

## THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF  
COLUMBIA GAS OF OHIO, INC. FOR  
APPROVAL TO CHANGE ACCOUNTING  
METHODS ASSOCIATED WITH ITS  
PIPELINE SAFETY PROGRAM.

CASE No. 16-552-GA-AAM

### ENTRY

Entered in the Journal on August 3, 2016

{¶ 1} Columbia Gas of Ohio, Inc. (Columbia or Company) is a natural gas company as defined in R.C. 4905.03 and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of the Commission.

{¶ 2} R.C. 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 will be kept. Pursuant to Ohio Adm.Code 4901:1-13-13, the Commission adopted the Uniform System of Accounts (USOA), which was established by the Federal Energy Regulatory Commission, for gas and natural gas companies in Ohio, except to the extent that the provisions of the USOA are inconsistent with any outstanding orders of the Commission. Additionally, the Commission may require the creation and maintenance of such additional accounts as may be prescribed to cover the accounting procedures of gas or natural gas companies operating within the state.

{¶ 3} On December 17, 2014, in Case No. 14-1615-GA-AAM, the Commission approved Columbia's application to establish a regulatory asset to defer up to \$15 million annually as part of its Pipeline Safety Program (PSP). *In re Columbia Gas of Ohio, Inc.*, Case No. 14-1615-GA-AAM (PSP Case), Finding and Order (Dec. 17, 2014). The PSP is intended to increase customer safety by targeting emerging risks on Columbia's system and providing funding to mitigate these risks and enhance pipeline and distribution system safety.

{¶ 4} On March 11, 2016, in the above-captioned case, Columbia filed an application for approval to change accounting methods. More specifically, Columbia states that the costs of implementing the PSP have been recorded as a regulatory asset on its balance sheet in Account 182, Other Regulatory Assets. Columbia reports that such deferred expenses will remain in Account 182 until a new rider can be established in a separate proceeding or in its next general rate case proceeding. Columbia states that, at that time, it will reduce the approved regulatory asset and charge the applicable expense account. Consequently, Columbia states that it seeks approval to modify the requested annual increase in Account 182 beyond the level approved in the *PSP Case*. Columbia further asserts that, beginning with approval of this application, the annual increase in Account 182 will not exceed \$25 million per calendar year for activities directly associated with PSP initiatives. Columbia concludes by emphasizing that the PSP is being used to accelerate and enhance risk reduction efforts across the distribution system, specifically noting that recent incidents on the Company's system resulting from customer actions to fix house lines necessitate an expedited expansion of the PSP to further educate the public.

{¶ 5} On June 24, 2016, a stipulation and recommendation (stipulation) was filed by Columbia and Staff that would resolve all of the issues in this case.

{¶ 6} The attorney examiner finds that this matter should be set for hearing, in order to assist the Commission in its review of the stipulation. The hearing will be scheduled for August 18, 2016, at 10:00 a.m., at the offices of the Commission, 180 East Broad Street, 11th Floor, Hearing Room 11-D, Columbus, Ohio 43215-3793.

{¶ 7} It is, therefore,

{¶ 8} ORDERED, That the hearing in this case be scheduled for August 18, 2016, in accordance with Paragraph 6. It is, further,

{¶ 9} ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

s/Sarah Parrot

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By: Sarah J. Parrot  
Attorney Examiner

SEF/sc

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 16-0552-GA-AAM**

Summary: Attorney Examiner Entry scheduling a hearing in this case for 08/18/2016 in accordance with Paragraph 6. - electronically filed by Sandra Coffey on behalf of Sarah Parrot, Attorney Examiner, Public Utilities Commission of Ohio