

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
COLUMBIA GAS OF OHIO, INC., FOR APPROVAL
OF AN ALTERNATIVE FORM OF REGULATION.

CASE No. 11-5515-GA-ALT

IN THE MATTER OF THE APPLICATION OF
COLUMBIA GAS OF OHIO, INC. FOR APPROVAL
OF AN ALTERNATIVE FORM OF REGULATION TO
EXTEND AND INCREASE ITS INFRASTRUCTURE
REPLACEMENT PROGRAM.

CASE No. 16-2422-GA-ALT

ENTRY

Entered in the Journal on December 20, 2017

I. SUMMARY

{¶ 1} The Commission directs Columbia Gas of Ohio, Inc. to continue its Infrastructure Replacement Program, as currently approved in Case No. 11-5515-GA-ALT, and scheduled to expire on December 31, 2017, until the Commission specifically orders otherwise.

II. APPLICABLE LAW

{¶ 2} 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. As such, Columbia is subject to the jurisdiction of the Commission.

{¶ 3} R.C. 4929.05(A), which governs requests for approval of an alternative rate plan filed by a natural gas company, provides that the Commission shall authorize the applicant to implement the alternative rate plan if the natural gas company demonstrates and the Commission finds that all of the following conditions are met:

- (a) The natural gas company is in compliance with R.C. 4905.35 and is in substantial compliance with the policy of this state in R.C. 4929.02.

(b) The natural gas company is expected to continue to be in substantial compliance with the policy of this state as specified in R.C. 4929.02 after implementation of the alternative rate plan.

(c) The alternative rate plan is just and reasonable.

{¶ 4} R.C. 4905.35 prohibits discrimination on the part of a public utility. Additionally, R.C. 4929.02 sets forth the policy of the state as to natural gas services and goods. Pursuant to R.C. 4929.05(B), the burden of proof is with the public utility to demonstrate compliance with the applicable statutes.

{¶ 5} R.C. 4929.051(B) provides that an alternative rate plan filed by a natural gas company seeking authorization to continue a previously approved alternative rate plan shall be considered an application not for an increase in rates.

III. DISCUSSION

{¶ 6} By Order issued on November 28, 2012, in Case No. 11-5515-GA-ALT, the Commission approved Columbia's alternative rate plan application, as modified by a Joint Stipulation and Recommendation, to continue its Infrastructure Replacement Program (IRP) and the associated cost recovery mechanism, Rider IRP, for the term January 1, 2012, through December 31, 2017. Columbia's IRP consists of three programs- an accelerated main replacement program, a hazardous customer service lines program, and an automated meter reading devices program. *In re Columbia Gas of Ohio, Inc.*, Case No. 11-5515-GA-ALT (2011 IRP Case), Opinion and Order (Nov. 28, 2012).

{¶ 7} On February 27, 2017, in Case No. 16-2422-GA-ALT, Columbia filed the pending alternative rate plan application, pursuant to R.C. 4929.05, 4929.051(B), 4929.11, and 4909.18, seeking approval to continue its IRP and the associated cost recovery mechanism, through December 31, 2022, with one modification. In the current

application, Columbia proposes to increase the monthly maximum IRP rates to be charged to Small General Service customers, to be effective May 1 of each year.

{¶ 8} By Entry issued on April 21, 2017, Industrial Energy Users-Ohio, Ohio Consumers' Counsel (OCC), and Ohio Partners for Affordable Energy (OPAЕ) were granted intervention.

{¶ 9} On August 18, 2017, a Joint Stipulation and Recommendation (Stipulation) was filed by Columbia, Staff, and OPAЕ. By Entry issued September 7, 2017, a procedural schedule was established to assist the Commission in its consideration of the Stipulation. The procedural schedule was revised on September 22, 2017, at the request of the parties.

{¶ 10} Pursuant to the procedural schedule, Columbia filed testimony in support of the Stipulation on September 8, 2017, OCC filed testimony in opposition to the Stipulation on September 28, 2017, and the hearing was held on October 2, 2017. Initial and reply briefs were filed by Columbia, Staff, OPAЕ, and OCC on October 23, 2017, and November 7, 2017, respectively.

{¶ 11} The Commission recognizes that approval for Columbia's current IRP is scheduled to expire on December 31, 2017. *2011 IRP Case*, Opinion and Order (Nov. 28, 2012). The Commission approved, and has extended, Columbia's IRP to increase natural gas pipeline safety and to improve the level of public safety, recognizing that service line leaks have the potential to cause significant damage to the customer's property and neighboring properties. *2011 IRP Case*, Opinion and Order (Nov. 28, 2012); *In re Columbia Gas of Ohio, Inc.*, Case No. 07-478-GA-UNC, et al., Opinion and Order (Apr. 9, 2008) at 29. To ensure the continuation of Columbia's IRP, without interruption, and to facilitate the Commission's thorough consideration of the Company's pending alternative rate plan application to extend its IRP, including the arguments in support of and in opposition to the Stipulation, the Commission directs that Columbia continue its IRP, as currently

approved in the 2011 IRP Case, beyond the expiration date of December 31, 2017, until the Commission specifically orders otherwise as part of the pending application in Case No. 16-2422-GA-ALT.

IV. ORDER

{¶ 12} It is, therefore,

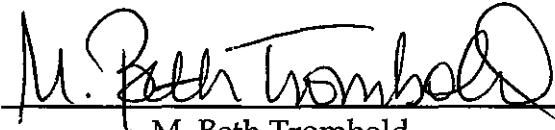
{¶ 13} ORDERED, That Columbia continue its current IRP, as approved in Case No. 11-5515-GA-ALT, until the Commission specifically orders otherwise. It is, further,

{¶ 14} ORDERED, That a copy of this Entry be served upon Columbia and all other interested persons of record.

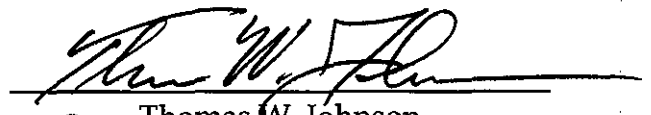
THE PUBLIC UTILITIES COMMISSION OF OHIO



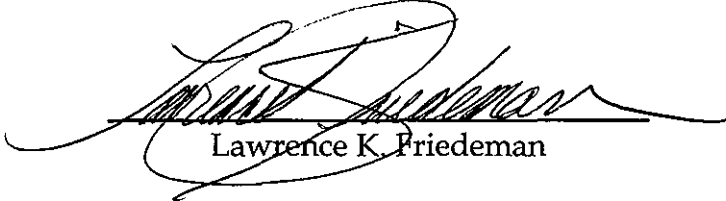
Asim Z. Haque, Chairman



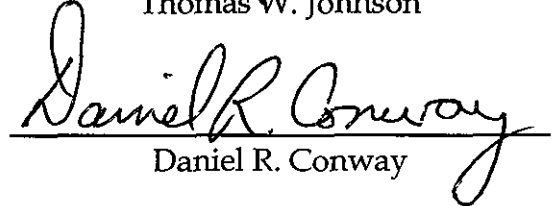
M. Beth Trombold



Thomas W. Johnson



Lawrence K. Friedeman

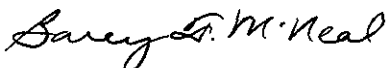


Daniel R. Conway

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Entered in the Journal

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Barcy F. McNeal
Secretary