

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

Suburban Natural Gas Company,)	
)	
Complainant,)	
)	
v.)	Case No. 17-2168-GA-CSS
)	
Columbia Gas of Ohio, Inc.)	
)	
Respondent.)	

ANSWER OF COLUMBIA GAS OF OHIO, INC.

INTRODUCTION

On October 20, 2017, Complainant Suburban Natural Gas Company (“Suburban”) filed a Verified Complaint and Request for Emergency Relief regarding Columbia’s business practices in southern Delaware County, Ohio, accompanied by a Motion for Interim Emergency Relief (“Motion”). Columbia filed its Memorandum Contra the Motion on October 27, 2017. Pursuant to Ohio Admin. Code 4901-9-01, Columbia files this Answer to the Complaint.

The Commission should see Suburban’s Complaint for exactly what it is – a baseless attempt to stop qualifying home builders in southern Delaware County from receiving rebates pursuant to Columbia’s Commission-approved¹ EfficiencyCrafted Homes demand-side management (“DSM”) program. Suburban is attempting to collaterally attack a DSM program that encourages the construction of more energy-efficient homes, resulting in customer utility bill savings. Suburban has no comparable incentive program despite its attempt to

¹ *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval of Demand-Side Management Programs for its Residential and Commercial Customers*, Case Nos. 16-1309, *et al.*, Opinion and Order (December 21, 2016).

establish one in 2011-2012.² This is Suburban's latest effort to protect what it groundlessly treats as its exclusive service territory. With this Complaint, Suburban is continuing its pattern of bringing unfounded cases against Columbia in order to insulate itself from the competitive process in the market for residential natural gas distribution and supply. The Commission should reject Suburban's thinly veiled attempt to cobble together a *de facto* exclusive service territory because there is no basis in law for granting Suburban the relief it seeks. The requested relief, if granted, would only serve to harm home builders and consumers who wish to take advantage of Columbia's EfficiencyCrafted Homes program to save on their natural gas bills.

ANSWER TO THE INDIVIDUAL PARAGRAPHS OF THE COMPLAINT

Columbia states and avers as follows:

1. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 1 of the Complaint.
2. Columbia admits the averments in the first sentence of paragraph 2 of the Complaint and avers that it currently serves approximately 1,450,000 customers.
3. Columbia admits the averments in paragraph 3 of the Complaint.
4. Columbia avers that Ohio Revised Code § 4909.16 speaks for itself.
5. Columbia admits the averments in paragraph 5 of the Complaint.
6. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in the first sentence of paragraph 6 of the Complaint concerning Suburban's recollections of Columbia's marketing and competitive efforts thirty years ago and Suburban's inability to match

² *In the Matter of the Self-Complaint of Suburban Natural Gas Company Concerning its Existing Tariff Provisions*, Case No. 11-5846-GA-SLF, Opinion and Order at 6-10 (August 15, 2012). Suburban's recently approved Energy Efficiency pilot program is limited to weatherization of residences of High-Usage Percentage-of-Income Payment Plan-Plus (PIPP) customers. See *In the Matter of the Application of Suburban Natural Gas Co. for Approval of an Alternative Rate Plan*, Case No. 17-594-GA-ALT, Finding and Order ¶ 20 (Nov. 1, 2017).

competitive offers from Columbia during that time. Columbia avers that the record in Case No. 86-1747-GA-CSS speaks for itself.

7. Columbia avers that the records in Case Nos. 93-1569-GA-SLF, 94-938-GA-ATR, and 94-939-GA-ATA speak for themselves and therefore neither admits or denies the averments in paragraph 7 of the Complaint.

8. Columbia admits the averments in paragraph 8 of the Complaint.

9. Columbia avers that the 1995 Stipulation described in the first two sentences and the last phrase of paragraph 9 of the Complaint speaks for itself. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments of that Suburban's "expectation" about the Stipulation alleged in the third sentence of paragraph 9 of the Complaint.

10. Columbia avers that the Commission's Finding and Order adopting the 1995 Stipulation speaks for itself and therefore neither admits or denies the averments in paragraph 10 of the Complaint.

11. Columbia avers that the record in Case No. 05-221-GA-GCR and the Commission's January 23, 2008, Opinion and Order in that case speak for themselves and therefore neither admits or denies the averments in paragraph 11 of the Complaint.

12. Columbia avers that the record in Case No. 08-833-GA-UNC and the Commission's July 23, 2008, Finding and Order in that case speak for themselves and therefore neither admits or denies the averments in paragraph 12 of the Complaint.

13. Columbia avers that the record in Case No. 11-5028-GA-UNC and the Commission's December 14, 2011, Finding and Order in that case speak for themselves and therefore neither admits or denies the averments in paragraph 13 of the Complaint.

14. Columbia avers that the record in Case No. 16-1309-GA-UNC and the Commission's December 21, 2016, Opinion and Order in that case speak for themselves and therefore neither admits or denies the averments in paragraph 14 of the Complaint.

15. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 15 of the Complaint.

16. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 16 of the Complaint.

17. Columbia denies the averments in paragraph 17 of the Complaint.

18. Columbia denies the averments in paragraph 18 of the Complaint. Columbia further avers that the 1995 Stipulation speaks for itself.

19. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 19 of the Complaint.

20. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 20 of the Complaint.

21. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 21 of the Complaint.

22. Columbia in response to paragraph 22 of the Complaint admits that it has obtained permits or other authorization to connect to the facilities west of Braumiller Road and construct gas mains approximately a mile to the east, along Cheshire Road, to serve new construction in Glenross and potentially contribute to serve other new subdivisions. Columbia further admits that Exhibit B to the Complaint shows Columbia's currently planned extension in red. Columbia denies all other averments not expressly admitted herein.

