirement to be recovered annually from all customers.

9. After approval of this Application, Columbia will file an annual report, June 1 of each year, beginning in 2016 for calendar year 2015, which sets forth PSP expenses on an annual and cumulative basis. This PSP report will include monthly expenditures for each component of PSP deferred by Columbia on an annual basis. This report shall further include an audit report prepared by Columbia's external auditor that includes a summary of its findings with respect to the verification of the accuracy of Columbia's accounting for PSP related expenditures.

10. Columbia proposes that Staff annually review all reported program expenses, with a report to be filed by Staff no later than 90 days subsequent to Columbia's filing of the annual report. The Staff's report shall set forth those expenditures, if any, that it recommends should not be deferred for future recovery. Staff's review of Columbia's PSP expenses, for which deferral treatment is requested, should include a detailed examination and a determination that the deferred costs are properly recorded on Columbia's books. Columbia shall have

30 days after the filing of Staff's report to accept the Staff's recommendations, or file objections thereto. If Columbia files objections to Staff's findings the Commission shall establish a procedural schedule for the filing of testimony and for an evidentiary hearing.

11. The PSP is being launched by Columbia to accelerate risk reduction across its distribution system. The activities proposed by Columbia represent prudent and necessary business expenses to be performed on behalf of its customers to enhance safety throughout the communities it serves, and promote compliance with PHMSA guidance on the use of integrity management programs to continually monitor system risk. Ensuring a safe and reliable natural gas system is paramount to Columbia's operation, and the approval of this deferral by the Commission is integral to support Columbia's goal of ensuring safety across its pipeline system. In order to expedite the review process and to support Columbia's development and implementation of these important safety measures, Columbia proposes the following procedural schedule to implement its PSP by January 1, 2015:

October 17, 2014 – Staff Comments due
November 7, 2014 – Reply Comments due
December 3, 2014 – Final Opinion and Order

12. The requested change in accounting procedure does not result in any increase in any rate or charge, and the Commission can therefore approve this application without a hearing.

WHEREFORE, for the reasons stated herein, Columbia respectively requests the Commission grant the accounting authority requested in this Application.

Respectfully submitted,
COLUMBIA GAS OF OHIO, INC.

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ATTACHMENT A

PIPELINE SAFETY PROGRAM DESCRIPTION

Cross Bore Safety Initiative

Cross bores are defined as the intersection of one underground utility or structure by a second underground utility or structure that compromises the structural integrity of the underground utility and or the underground structure. The Cross Bore Safety Initiative will systematically identify, investigate and remediate potentially dangerous cross bores on Columbia's system. Such cross bores may exist when Columbia's facilities are found in conflict with a second underground utility, most commonly a storm and/or sanitary sewer infrastructure. In addition to identifying and remediating cross bores, Columbia will also develop communication and education materials that discuss the risks associated with cross bores, to be used in communities in which Columbia operates. The distribution of this material will target the general public, contractors, plumbers, equipment rental companies, public officials and first responders, and will highlight the risks associated with cross bores, what to do if a cross bore is uncovered, and other pertinent communications related to safely operating other utilities in close proximity to natural gas pipelines.

Cross bores stem from the increased use of trenchless technology to install underground lines. Trenchless technology, such as directional boring, uses horizontal mole rods and auger boring to drill the underground path for main lines, services and cables with minimal excavation. This technology provides an alternative to open trenching, reduces road closures, minimizes restoration costs and allows for efficient utility construction in established neighborhoods or urban areas.

When using trenchless technology, excavators have always been required to call 8-1-1 and request the marking of underground utility lines in the area of excavation prior to beginning any work. After existing utility lines are marked, excavators must verify the precise location of these utility lines, usually by excavation, before boring over, under, or in close proximity to the lines. When an excavator hits a steel, iron or plastic gas, water, electric or telecommunications facilities, there is an immediate indication of the damage. However, if sewer lines (mains and laterals) are not marked, or the excavator does not verify the sewer lines' location, then the excavator "bores" through the sewer line and unknowingly leaves a utility line (gas piping, electric, water or telecommunication cables) inside. It is with respect to these types of situations where Columbia plans to systematically investigate and identify these cross bores, and remediate or communicate with the appropriate authority to ensure the safety of its community by eliminating these threats.

