Columbia Exhibit No.

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Annual Application of Columbia Gas of Ohio, Inc. for an Adjustment to Rider IRP and Rider DSM Rates	))))	Case No. 15-1918-GA-RDR

PREPARED DIRECT TESTIMONY OF ERIC T. BELLE ON BEHALF OF COLUMBIA GAS OF OHIO, INC.

COLUMBIA GAS OF OHIO, INC.

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PREPARED DIRECT TESTIMONY OF ERIC BELLE

Q. Please state your name and business address.

A. My name is Eric T. Belle and my business address is 290 W. Nationwide Blvd., Columbus, Ohio 43215.

Q. By whom are you employed?

A. I am employed by Columbia Gas of Ohio, Inc. ("Columbia"). My current title is Manager, Field Engineering.

Q. Please summarize your educational background and experience.

A. I have a Bachelor of Science degree in Chemical Engineering from Syracuse University, Syracuse, New York and a Master's degree in Business Administration from Tiffin University, Tiffin, Ohio. In 1995, I began my career in Toledo, Ohio with Columbia as an Operations Engineering Trainee where I gained a broad understanding of the natural gas distribution industry. In 1997, I accepted a position as an Operations Engineer in Findlay, Ohio. As an Operations Engineer, I was responsible for evaluating, planning and designing natural gas distribution facilities. I also provided technical assistance and support to the construction and field operations staff involved in the construction, operation, and maintenance of gas distribution facilities. In 2006, I was promoted to Field Engineering Leader where I was responsible for providing technical and budgetary guidance, support, and direction to Columbia's Field Engineering department in northwest Ohio. Additionally, I ensured all projects in northwest Ohio were designed according to all applicable codes and regulations. In 2009, I was promoted to my current position of Manager, Field Engineering for Columbia.

Q. What are your responsibilities as Manager, Field Engineering?

A. As Manager, Field Engineering, my principal responsibilities include overseeing the identification, design, and estimating of generally all capital work for Columbia's gas distribution system. I am also responsible for the development, monitoring, and execution of Columbia's capital budget. I provide leadership and strategic direction to the Field Engineering staff in line with Columbia's goals. I also provide technical guidance and support to Columbia's engineering staff in support of their professional development and the accomplishment of department objectives. I facilitate and encourage the improvement of existing engineering processes, policies and

procedures. I monitor and evaluate the performance of Columbia's infrastructure replacement program and collaborate with peers to ensure effective execution of the program.

Q. Have you previously testified before this Commission?

A. Yes. I previously testified in Case No. 10-2353-GA-RDR, Case No. 11-5803-GA-RDR, Case No. 11-5515-GA-ALT, Case No. 12-2923-GA-RDR, Case No. 13-2146-GA-RDR, and Case No. 14-2078-GA-RDR.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to explain the management, engineering, and construction practices of Columbia as they relate to the various components of Rider IRP, included in this filing, for the 2015 calendar year. I will also discuss Columbia's performance with respect to its accelerated main replacement program and hazardous service line replacement program.

Q. Please summarize Rider IRP and its components included in this filing.

A. Rider IRP is an infrastructure tracker which captures cumulative plant investment over a specified period of time and provides for a return on and the return of all program costs. The program components that make up Columbia's IRP are: (1) the Accelerated Main Replacement Program ("AMRP"); and (2) the replacement of hazardous service lines; and (3) the Automated Meter Reading Device ("AMRD") program.

Q. Please describe the AMRP and replacement of hazardous service line programs.

A. Columbia's AMRP targets certain types of main for replacement over the course of approximately 25 years. The types of gas main included in the AMRP are unprotected bare steel, unprotected coated steel, wrought iron, and cast iron. These types of main ("Priority Pipe" or "Priority Main") typically have a greater probability to leak due to their material type, protection, age, and other characteristics. Also included in the AMRP is the replacement of all metallic service lines and associated appurtenances.

Columbia also has responsibility of all maintenance, repair, and replacement of customer-owned service lines that have been determined by Columbia to present an existing or probable hazard to persons or property.

