

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)
Columbia Gas of Ohio, Inc. for Ap-) Case No. 16-321-GA-UEX
proval of an Adjustment to its Uncol-)
lectible Expense Rider Rate.)

**APPLICATION OF
COLUMBIA GAS OF OHIO, INC.**

Columbia Gas of Ohio, Inc. (“Columbia”), hereby submits its annual Uncollectible Expense Rider Report, and also requests approval to decrease its Uncollectible Expense Rider rate. In support of its Application, Columbia states as follows:

1. By Finding and Order dated December 17, 2003 (the “December 17 Order”), in Case No. 03-1127-GA-UNC, the Commission approved, in concept, an Uncollectible Expense Rider for Columbia and several other natural gas companies.

2. Pursuant to the December 17 Order, Columbia is required to file an annual report each May that identifies the amounts recovered, deferred and, as applicable, amortized pursuant to the Uncollectible Expense Rider. Attached hereto as Attachment 1 is Columbia’s annual Uncollectible Expense Rider Report.

3. By Entry dated April 7, 2004, in Case No. 03-2572-GA-ATA, the Commission approved Columbia’s initial Uncollectible Expense Rider rate. However, the December 17 Order further provided utilities with the opportunity to adjust their Uncollectible Expense Rider rates. Pursuant to Columbia’s Uncollectible Expense Rider tariffs,¹ Columbia shall request “approval to change the rate if

¹ See Section V, Fifteenth Revised Sheet No. 29, for customers served under rate schedules SGS and GS; Section VI, Seventh Revised Sheet No. 69, for customers served under rate schedules SGTs and GTs; and Section VII, Fourteenth Revised Sheet No. 29, Page 9 of 11, for customers served through Columbia’s CHOICE Program. All tariff sheets include identical billing rates and adjustment provisions.

the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.”

4. On April 16, 2015, Columbia filed an Application for Approval of an Adjustment to its Uncollectible Expense Rider in Case No. 15-0321-GA-UEx. This filing proposed the establishment of a revised Uncollectible Expense Rider rate of \$0.1214 per Mcf. By Finding and Order dated May 28, 2015, the Commission approved the amended application and revised Uncollectible Expense Rider rate to \$0.1214 per Mcf.

5. Attachment 2 shows Columbia’s collection of the Uncollectible Expense Rider during the period June 2015 through May 2016. On May 31, 2016, Columbia projects it will have an over-collected balance of \$2,483,692. Without accounting for any projected changes in the bad debt balance, a decrease of \$0.0142/Mcf would be required to pass back this prior period over-collection. Rather than decreasing the Uncollectible Expense Rider to pass back this over collection, Columbia recommends adding the over-collected amount (\$2,483,692) to the projected total bad debt balance from June 2016 through May 2017. Therefore, included as Attachment 3, is a projection of Columbia’s anticipated bad debt from June 2016 through May 2017. Attachment 3 shows a projected bad debt write off balance of \$12,181,676 on May 31, 2017. Combining the projected over-collected balance at May 31, 2016 of \$2,483,692, with the bad debt projection as of May 31, 2017 of \$12,181,676, results in bad-debt recovery requirement of \$9,697,985, or a revised rate of \$0.0555. Therefore, Columbia proposes to decrease its current Uncollectible Expense Rider by \$0.0659/Mcf in order that it may properly match its projected bad-debt experience with recoveries during the period twelve months ending May 31, 2017.

6. Columbia believes it is reasonable to consider the prospective application of the Uncollectible Expense Rider in the development of the appropriate Uncollectible Expense Rider rate because it better matches expenses with recoveries. The computation of the Uncollectible Expense Rider rate based on the collection year: (1) properly matches recoveries with expenses; (2) is consistent with the method approved by the Commission in Case No. 15-0321-GA-UEx for determining Columbia’s current Uncollectible Expense Tracker rate; and (3) in the aggregate, cannot result in over-collection of costs due to the annual true-up program requirements. For this reason, Columbia, therefore, proposes to decrease its Uncollectible Expense Rider rate from \$0.1214 to \$0.0555 per Mcf. The rate is comprised of: (1) Columbia’s projected deferred uncollectible expenses at May 31, 2016; and (2) Columbia’s estimated uncollectible accounts expense for the twelve-

month period ending May 31, 2017. The calculation of the proposed Uncollectible Expense Rider rate is shown on Attachment 4.