The most common example of a cross bore is a utility line in a sewer line. The presence of a utility line in a sewer line can go undetected for months, even years. Eventually, the sewer line may become blocked, which could prompt a customer to contact a plumber to remove the blockage, or to rent equipment to remove it themselves. In either case, it is a common practice to use a mechanical rotary device with a cutting blade to clear the blockage. This process poses significant risk and damage to a utility line. In the event the cross bored line contains an active gas line, the gas line will be damaged and gas can immediately migrate through the sewer lines into homes and buildings and potentially result in a major incident with significant property loss, injuries or fatalities. In the event the cross bored line contains another utility service, it is likely that utility line will be severed, which could result in a loss of utility service for that customer, and increased disruption throughout the community to repair the damaged utility line.

Columbia experienced a DOT reportable incident related to a main that was cross bored through a sewer lateral in 2006. As a result, in 2007 Columbia strengthened its standards and practices to assure the verification of the location of all underground utilities (including sewers) for all construction and maintenance projects. The Cross Bore Safety Initiative is being proposed to identify and correct possible cross bores that occurred prior to 2007 (legacy cross bores). In 2013, Columbia began to collect cross bore data, and implementation of the Cross Bore Safety Initiative will permit Columbia to continue the data collection and to gain a better understanding of the risks accompanying cross bores.

The Cross Bore Safety Initiative will be implemented to launch an investigation into occurrences of cross bored utility infrastructure across Columbia's distribution system. Investigation costs could include, but will not be limited to, dedicated personnel focused on the analysis of data and information related to historical installation of cross bores, as well as the dissection of the investigation materials uncovered during the implementation of the Cross Bore Safety Initiative, internal inspections of distribution mains and service lines, sending camera systems through sewer lines to visually inspect whether a cross bore exists within mains and laterals, investigation of historical and existing records to identify concentration or geographical areas with high potential for legacy cross bores, internal systems keyword searches for coding where cross bores had occurred, and any other operating and maintenance measures Columbia can create to investigate its legacy systems for the existence of cross bores. Upon uncovering cross bored utility lines in Columbia's distribution system, the remediation expense associated with removing this safety risk will be included in the Cross

Bore Safety Initiative if the activity qualifies as an operating and maintenance activity. If the activity qualifies as a capital expenditure, the remediation expense will be included in Columbia's Capital Expenditure Program and will comply with the accounting parameters defined for those activities.

Many positive byproducts will result from Columbia's systematic and accelerated launch of its Cross Bore Safety Initiative. First and foremost, Columbia will be able to target its legacy systems to ensure cross bores are not installed on any main or lateral in Columbia's distribution system. Beyond alleviating this heightened safety risk, the general public and community will benefit through increased awareness of these risks and how to address any utility conflicts when they are uncovered. Entities such as plumbers, contractors, municipalities, and excavators who have not been trained to uncover or remediate cross bores will increase their awareness to help protect other communities throughout the state, while also increasing their awareness of trenchless excavation practices. Other utilities will also be notified as their facilities are uncovered throughout the investigation process, for their appropriate remediation prior to a potential loss in service for a customer. Municipalities will also gain a greater awareness of their sewer lines as Columbia will be able to share their recorded information directly with these municipalities. Finally, Columbia will be able to begin the documentation process of the results of the initiative by indicating the locations of remediated cross bores and areas investigated and cleared of cross-bores on its distribution system mapping software. This collective information will help inform Columbia's engineering and construction teams determine where cross bores may have occurred, and help address system risk moving forward.

Damage Prevention Technology Initiative

The Damage Prevention Technology Initiative will implement new technologies and damage prevention activities designed to reduce system risks associated with excavation damage. To achieve this goal, Columbia will be utilizing technologies and activities to (1) target gaps in and improve the accuracy of Columbia's infrastructure records, and (2) analyze, prioritize, and strategize responses to one-call tickets using a risk assessment tool. By compiling a more accurate and complete infrastructure record, Columbia can lessen the damages associated with excavation, more efficiently and accurately respond to inquiries into its pipelines, and improve employee safety and system reliability. Likewise, by implementing a model to assess and rank one-call tickets by likelihood of ex-

cavation damage will ensure Columbia can proactively prevent such damage from occurring by altering its response to the most high risk locate requests

The Damage Prevention Technology Initiative addresses a significant risk on Columbia's system – excavation damage. Excavation damage is the leading cause of federally reportable pipeline incidents (*i.e.*, death, injury requiring hospitalization, or property damage over \$50,000) in the United States.¹ Excavation damage can result in serious consequences including property damage, loss of essential public services, injury, or loss of life. Avoiding excavation damage is critical to maintaining and providing safe and reliable service to both customers and communities.