Q. Please summarize the AMRP and hazardous service line performance portions of Rider IRP for 2015.

A. For the 2015 AMRP filing, Columbia has included costs for projects associated with the retirement of Priority Pipe totaling approximately $182.8 million. The total footage abandoned or retired from service for each type of main is as follows:

Bare Steel:	995,341 feet
Iron/Other:	38,510 feet
Pre-1955 Unprotected Coated Steel:	160,428 feet
Post-1954 Coated Steel:	67,450 feet
Plastic:	147,210 feet

Also, in 2015, Columbia replaced 6,030 hazardous customer service lines for a total cost of approximately $20.6 million.

Q. Has Columbia included the costs to replace segments of plastic and coated steel mains in this filing?

A. Columbia has included the costs of retiring these portions of non-priority pipe main in conjunction with its infrastructure replacement projects in this tracker. As part of the Joint Stipulation and Recommendation in Case No. 11-5515-GA-ALT approved by the Commission in its Opinion and Order dated November 26, 2012, Columbia clarified the scope of the AMRP to include interspersed non-priority main, first generation plastic main, and ineffectively coated steel main.

The Opinion and Order issued in 11-5515-GA-ALT provided for recovery of investment related to interspersed sections of nonpriority pipe contained within the bounds of priority pipe replacement projects where it is more economical to replace such pipe based on the pipe diameter and length of main. These replacement metrics are set forth in the Commission's Order dated November 26, 2012.

The Opinion and Order further allowed for the inclusion and recovery of investment related to the replacement of first generation plastic pipe or Aldyl-A plastic pipe when such pipe is associated with priority pipe in replacement projects not to exceed 5% of the total pipe replaced. For 2015, Columbia's retirement of first generation plastic pipe installed prior to 1982 associated with an AMRP totaled 22,425 feet of pipe which was 1.59% of the total retirement footage.

Columbia's AMRP was also clarified to expressly include ineffectively coated steel pipe installed before 1955 which was considered ineffectively coated without further testing. Columbia also tested segments of post-1954 coated steel pipe that were retired with replacement projects. Segments of post-1954 coated steel pipe that were determined to be ineffectively coated were included in the IRP. Columbia retired a total of 31,566 feet of post-1954 coated steel pipe that was found to be ineffectively coated.

Q. The Joint Stipulation and Recommendation in Case No. 11-5515-GA-ALT also included restrictions on certain types of projects related to system betterment and municipal improvement. What has Columbia done to ensure compliance with those requirements?

A. Columbia has put processes in place to ensure that the cost of projects such as system betterment designed for future growth and municipal improvement projects where Columbia was required to move its facilities were not included in the AMRP filing if they did not meet the requirements contained within the Joint Stipulation and Recommendation approved by the Commission in Case No. 11-5515-GA-ALT. One such process is the monthly review of all active job orders through a Pre-Closeout Report. With this report, a list of all active job orders are provided monthly to Columbia's field engineering leaders to review with their respective engineering team members. Key information that is provided includes the estimated footage of priority pipe that is expected to be retired, the project accounting code (indicates whether the job order is an AMRP project), and whether the project accounting code was entered correctly. This monthly review helps to ensure that AMRP related job orders are properly entered into our Work Management System. Additionally, Columbia has a comprehensive training module in its learning management system for new and existing engineering employees that provides clear instructions on what is included in the AMRP, and how to properly code projects for inclusion in its annual filing. In 2015, Columbia's entire field engineering team had this training module added to their individual learning plans along with the requirement to complete the training annually, but not later than September 1 of each year. Columbia's entire engineering team successfully completed this training prior to the established due date. These efforts help to reinforce the importance Columbia places on this program and helps to ensure compliance to the Joint Stipulation.