23. Columbia denies the averment in the first sentence in paragraph 23 of the Complaint and admits the averment in the second sentence that Columbia's existing facilities are depicted in green on Exhibit B to the Complaint.

24. Columbia admits the averments in paragraph 24 of the Complaint.

25. Columbia denies the averments in paragraph 25 of the Complaint.

26. The responses to paragraphs 1 through 25 are re-alleged and incorporated as if fully rewritten herein.

27. Columbia denies the averments in paragraph 27 of the Complaint.

28. Columbia denies the averments in paragraph 28 of the Complaint.

29. Columbia denies the averments in paragraph 29 of the Complaint. Columbia further avers that the 1995 Stipulation and the Finding and Order approving same speak for themselves and that Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 29 of the Complaint about what “confounds Suburban’s planning for system betterment.” Additionally, Columbia denies Suburban’s characterization of its “operating area” and denies any implication of averments contained in paragraph 29 that Columbia may not compete in any “operating area” of Suburban.

30. Columbia denies the averments in paragraph 30 of the Complaint because Columbia has not violated the 1995 Stipulation.

31. The responses to paragraphs 1 through 30 are re-alleged and incorporated as if fully rewritten herein.

32. Columbia avers in response to the averments in paragraph 32 of the Complaint that its applications in Case Nos. 08-833-GA-UNC, 11-5028-GA-UNC, and 16-1309-GA-UNC speak for themselves and denies that Columbia’s programs are limited to a Commission-proscribed “service territory.” Columbia further avers that under Ohio law, a natural gas public utility does not have any defined or exclusive “service territory.”

33. Columbia avers in response to the averments in paragraph 33 of the Complaint that the Commission Orders approving its applications in Case Nos. 08-833-GA-UNC, 11-5028-GA-UNC, and 16-1309-GA-UNC speak for themselves and denies that Columbia’s programs are limited to a Commission-proscribed “service territory.”

34. Columbia denies the averments in paragraph 34 of the Complaint and avers that Columbia’s programs are not limited to a Commission-proscribed “service territory.”

35. Columbia admits in response to the averment in paragraph 35 of the Complaint that it has not sought a waiver of the Commission’s Order in Case No. 16-1309-GA-UNC. Columbia denies that it needs to seek a waiver or other authorization to offer DSM programs to entities wherever Columbia offers,

or intends to offer, service because Columbia's programs are not limited to a Commission-proscribed "service territory."

36. Columbia denies the averments in paragraph 36 of the Complaint. Columbia further avers that the Commission's December 21, 2016, Opinion and Order in Case No. 16-1309-GA-UNC speaks for itself and that Columbia's programs are not limited to a Commission-proscribed "service territory."

37. Columbia denies the averments in paragraph 37 of the Complaint because Columbia has not violated the Commission's December 21, 2016, Opinion and Order in Case No. 16-1309-GA-UNC.

38. The responses to paragraphs 1 through 37 are re-alleged and incorporated as if fully rewritten herein.

39. Columbia avers that the Commission's December 21, 2016, Opinion and Order in Case No. 16-1309-GA-UNC speaks for itself.

40. Columbia denies the averments in paragraph 40 of the Complaint because Columbia's DSM programs are not limited to a Commission-proscribed "service territory."

41. Columbia denies the averments in paragraph 41 of the Complaint.

42. Columbia denies the averments in paragraph 42 of the Complaint because Columbia has not violated its DSM Rider.

43. The responses to paragraphs 1 through 42 are re-alleged and incorporated as if fully rewritten herein.

44. Columbia states that P.U.C.O No. 2, Rules and Regulations Governing the Distribution and Sales of Gas, Third Revised Sheet Nos. 9 and 10 ("Main Extension Tariff" eff. May 31, 2017) speaks for itself.

45. Columbia denies the averments in paragraph 45 of the Complaint to the extent Suburban is alleging that Columbia violated its Main Extension Tariff.

46. Columbia denies the averments in paragraph 46 of the Complaint because Columbia has not violated its Main Extension Tariff.

47. The responses to paragraphs 1 through 46 are re-alleged and incorporated as if fully rewritten herein.

48. Columbia states that Ohio Revised Code § 4905.32 speaks for itself.

49. Columbia states that Ohio Revised Code § 4905.33 speaks for itself.

50. Columbia states that Ohio Revised Code § 4905.35 speaks for itself.

51. Columbia states that Ohio Revised Code § 4929.08(B) speaks for itself.

52. Columbia denies the averments in paragraph 52 of the Complaint.

53. Columbia denies the averments in paragraph 53 of the Complaint because Columbia has not violated any statutory provisions.

54. The responses to paragraphs 1 through 53 are re-alleged and incorporated as if fully rewritten herein.

55-58. Paragraphs 55-58 of the Complaint and the concluding Prayer For Relief seek relief that does not require an answer. Columbia incorporates by reference its Memorandum Contra Suburban's Motion for Interim Emergency Relief, filed on October 27, 2017.

AFFIRMATIVE DEFENSES

1. Columbia avers that the Complainant has failed to state reasonable grounds for a complaint against Columbia as required by Ohio Revised Code § 4905.26.

2. Columbia avers that it has complied with all applicable Ohio statutes, the Commission's rules and regulations and Columbia's tariff.

3. Columbia reserves the right to raise other defenses by motion and/or at hearing as warranted by discovery in this matter.

4. The relief Suburban seeks cannot be granted because it violates federal and Ohio antitrust laws.

Respectfully submitted,

/s/ Mark S. Stemm

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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 13th day of November, 2017 upon the parties listed below.

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Summary: Answer to Complaint electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.