On Columbia's system, excavation damage is one of Columbia's highest safety risks. In 2008, Columbia developed a federally-mandated operational safety metric to measure the number of excavation damages per one thousand one-call locate requests. This metric further identifies high risk areas on Columbia's pipeline that experience significant excavation damages and monitors the success of Columbia's overall damage prevention performance. Two years later, Columbia added another metric to track root causes of the excavation damages. When utilizing these metrics to develop its DIMP Plan, three root causes were identified among Columbia's top ten highest system risks: excavator error, poor records, and locate error. In 2013, of the 1,751 excavation damages, 35% resulted from excavator error, 23% resulted from poor records, and 16.5% resulted from locate error. For 2014, of the 619 excavation damages investigated to date, 38% were due to excavator error, 26% resulted from poor records, and 15% resulted from locate error.

Mitigating excavation damage on Columbia's system is further complicated by the approximately 1.38 million customer-owned service lines. Historically, when customers installed service lines, the Company neither recorded the service lines' attributes (*e.g.*, size, material, date of installation), nor mapped the service lines' location. To underscore the threat that the unmapped service lines pose, Columbia's DIMP plan contains specific asset groups (plastic services and unprotected bare steel services) that fall into the top ten risks to Columbia's system.

¹ See Pipeline & Hazardous Materials Safety Administration, Pipeline Safety Stakeholder Communications: Damage Prevention at <http://primis.phmsa.dot.gov/comm/damageprevention.htm>.

The Damage Prevention Technology Initiative will mitigate these excavation damage risks through a targeted approach to increase both the accuracy of Columbia's system records and the effectiveness of Columbia's one-call responses.

Initially, Columbia will use a GPS technology platform to map the sub-decimeter location of existing and new gas facilities. Columbia will utilize a third-party contractor to physically capture the location and pipeline attribute data of Columbia's existing facilities. For new or replaced facilities, Columbia will use the GPS technology to input the pipeline location and attributes into the platform. All facility attribute and location data captured will be housed and maintained in NiSource's ArcGIS system. To physically deploy the technology, Columbia will first target specific geographic locations with higher risk of excavation damage through risk assessment using Columbia's existing records and the DIMP analysis. Columbia will continue to evaluate its system to also target areas where its records of pipeline location or attributes are incomplete or inaccurate.

In conjunction with the GPS technology deployment, if lines are difficult to locate (*i.e.*, non-toneable lines) or GPS location cannot be obtained, Columbia will prudently utilize other methods of damage prevention mitigation to obtain facility location and attributes. These activities include utilizing RFID markers, marker tape, and vacuum excavation to expose facility. Similar to the GPS technology deployment, Columbia will target its resources to specific geographic locations with a higher risk of excavation damage. To determine these areas, Columbia will examine its existing records for non-toneable facilities and analyze one-call locations of non-toneable facilities. When such facilities are accurately identified and categorized, this data will be input into in NiSource's ArcGIS system.

Secondly, Columbia will implement a one-call risk assessment model for all 811 Call Before You Dig locates in Ohio. This model's algorithm will analyze all one-call tickets received by the one-call center to determine if such tickets pose a high or low risk for excavation damage. This assessment model examines and weighs an excavator's damage history with Columbia's facilities, Columbia's existing record information for the requested facilities, and Columbia's one-call location history for the requested facilities. After analyzing this data, the algorithm alerts the Company of the potential hazards and prioritizes the high-risk excavation location requests. Based on this information, Columbia may consider alternative response or prevention methods in addition to simply marking the

line. To effectively execute on this assessment model, Columbia may also need to increase its internal staff.

The Damage Prevention Technology Initiative will, by increasing the accuracy and robustness of Columbia's records, enable Columbia to provide more precise locations of facilities and reduce excavation damage. Through the one-call risk assessment tool, Columbia will effectively prioritize and execute 811 location requests in a more proactive way to further prevent excavation damage. Columbia will also leverage existing records, new technologies, and risk assessment programs to enhance Columbia's one-call responses, emergency response plans, coordination of critical infrastructure mapping, DIMP Programs, and evaluating pipeline infrastructure replacement plans. Most significantly, Columbia will have more accurate information to its employees ensuring employee safety around facilities and system reliability. The Damage Prevention Technology Initiative provides the tools to Columbia to further decrease excavator damage and improve its distribution system integrity.

