



Public Utilities Commission

Asim Z. Haque, Chairman

Commissioners

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May 3, 2018

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

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PUCO

RE: *In the Matter of the Application of Columbia Gas of Ohio, Inc. Annual Report of Columbia Gas of Ohio, Inc. for Approval of an Alternative Form of Regulation to Establish a Capital Expenditure Program Rider Mechanism, Case No. 17-2202-GA-ALT.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendation in regards to Columbia Gas of Ohio, Inc.'s Motion for Waiver in Case No. 17-2202-GA-ALT seeking waivers of certain standard filing requirements.

Tamara S. Turkenton
Director, Rates and Analysis Department
Public Utilities Commission of Ohio

David Lipthrott
Chief, Research and Policy Division
Public Utilities Commission of Ohio

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Enclosure

Cc: Parties of Record

Columbia Gas of Ohio, Inc.
Case No. 17-2202-GA-ALT

Staff Response to Columbia Gas of Ohio's Motion for Waivers

BACKGROUND:

In accordance with R.C. §§ 4929.111, 4929.05, 4929.051(A), and 4929.11, on December 1, 2017 Columbia Gas of Ohio (Columbia or Company) filed an application (Application) with the Public Utilities Commission of Ohio (Commission) for authority to establish a capital expenditure program rider (CEP Rider). Columbia seeks to recover the post in-service carrying costs (PISCC) and incremental depreciation and property tax expenses currently deferred under the Company's capital expenditure program deferral (CEP Deferral) and a return-of and return-on the underlying CEP assets. On March 19, 2018, Commission Staff, pursuant to Commission Rule 4901:1-19-07 (A)(1), informed Columbia of Staff's determination that its Application was for an increase in rates and, as such, should be amended to include all information described in division (A) through (D) of R.C. §4909.18 and the standard filing requirements described in O.A.C. Rule 4901-7-01 (SFRs). Alternatively, Staff informed Columbia that it could withdraw its Application or seek waivers of the additional filing requirements. On April 2, 2018, Columbia filed an amended application for a CEP Rider (Amended Application), a waiver motion for some of the R.C. §4909.18 requirements and SFRs, and a memorandum in support of its waiver request. Staff has reviewed Columbia's Motion for Waivers (Motion) and related supporting memorandum and offers the responses and recommendations set forth below.

COLUMBIA'S MOTION FOR WAIVERS AND MEMORANDUM IN SUPPORT

In its motion, Columbia takes the opportunity to notify the Commission that the test year for the CEP Rider pursuant to the Amended Application is the twelve months ending December 31, 2017 and the date certain is December 31, 2017. The Company also requests that the Commission waive all SFR filing requirements except for Sections A and B and the newspaper notice contained in the Chapter II(B)(7). Columbia maintains that information being sought in the SFRs subject to waiver is not necessary for Staff to effectively and efficiently review the Amended Application. In the Memorandum in Support, the Company specifically delineates the filing requirements that it is seeking to be waived and characterizes each as unnecessary because the information requested or notice required has already been supplied or made, not necessary because the information provided with the Amended Application is sufficient to enable the Staff to efficiently and effectively conduct its investigation, or unnecessary because the information being sought relates to rate increases being sought in a base rate case, which is not applicable.

STAFF'S RESPONSE AND RECOMMENDATIONS

Staff has reviewed Columbia's Amended Application, Motion for Waivers, and Memorandum in Support. Staff agrees that the Amended Application provides sufficient information for the Staff to conduct its investigation. Therefore, Staff does not object to the Commission waiving the SFR requirements specified in the Company's Memorandum in Support. However, the Staff does not agree to Columbia's characterization that the information being sought in the filing requirements subject to waiver is not necessary for the Staff to conduct its investigation in this case. Some information being sought may indeed relate exclusively to projections of base rates or other future projections or otherwise seek information that later proves unnecessary, but Staff is not willing to concede at this early stage of investigation that all possible future projections or information being sought in the filing requirements subject to waiver is not necessary. Staff is agreeable to the Commission granting Columbia's Motion for Waiver only on the condition that Columbia must furnish all information that Staff deems necessary to complete its investigation upon request from the Staff. Furthermore, Columbia requests that CEP Rider

rates be effective on August 1, 2018. Given such an aggressive timeline, Staff would request that the Commission direct Columbia to respond to Staff formal information requests within five business days, unless the Company requests additional time due to complexity or availability concerns or Staff requests a shorter timeframe because information is readily available. Therefore, Staff recommends that the Commission approve Columbia's Motion for Waivers without accepting the Company's characterizations that the information in the filing requirements subject to waiver is unnecessary and direct the Company to respond to Staff formal information requests as described above.