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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-
UPON PROCEDURES**

To the Board of Directors of
Columbia Gas of Ohio, Inc.
Columbus, OH 43215

We have performed the procedures enumerated below, which were agreed to by Columbia Gas of Ohio, Inc. (the "Company") and provided to the Public Utilities Commission of Ohio (the "PUCO"), solely to assist you in evaluating the Company's recovery of uncollectible customer accounts receivable through a bad debt recovery mechanism as described in the Public Utilities Commission of Ohio Case No. 03-2572-GA-ATA. The Company's management is responsible for compliance with the bad debt recovery mechanism. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and our findings are as follows:

Agreed-upon procedures for the Uncollectible Customer Accounts Receivable Recovery Mechanism under Case No. 14-321-GA-UEx

1. We obtained from Company management and proved the mathematical accuracy of the accounting schedules summarizing bad debt tracker activity by month and supporting schedules for the following items from January 1, 2013 through December 31, 2013 and from January 1, 2014 through March 31, 2014 and identified no differences.
 - a) Bad debt charge offs for the period from January 1, 2013 through March 31, 2014 of \$52,940,233.
 - b) Recoveries of bad debts through the rider for the period from January 1, 2013 through March 31, 2014 of \$6,494,617.
 - c) Other recoveries for the period from January 1, 2013 through March 31, 2014 of \$39,180,920.
 - d) Carrying charges on over recoveries for the period from January 1, 2013 through March 31, 2014 of (\$30,400).
2. We compared bad debt charge offs from the schedule obtained in 1. a) above to the Distributed Information System (DIS), Gas Accounting System (GMB/GAS), and Transportation Next Generation (GTS) reports and identified no differences.

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3. We randomly selected the May 2013, November 2013, and March 2014 data included in the schedules obtained in 1. b) above and performed the following procedures:
 - a) We compared sales, CHOICE, and transportation volumes to appropriate DIS, GMB/GAS, and GTS reports to determine whether such eligible volumes relate only to SGS, SGSS, GS, GSS, SGTS, SGSTS, GTS, GSTS, FRSGTS, FRCTS, FRGTS, and FRGSTS accounts for the months of May 2013, November 2013, and March 2014 and identified no differences.
 - b) We compared the bad debt recovery rates for the Company with those permitted by the PUCO, as initially outline in Case No. 03-2572-GA-ATA and with rates approved in Case No. 12-321-GA-UEX for January 1, 2013 through May 29, 2013, and Case No. 13-321-GA-UEX for May 30, 2013 through March 31, 2014, and determined that the approved rates have been applied to eligible volumes for the months of May 2013, November 2013, and March 2014.
4. We agreed bad debt charge offs, bad debts recovered in base rates, and other recoveries per the schedules obtained in 2. and 3. above to the schedule obtained in 1. above for the months selected in 3.
 - a) We randomly selected three charge offs for each month selected and obtained the customer billing history from DIS. We inspected, within the DIS customer information system, the dates and transactions up to and including the charge off of the customer's outstanding balance.
 - b) We randomly selected four recoveries for each month selected and obtained the customer history from DIS. We inspected, within the DIS customer information system, the dates and transactions up to and including the recovery of the customer's outstanding balance. We documented the General Ledger account(s) to which third-party fees, if any, were recorded.
5. We agreed the interest rate utilized by the Company to calculate the monthly carrying charges for the months selected in 3. to the Operating Companies Money Pool Rates schedule.
6. We recalculated carrying cost calculations (obtained in 5. above) for the months of May 2013, November 2013 and March 2014.

Accounts Receivable Regulatory Asset Balance

1. We obtained the Accounts Receivable Regulatory Asset balance from general ledger account 182-3499 at March 31, 2014.
2. We recalculated amounts and calculations included in the reconciliation of the Accounts Receivable Regulatory Asset balance deferred as of March 31, 2014 and agreed the reconciliation to the general ledger balance obtained in 1. with the following exception:
 - a) The general ledger balance at March 31, 2014 was \$4,861,548 compared to \$4,838,986 per the reconciliation obtained.
3. We obtained monthly voucher OPR-02-401. We inspected the voucher to verify that PIPP bad debt charge-offs and recoveries were separated from total deferrals to the Accounts Receivable Regulatory asset and that they were being deferred to the PIPP regulatory asset for the months of May 2013, November 2013, and March 2014 and identified no differences.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte + Touche LLP

October 3, 2014