7. The resulting Uncollectible Expense Rider rate of \$0.0555 per Mcf is just and reasonable and Columbia requests that the Commission expeditiously approve the proposed rate. Clean copies of the proposed tariff sheets and scored current tariff sheets are attached hereto as Attachment 5.

WHEREFORE, Columbia respectfully requests that the Commission approve the proposed Uncollectible Expense Rider rate proposed herein.

Respectfully submitted by,

COLUMBIA GAS OF OHIO, INC.

/s/ Joseph M. Clark

Joseph M. Clark, (Counsel of Record)

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Attorneys for
COLUMBIA GAS OF OHIO, INC.

ATTACHMENT 1

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report
Calendar Year 2016 Actual

Line No.		January	Actual February	March
1	Balance - Beginning of Month	8,050,519	4,229,425	472,730
2	Bad Debts Written Off	2,531,791	2,266,582	2,109,286
3	Amortization of 2001 Deferral	-	-	-
4	Recovery - Base Rates			
5	Consultant Fees			-
6	Recovery - Bad Debt Rider	(3,366,786)	(3,589,524)	(2,729,347)
7	Recovery - Other	(2,989,291)	(2,434,976)	(1,915,988)
8	Incremental Bad Debt (2)+[(3)+(4)+(5)+(6)]	(3,824,286)	(3,757,918)	(2,536,048)
9	Balance Subtotal (1) + (8)	4,226,233	471,508	(2,063,318)
10	Carrying Charges [(1)+[(9)/2]x(11)]	3,192	1,222	(636)
11	Balance - End of Month (9)+(10)	4,229,425	472,730	(2,063,954)
12	Monthly Pool Rates	0.08%	0.08%	0.08%

NISOURCE INC. AND SUBSIDIARIES
OPERATING COMPANIES MONEY POOL RATES
January 2015 Through March 2016

MONTH	DAYS	AVERAGE DAILY BALANCES			MONTHLY INTEREST ACCRUALS			MONTHLY RATES *		
		S-T DEBT \$	INVESTMENT \$	COMPOSITE \$	S-T DEBT \$	INVESTMENT \$	COMPOSITE \$	S-T DEBT %	INVEST %	COMPOSITE %
JAN 2015	31	1,196,354,516.13	0.00	1,196,354,516.13	1,111,598.18	0.00	1,111,598.18	1.09%	0.00%	1.09%
FEB	28	529,710,214.29	0.00	529,710,214.29	419,414.28	0.00	419,414.28	1.03%	0.00%	1.03%
MAR	31	30,985,612.90	0.00	30,985,612.90	19,710.90	0.00	19,710.90	0.75%	0.00%	0.75%
APR	30	5,566,666.67	0.00	5,566,666.67	3,093.06	0.00	3,093.06	0.68%	0.00%	0.68%
MAY	31	122,605,806.45	0.00	122,605,806.45	336,972.93	0.00	336,972.93	0.63%	0.00%	0.63%
JUN	30	0.00	6,666,666.67	6,666,666.67	0.00	1,095.89	1,095.89	0.00%	0.20%	0.20%
JUL	31	0.00	114,840,353.52	114,840,353.52	0.00	20,819.82	20,819.82	0.00%	0.21%	0.21%
AUG	31	0.00	104,860,966.86	104,860,966.86	0.00	18,790.25	18,790.25	0.00%	0.21%	0.21%
SEP	30	0.00	17,039,565.62	17,039,565.62	0.00	3,257.63	3,257.63	0.00%	0.23%	0.23%
OCT	31	806,451.61	9,681,460.56	10,487,912.17	305.55	1,644.49	1,950.04	0.45%	0.20%	0.22%
NOV	30	25,700,000.00	5,541.01	25,705,541.01	9,752.78	0.94	9,753.72	0.46%	0.21%	0.46%
DEC	31	301,673,096.77	851.60	301,673,948.37	183,388.11	0.17	183,388.28	0.72%	0.24%	0.72%
JAN 2016	31	282,599,096.77	714.68	282,599,811.45	239,420.42	0.19	239,420.61	1.00%	0.31%	1.00%
FEB	29	204,379,310.34	0.00	204,379,310.34	155,069.45	0.00	155,069.45	0.95%	0.00%	0.95%
MAR	31	322,903,225.81	0.00	322,903,225.81	264,640.28	0.00	264,640.28	0.96%	0.00%	0.96%