Advanced Workforce Training Initiative

A key element of PSP provides for the leasing or development of a new training center that features classroom training, technology labs and an outside gas simulation facility. The new training center will capitalize on modern technologies and training approaches, including controlled gas leak simulations to prepare gas operations employees for changing job requirements. This program will also entail developing a training curriculum that incorporates these new training approaches and provides the performance support materials employees need to properly execute newly acquired skills once released from training.

Classroom training will cover topics related to natural gas distribution service including advanced emergency response techniques, working with new technologies, and learning maintenance and construction skills in a controlled environment under the direction of experienced and dedicated trainers. The curriculum will be developed to address skills and activities expected to be encountered throughout Columbia's service territory and provide training on the types of facilities the company has utilized.

The outside gas simulation area will form a replica of a neighborhood with roads, utilities, and small scale buildings complete with gas meters, gas appliances, and buried pipelines. Various leak and emergency response scenarios can be created under the controlled oversight of experienced trainers. This type

of simulated training environment has been recognized as an industry best practice and it is currently being utilized by many large gas distribution companies across the country.

Employees will experience simulated situations while safely working on critical tasks before encountering such situations in a real environment. Aside from providing trainees hands-on experience with routine work activities, Columbia will challenge trainees throughout the neighborhood with problems and issues expected to be faced in the field. Trainees must recognize the problems and make proper decisions in line with company policies. They will also encounter emergency simulations, such as a major release of gas caused by third-party excavation damage, as well as standard protocol of installation, gas measurement, and other day-to-day operating activities. In these scenarios the employee will learn how to safely evacuate surrounding structures, quadrant off the damage area, properly work with local emergency responders, and to quickly and safely evaluate, shut down, and repair the gas leak.

The advancement of gas equipment, technologies, materials, work processes, and record keeping associated with providing a safer gas distribution system requires employees to recall detailed technical information associated with physical work activities. With the advancement of technology, information can be much more accessible for all employees and it will change how employees learn and recall critical information on work that is not regularly performed. This reference of material at the moment of application is *performance support* and is essential to a modern learning environment and to supporting employees in the safe execution of work tasks. The extensive technical requirements covered in training, the speed in which manufacturers and code requirements change, and the format and availability of training and reference material, currently inhibits the use of new technology and learning approaches. The training curriculum built under the Advanced Training Program will be designed for a new electronic age, allowing Columbia to share gas operating instructions more efficiently not only with internal employees, but with customers, emergency responders, contract employees, and perhaps provides an opportunity to align with smaller gas companies not otherwise able to support a training facility.

The Advanced Workforce Training Initiative aligns with Columbia's DIMP plan in that effective training is essential to the accelerated actions designed to reduce system risks. Third-party excavation damage, bare steel leakage, and legacy cross bores are all recognized as the top threats to the natural gas distribution system. These programs require advanced training for better leak

investigation, more rigorous damage prevention actions, and improved emergency response. Further, the aging workforce at Columbia represents a resource and competency Columbia has been able to leverage for decades. Columbia has efficiently developed its training procedures and experiences around the strength of this operating workforce and has been able to adequately prepare field employees to perform essential job functions with a large degree of on-the-job training. This cost-effective training methodology has been afforded without the need for an actual training facility; however, this method will become less effective over time as Columbia's experienced operating workforce begins to retire. It is prudent for Columbia to recognize this risk, which impacts all facets of its requirements to provide utility service to the public, and prepare in advance of this change in dynamics. While Columbia begins the process of redeveloping its curriculum and developing its training facility, Columbia expects to continue training its workforce utilizing the same past practices it has performed for decades. This on-the-job training will continue to leverage its existing experienced workforce, while the development of new curriculum, facilities, and integration of a new training team will commence.

System Operations is a discipline within Columbia's business that involves the highly technical and specialized aspects of operating and maintaining pressure control and gas measurement equipment. While rapid advancements in technology and equipment provide benefits to Columbia's operation of its distribution system, these advancements challenge Columbia in keeping its internal workforce up to speed, especially as experienced employees retire. Additionally, as new shale gas supplies are introduced into the market new challenges with monitoring, operating and maintaining established distribution systems have developed. The new training facility, dedicated and experienced trainers, and a stronger curriculum enables Columbia to provide improved hands-on training programs for employees operating critical system control equipment.