Q. How did Columbia determine which mains were to be replaced as part of its AMRP in 2015?

A. In 2015, Columbia utilized Optimain DS™ to help evaluate and rank pipe segments system-wide against a range of environmental conditions (e.g. population density, building class, surface cover type, etc.), risk factors (pipe segment leak history, pipe condition, pitting depth, depth of cover, etc.) and economic factors. Generally, we identified, ranked and selected projects based on the level of relative risk score that would be removed from the system per every thousand feet of pipe that would be abandoned with the project. We also considered the level of relative risk score that would be removed from the system per every $100,000 dollars of capital spent. This evaluation and risk ranking of pipe segments was then reviewed by the engineering and operations departments to assess whether that data was consistent with what has been observed in the field. Additionally, Columbia worked collaboratively with local and state governments in areas where public improvement work was to occur. Columbia reviewed plans and identified areas of Priority Pipe within the scope of pending public improvement work. Columbia used both sets of information listed above to help determine which sections of main were the best candidates to select for replacement.

Q. Please describe Columbia's process for determining the resources to be used in conjunction with the AMRP projects.

A. The majority of all Columbia's capital work is performed by contractors under "blanket" contracts. Columbia extended and expanded the scope of our previously bid "blanket" construction contracts through December 31, 2015. This approach allows Columbia to maintain highly skilled contract resources and encourages these contractors to expand their businesses in Ohio. Local Columbia employees may perform work on some smaller projects when they are available. Columbia evaluates each project on a variety of criteria to determine who will perform the work.

Q. What percentage of contractors working on AMRP projects in 2015 consisted of Ohio labor?

A. As part of the Stipulation in Case No. 08-72-GA-AIR, et al., approved by the Commission on December 3, 2008, Columbia agreed to encourage its AMRP contractors to use their best efforts to retain Ohio labor to perform AMRP related services. In the Joint Stipulation and Recommendation in Case No. 09-0006-GA-UNC, filed on June 2, 2009, and approved by the Commission on June 24, 2009, Columbia agreed to continue to encourage its AMRP contractors to use Ohio labor, and to report on Ohio labor participation in the AMRP

program. Columbia has added language to its bid packages stating a preference that Ohio labor be used whenever possible as long as the price and quality of work is not negatively impacted. For 2015, 75% of contractor labor workforce on AMRP projects was from Ohio.

Q. Do contractors typically replace Columbia's hazardous customer service lines?

A. Contractors do replace some hazardous service lines in a few locations, but the majority of hazardous service lines are replaced by local Columbia employees.

Q. Did the various components included in this filing produce any other significant benefits for customers in 2015?

A. Yes. Customer safety has been improved significantly due to the replacement of more than 6,030 hazardous service lines. With the retirement of 1,033,851 feet of Priority Pipe, Columbia was able to eliminate the chance of water entering these lines and freezing meters off in the winter. Incidents of water entering the lines reduced 36% between the 2013-2014 and 2014-2015 gas seasons. Additionally, Columbia was able to retire distribution mains where it has habitually had to go in and dig up to repair the mains. Overall, Columbia has continued to see a decrease in the number of new leaks found on distribution mains and services based on its three year leakage survey frequency. Columbia found 16,553 new leaks in 2015 or approximately 10.3% fewer leaks compared to 2012 when the same geographic areas were surveyed and 18,457 leaks were found.

Q. What are Columbia's construction plans for 2016?

A. Columbia expects to spend approximately $188.0 million on the various components of Rider IRP in 2016. Columbia currently estimates it will spend approximately $25 million on hazardous service lines, and $163.0 million on replacing infrastructure. Priority Pipe projects will be constructed throughout the year. Many of these projects have either not yet been identified or involve third party coordination the schedules for which cannot be confirmed at this time. These projects will address existing hazards and/or eliminate risky pipe in conjunction with public works projects. A current listing of Columbia's largest planned infrastructure projects are shown below.

