

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
COLUMBIA GAS OF OHIO, INC. FOR
AUTHORITY TO REVISE ITS TARIFFS.

CASE NO. 16-2067-GA-ATA

IN THE MATTER OF THE APPLICATION
OF COLUMBIA GAS OF OHIO, INC.
FOR APPROVAL TO ESTABLISH AN
INFRASTRUCTURE DEVELOPMENT RIDER.

CASE NO. 16-2068-GA-IDR

FINDING AND ORDER

Entered in the Journal on May 24, 2017

I. SUMMARY

{¶ 1} The Commission finds that the application filed by Columbia Gas of Ohio, Inc. to establish an infrastructure development rider, as supplemented, should be approved.

II. DISCUSSION

{¶ 2} Columbia Gas of Ohio, Inc. (Columbia) 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.

{¶ 3} R.C. 4929.161 permits a natural gas company to file an application with the Commission for approval of an infrastructure development rider to recover prudently incurred infrastructure development costs of one or more approved economic development projects.

{¶ 4} On October 21, 2016, Columbia filed an application proposing to incorporate a new rider known as the Infrastructure Development Rider (Rider IDR) into its tariff. According to Columbia, Rider IDR is a mechanism created pursuant to

R.C. 4929.161 and Ohio Adm.Code 4901:1-43-04. Columbia claims the purpose of Rider IDR is to recover infrastructure development costs, as defined in R.C. 4929.16, associated with economic development projects approved under R.C. 4929.163 and R.C. 4929.164. Columbia states that, initially, Rider IDR would be set at a rate of zero and, beginning in 2017, Columbia will seek approval to adjust the rider on an annual basis.¹ Additionally, Columbia is also requesting authority to revise its applicable tariff pages concerning the capital investments for distribution mains to new customers in order to reflect the impact of Rider IDR upon the tariff provisions applicable to the extension of distribution mains.

{¶ 5} On March 31, 2017, Governor Kasich signed Sub. H.B. 26, which amended R.C. 4929.16, et seq. The legislation repealed R.C. 4929.164, removed the separate statutory rate for certified sites projects, and increased the potential Rider IDR cost recovery for economic development projects to \$1.50 per month per customer.

{¶ 6} On April 20, 2017, Columbia filed a supplemental application with amended tariff sheets to reflect the statutory changes enacted by Sub. H.B. 26. Columbia notes that the proposed tariff sheets included with the original application that are unaffected by Sub. H.B. 26 are not contained in the supplemental application. Columbia continues to request that the Commission approve those unaffected proposed tariff sheets, as filed on October 21, 2016, as well as the amended tariff sheets submitted as a part of its supplemental application.

{¶ 7} On May 3, 2017, Staff filed its recommendations regarding Columbia's pending application, as supplemented. Based upon its review, Staff states that the

¹ On March 15, 2017, in Case No. 17-521-GA-IDR, Columbia filed its first annual adjustment for Rider IDR, proposing that the rider be set at \$0.14 per month per customer for a 12-month period.

proposed tariff pages are consistent with the applicable statutes, as amended by Sub. H.B. 26, as well as the Commission's rules governing the approval of utility tariffs, and recommends that the Commission approve Columbia's application.

{¶ 8} Motions to intervene were filed by the Ohio Consumers' Counsel (OCC) and Interstate Gas Supply, Inc. (IGS) on November 8, 2016, and April 13, 2017, respectively. OCC and IGS both contend that they meet the intervention criteria set forth in R.C. 4903.221 and Ohio Adm.Code 4901-1-11, and, thus, should be granted intervention in these proceedings.

{¶ 9} Upon consideration of Columbia's application, as supplemented, and Staff's recommendation, the Commission finds that the proposed tariff changes are consistent with the statutory language, as amended by Sub. H.B. 26, do not appear to be unjust or unreasonable, and are in the public interest. Accordingly, the Commission finds that Columbia's application, as supplemented, should be approved and Columbia should be authorized to include the revised language in its tariff, which contains the terms, conditions, and rates Columbia applies to the gas service it provides to customers. We find that Columbia's proposed tariff constitutes a "first filing" for a new service and, thus, the application is not an application for an increase in rates. *City of Cleveland v. Pub. Util. Comm.*, 67 Ohio St.2d 446, 424 N.E.2d 561 (1981); *Cookson Pottery v. Pub. Util. Comm.*, 161 Ohio St. 498, 120 N.E.2d 98 (1954). Therefore, consistent with R.C. 4909.18, the Commission finds that no hearing is required in these cases.

{¶ 10} Additionally, the Commission finds that the motions to intervene filed by OCC and IGS comply with the requirements set forth in R.C. 4903.221 and Ohio Adm.Code 4901-1-11, and should, therefore, be granted.

III. ORDER

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That OCC's and IGS' motions to intervene in these proceedings be granted. It is, further,

{¶ 13} ORDERED, That Columbia's application, as supplemented, be approved. It is, further,

{¶ 14} ORDERED, That Columbia be authorized to file tariffs, in final form, consistent with this Finding and Order. Columbia shall file one copy in these case dockets and one copy in its TRF docket. It is, further,

{¶ 15} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,

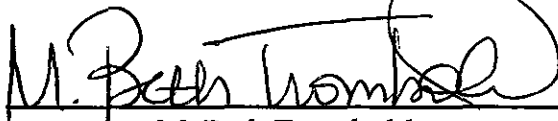
{¶ 16} ORDERED, That Columbia shall notify all affected customers via a bill message or bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division, at least ten days prior to its distribution to customers. It is, further,

{¶ 17} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

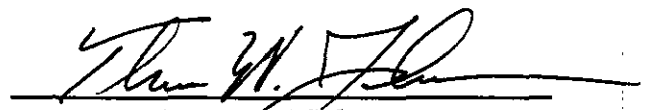
{¶ 18} ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

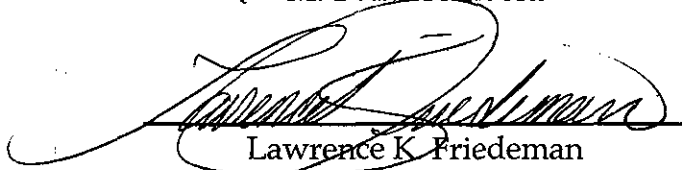
Asim Z. Haque, Chairman



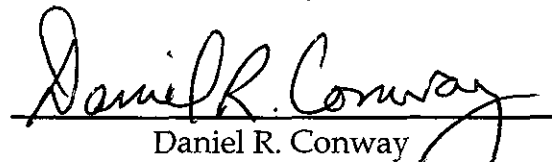
M. Beth Trombold



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Secretary