ATTACHMENT 2

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report
Based on Historic Balance @ March 31, 2016

Line No.	Description	Amount
1	Deferred Uncollectible Accounts Expense Balance As of May 31, 2016	(2,483,692)
2	Projected Volumes Twelve Months Ending May 31, 2017	174,874,701
3	Plus: Under(Over) Recovery of Uncollectible Expense TME May 31, 2016 per Mcf (Line 1 / Line 2)	(0.0142)

ATTACHMENT 3

[illegible]

ATTACHMENT 4

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Calculation

Line No.	Description	Amount \$
1	Incremental Net Charge Offs for TME May 31, 2017 (Attachment 3 line 14)	12,181,676
2	Projected Volumes TME May 31, 2017	174,874,701
3	Proposed Revised Rate Effective June 1, 2016 per Mcf (Line 3 / Line 4)	0.0697
4	Plus: Under(Over) Recovery of Uncollectible Expense TME June 1, 2016 per Mcf (Attachment 2, Line 3)	<u>(0.0142)</u>
5	Proposed Revised Rate Effective June 1, 2016 per Mcf (Line 5 + Line 6)	\$ 0.0555

Columbia Gas of Ohio, Inc.
Projected Bad-Debt Recovery @ Current Rates

Attachment 4
Sheet 2 of 2

	Throughput	Current Rate	Revenue
Apr	17,555,510.3	0.1214	2,131,239
May	9,502,158.8	0.1214	1,153,562
Jun	5,285,161.2	-	-
Jul	3,672,700.6	-	-
Aug	3,576,963.0	-	-
Sep	3,747,239.8	-	-
Oct	5,547,385.1	-	-
Nov	12,135,717.9	-	-
Dec	23,181,069.5	-	-
Jan	32,260,099.5	-	-
Feb	32,049,339.7	-	-
Mar	26,263,448.0	-	-
Apr	17,326,673.9	-	-
May	9,828,902.3	-	-
Total	174,874,701		-

ATTACHMENT 5

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

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE:

To all customers served under rate schedules SGS and GS.

UNCOLLECTIBLE EXPENSE RIDER:

A charge of \$~~0.05550-1244~~ per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

Filed in accordance with Public Utilities Commission of Ohio Entries dated ~~May 28, 2015 in Case No. 15-321-GA UEX.~~

Issued: ~~May 28, 2015~~

Effective: With meter readings on or after ~~June 1, 2015~~

Issued By
Daniel A. Creekmur., President

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AND SALE OF GAS**

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Filed in accordance with Public Utilities Commission of Ohio Entries dated

Issued:

Issued By
Daniel A. Creekmur., President

Effective: With meter readings on or after

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

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE

To all customers served under rate schedules SGTS and GTS.

UNCOLLECTIBLE EXPENSE RIDER

A charge of \$~~0.05559-1214~~ per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

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

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APPLICABLE

To all customers served under rate schedules SGTS and GTS.

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Issued:

Filed in accordance with Public Utilities Commission of Ohio Order dated .

Effective: With meter readings on or after

Issued By
Daniel A. Creekmur, President

SECTION VII

PART 29 - BILLING ADJUSTMENTS

UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS and FRGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

A charge of \$~~0.05559~~~~.4214~~ per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

SECTION VII
PART 29 - BILLING ADJUSTMENTS

UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS and FRGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

A charge of \$0.0555 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. Columbia shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.

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Case No(s). 16-0321-GA-UEx

Summary: Application for Approval of an Adjustment to its Uncollectible Expense Rider Rate electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.