Project Name	City	Estimated Cost
Valentine AMRP	Toledo	$6,255,750
Near South: Markison & 6th AMRP	Columbus	$4,445,000
Project Name	**City**	**Estimated Cost**
Estell Ave. & Oxford Blvd. AMRP	Steubenville	$3,570,720
Hoag AMRP	Toledo	$3,321,960
Rosslyn & Milton AMRP	Columbus	$3,287,500
Vermilion West AMRP	Vermilion	$3,273,550
Near East : E. Fulton & Seymour AMRP	Columbus	$3,108,250
Walnut St. AMRP	Logan	$3,068,500
Liberty St, Amsterdam AMRP	Amsterdam	$3,033,500
Grandview: King & Kenny AMRP	Columbus	$2,948,550
Near South: Ann & Stanley AMRP	Columbus	$2,928,000
Lake Breeze Road AMRP	Sheffield Lake	$2,892,750
Daleford 2 AMRP	Toledo	$2,859,900
OSU : Worthington & 9th AMRP	Columbus	$2,717,000
Elmwood Rd AMRP	Medina	$2,711,093
Prospect Street Berea AMRP	Berea	$2,681,700
Berdan & Garrison AMRP	Toledo	$2,553,600
Mound & Wood AMRP	Marion	$2,455,200
Hilltop: Clarendon & Palmetto AMRP	Columbus	$2,370,000
Limestone & McCreight AMRP	Springfield	$2,367,600
Forest Boulevard AMRP	Avon Lake	$2,365,050
Leonard AMRP	Fostoria	$2,234,750
Short North : Hubbard and Henry	Columbus	$2,227,400
Indiana & Summit AMRP	Marion	$2,215,800
Liberty St AMRP	Springfield	$2,179,100
North 7th St.	Steubenville	$2,148,325
Lucerne Ave AMRP	Parma	$2,105,200
Grace St. North AMRP	Mansfield	$2,083,500
Worthington Ave AMRP	Chillicothe	$1,993,875
Ward & Locust AMRP	Urbana	$1,940,000
John St AMRP	East Liverpool	$1,908,260

Franklinton: Cable & Chicago	Columbus	$1,888,500
Harvest AMRP	Toledo	$1,887,650
Prospect St AMRP	Elyria	$1,831,500
Project Name	**City**	**Estimated Cost**
E. Water & Maple AMRP	Oak Harbor	$1,817,950
Homewood Ave AMRP	Salem	$1,668,845
Westgate AMRP	Mansfield	$1,580,730
Wade Ave AMRP	Alliance	$1,531,010
Race & Cedar AMRP	Springfield	$1,454,100
Locust St AMRP	Newark	$1,337,850
Sterkel Park AMRP	Mansfield	$1,336,050
West Lafayette AMRP	West Lafayette	$1,318,788
Franklinton: Derrer & Wicklow AMRP	Columbus	$1,252,500
Leroy & Prospect	Bowling Green	$1,215,500
Oak Knoll & Fairway AMRP	Springfield	$1,162,600
Main St, Sugargrove AMRP	Sugar Grove	$1,040,010
Eden Park - Hinkley Hollow AMRP	Portsmouth	$1,018,220
Whitehall: Poth & Hamilton AMRP	Whitehall	$976,000
Birchard AMRP	Fremont	$951,500
Wooster Ave AMRP	Mount Vernon	$912,100
McAllister & Byron AMRP	Columbus	$879,000
Walbridge & E Broadway	Walbridge	$861,750
Baird St. AMRP	Logan	$808,750
Adams AMRP	Toledo	$799,650
Maple Ave AMRP	New Concord	$760,041
Tremont City PH 1 AMRP	Tremont City	$721,400
McConnel AMRP	McConnelsville	$689,500
Enterprise AMRP	Logan	$576,750
Downtown: Mound & Front AMRP	Columbus	$531,750

Q. Does this complete your Prepared Direct Testimony?

A. Yes, it does.

CERTIFICATE OF SERVICE

The Public Utilities Commission of Ohio's e-filing system will electronically serve notice of the filing of this document on the parties referenced on the service list of the docket card who have electronically subscribed to the case. In addition, the undersigned hereby certifies that a copy of the foregoing document is also being served via electronic mail, on the 26th day of February, 2016 upon the parties listed below.

/s/ Stephen B. Seiple
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Summary: Testimony of Eric Belle electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.