

FILE

**Deloitte.**

RECEIVED-BOOKETING-IV

2017 OCT 20 AM 9:10

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

Deloitte & Touche LLP  
180 East Broad Street  
Suite 1400  
Columbus, OH 43215-3611  
USA

Tel: +1 614 221 1000  
Fax: +1 614 229 4647  
www.deloitte.com

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 the Public Utilities Commission of Ohio (the "PUCO") on the Company's compliance with the terms outlined by the PUCO related to the Company's CHOICE/SCO Reconciliation Rider (CSRR) rate filings for the period April 1, 2016 through March 31, 2017. The Company is responsible for compliance with those requirements. The sufficiency of these procedures is solely the responsibility of the 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 CHOICE/SCO Reconciliation Rider (CSRR) Rate Filings under Case No. 17-221-GA-EXR:**

1. We obtained each quarterly CSRR rate filing for the period April 1, 2016 through March 31, 2017, and proved the mathematical accuracy of each quarterly filing with no exception.
2. We agreed each "Previous Quarter," "Second Previous Quarter" and "Third Previous Quarter" adjustment from the current quarter filing to the respective previous quarter's CSRR filing and identified no differences.
3. We obtained the schedules of the CHOICE/SCO Reconciliation Rider calculations effective during the period of April 1, 2016 through March 31, 2017 from Company management. We proved the mathematical accuracy of the schedules with no exception and compared the CHOICE/SCO Reconciliation Rider to the approved tariff sheets and identified no differences:
  - a. We obtained a schedule from Company management of the monthly Off-System Sales (OSS) and Capacity Release (CR) margins from April 1, 2016 through March 31, 2017 and compared the total of OSS and CR margins to the general ledger amounts and identified no differences.
  - b. We randomly selected three months (June 2016, December 2016 and March 2017) of data included in the schedules obtained in 3.a). For each month selected, we recalculated the amount of OSS and CR margin to be shared with the customer (which is included in the detail obtained in Step 1) based on the applicable PUCO order with no exception. We compared the total margin to be shared to the general ledger amounts and identified no differences.

This is to certify that the images appearing are an accurate and complete reproduction of a true file document delivered in the regular course of business.

Technician MM Date Processed OCT 20 2017

- c. We obtained a detail of the transactions that make up the OSS and CR margins presented in the detail obtained in Step 3.a) above from Company management. We made 10 random selections (5 OSS & 5 CR) of individual transactions. We obtained supporting invoices for each OSS selection and supporting Capacity Release Offer Forms for each CR selection. We recalculated the margin recorded for each transaction with no exception. For the 4 applicable CR selections, we compared the cost component of the margin selected to supporting documentation and identified no differences.
  - d. We obtained detail of monthly OSS and CR volumes to be shared from Company management and recalculated the dollar value to be shared by multiplying the volumes to be shared by the applicable CHOICE/SCO Reconciliation Rider with no exception. We agreed the dollar amount to be shared to the general ledger amounts and identified no differences.
  - e. We randomly selected 25 customer bills (4 residential CHOICE, 4 commercial CHOICE, 4 residential sales, 4 commercial sales, 5 residential SCO, and 4 commercial SCO) from the period of April 1, 2016 through March 31, 2017 and agreed the CHOICE/SCO Reconciliation Rider, recalculated in step 3.d. (above), to each customer's bill and identified no differences.
4. For each quarterly CSRR rate filing, we agreed the account activity for each account included in the Computation of Actual Cost Adjustment to the general ledger and identified no differences.
  5. For each quarterly CSRR rate filing, we agreed the account activity for each account included in the Computation of Supplier Refund and Reconciliation Adjustment to the general ledger and identified no differences.
  6. For each quarterly CSRR rate filing, we agreed the account activity for each account included in the Computation of Off-System Sales/Capacity Release Sharing Adjustment to the general ledger and identified no differences.
  7. For each quarterly CSRR rate filing, we agreed the Choice/Sales Throughput TME included in the filing to supporting detail for the respective quarterly period and identified no differences.

Individual exceptions in the course of the procedures described above of less than \$1,000 were not included in our report on these agreed upon procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's compliance with the terms outlined by the PUCO related to the Company's CHOICE/SCO Reconciliation Rider (CSRR) rate filings for the period April 1, 2016 through March 31, 2017. Accordingly, we do not express such an opinion or conclusion. 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 Company and the PUCO and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte + Touche LLP*

October 20, 2017