This Advanced Workforce Training Initiative will also support Columbia's damage prevention initiatives. As previously noted, excavation damage is a top risk within Columbia's DIMP plan, with locate error, excavator error, and poor records all being contributors to high damage rates. The new training facility and curriculum will assist in training Columbia employees in damage prevention best practices and with using new technologies. Various scenarios can be created in the simulated gas town to properly train employees on how to identify and mark difficult to locate facilities, how to properly install equipment to prevent future damages, and how to work with excavators on safely digging near gas facilities.

Columbia has faced, and will continue to face, a number of challenges:

- An aging workforce with increased turnover due to retirements.
- An incoming workforce with widely diverse educational backgrounds, often with more academic and less hands-on experience.
- Increased competition for skilled labor due to the expanding shale gas industry.
- Tools and equipment that are more complex and computer based.

The Advanced Workforce Training Initiative, including a modern training facility, dedicated and experienced trainers, stronger curriculum, and performance support material, are advancements beyond the historical training model designed to address the changing workforce and steady change in technology. These are enhancements Columbia needs to implement to remain effective in its day-to-day operating environment, ensure a skilled and qualified workforce, and increase the awareness of safety and gas facilities throughout the communities it serves.

Enhanced Public Awareness Initiative

Sponsoring public service announcements is a crucial component of Columbia's current efforts to encourage pipeline safety. Columbia currently spends \$343,000 annually for its public outreach campaigns, which are largely based on two radio campaigns – the spring radio campaign encourages customers to contact 'Call Before You Dig' (811) system and the fall campaign reminds customers to call Columbia if they smell gas. Though these campaigns continue to inform general public about pipeline safety issues, with the emerging demographic migration to alternative media outlets, Columbia believes it is necessary to prepare a more comprehensive public awareness campaign and leverage these emerging media outlets as potential opportunities to enhance the public awareness of gas facilities and how to be safe around gas facilities.

The Enhanced Public Awareness Initiative would provide increased funding to prepare such a comprehensive pipeline safety public campaign to the general public, construction contractors, first responders, and municipalities. To ensure the dollars are being utilized in the most effective manner, Columbia will engage a third-party marketing firm to spearhead this effort. The marketing firm will first evaluate Columbia's existing public awareness efforts to develop a baseline for measuring the program's success. After the baseline is established, the

firm will perform a comprehensive study to determine the most effective and cost-efficient media by which to target Columbia's pipeline safety campaign. After such communication channels have been identified, Columbia will create and execute a new pipeline safety public outreach initiative. The new pipeline safety campaign, will be evaluated by the firm utilizing the same metrics applied to Columbia's existing public awareness program, to measure the improvement of communication and the effectiveness of the new campaign.

As part of the firm's engagement, Columbia will also consider the creation of public liaison coordinators targeting outreach within its communities around gas safety. Recent NTSB investigation reports (San Bruno NTSB recommendation P-11-08) and pipeline safety advisories associated with high profile gas related incidents have demonstrated the need for the continual reinforcement of Columbia's partnership with public officials and emergency responders to better respond to emergency situations. The public liaison coordinator will work with Columbia Operations, to meet with public officials and first responders to discuss pipeline safety issues, third-party damage, the Ohio Utility Protection Service, and emergency response when a gas leak or dig-in has occurred. The public liaison coordinators can also proactively educate excavators digging around Columbia's facilities on natural gas safety, one-call laws, safe digging practices, and other natural gas system safety measures. These public liaison coordinators may also attend community events and perform training to promote gas safety and provide tangible benefits to the communities Columbia serves. The third-party consulting firm may consider these company roles in conjunction with enhanced media channel outreach to help develop the most effective comprehensive public awareness program Columbia can leverage to ensure safety across its service territory. While public outreach is not a one-size-fits-all measure, it is clear the public plays a meaningful role in system safety and Columbia proposes a wider, yet effective, outreach campaign to bring about the appropriate level of awareness around gas safety.

Through the efforts of the Enhanced Public Awareness Initiative, Columbia will be targeting one of its greatest risks – third-party excavation damage. Third-party excavation damage is prevalent throughout Columbia's system, accounting for seven of Columbia's top ten system threats. In 2014 alone, approximately 57% of all damages during excavations in Ohio resulted from excavators failing to follow recommended construction practices when working near underground pipelines or failing to avail themselves of the 'Call Before You Dig' (811) system. The Enhanced Public Awareness Initiative will ensure that Columbia is educating and

communicating effectively with the public to prevent future damage and to keep its system safe.

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Case No(s). 14-1615-GA-AAM

Summary: Application for Authority to Establish a Regulatory Asset electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.