

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE AUDIT OF THE
UNCOLLECTIBLE EXPENSE RIDER OF CASE NO. 18-321-GA-UEX
COLUMBIA GAS OF OHIO, INC.

FINDING AND ORDER

Entered in the Journal on June 6, 2018

I. SUMMARY

{¶ 1} The Commission approves the application, as amended, of Columbia Gas of Ohio, Inc. to increase its uncollectible expense rider rate.

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 this Commission.

{¶ 3} On December 17, 2003, the Commission approved the application of five natural gas companies, including Columbia, to recover uncollectible expenses (UEX) through riders. *In re Columbia Gas of Ohio, Inc.*, Case No. 03-1127-GA-UNC, Finding and Order (Dec. 17, 2003). Columbia was required to file annually with the Commission a report identifying the amounts recovered, deferred, and, as applicable, amortized under the UEX rider. In addition, Columbia was permitted to request an adjustment to the UEX rider.

{¶ 4} On May 24, 2017, the Commission approved Columbia's current UEX rider rate of \$0.0438 per thousand cubic feet (Mcf). *In re Columbia Gas of Ohio, Inc.*, Case No. 17-321-GA-UEX, Finding and Order (May 24, 2017).

{¶ 5} On April 13, 2018, as amended on May 3, 2018, and May 15, 2018, in the above-captioned case, Columbia filed an application to increase its UEX rider rate to \$0.0730 per Mcf, as summarized below:

Current Rate	Proposed Rate	Proposed Increase
\$0.0438 per Mcf	\$0.0730 per Mcf	\$0.0292 per Mcf

The proposed rate is comprised of two components: Columbia's projected deferred uncollectible expenses as of May 31, 2018, and Columbia's estimated uncollectible accounts expense for the 12-month period ending May 31, 2019. Columbia also proposes to add the following language to the UEX rider tariff: "This Rider is subject to reconciliation or adjustment, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to the twelve-month period of uncollectible expense upon which the rate was calculated, if determined to be unlawful, unreasonable, or imprudent by the Commission in the docket those rates were approved or the Supreme Court of Ohio." Further, Columbia proposes to remove tariff language addressing when Columbia is required to file applications for UEX rider rate adjustments. Finally, Columbia notes that it has reduced the interest on under-collections to reflect the recent federal tax benefit.

{¶ 6} On May 17, 2018, Staff filed its review and recommendations on Columbia's application, as amended, recommending approval of the proposed UEX rider rate. Additionally, Staff recommends that Columbia's proposed tariff language be approved, although Staff notes that the UEX rider should be subject to the outcome of Case No. 18-47-AU-COI. *In re the Commission's Investigation of the Financial Impact of the Tax Cuts and Jobs Act of 2017 on Regulated Ohio Utility Companies*, Case No. 18-47-AU-COI (Tax COI Case).

{¶ 7} The Commission has reviewed the amended application, as well as Staff's review and recommendations, and finds that the proposed adjustment to Columbia's UEX rider is reasonable and in the public interest, and should be approved. Accordingly, the Commission finds that Columbia should be authorized to include the revised UEX rider rate in its tariff, which contains the terms, conditions, and rates Columbia applies to the gas service it provides to customers. Further, we find that Columbia's proposed tariff language should be approved, with modifications. Columbia's revised tariff language should note that the UEX rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the *Tax COI Case*. The revised final tariffs shall be approved effective upon filing, subject to final review by the Commission.

III. ORDER

{¶ 8} It is, therefore,

{¶ 9} ORDERED, That Columbia's amended application be approved and Columbia be authorized to increase the rate for its UEX rider to \$0.0730 per Mcf. It is, further,

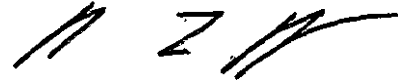
{¶ 10} ORDERED, That Columbia is authorized to file tariffs, in final form, consistent with this Finding and Order. Columbia shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 11} 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, subject to final review by the Commission. It is, further,

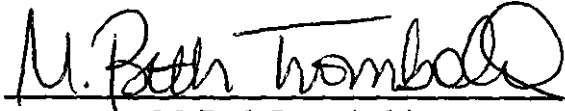
{¶ 12} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

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

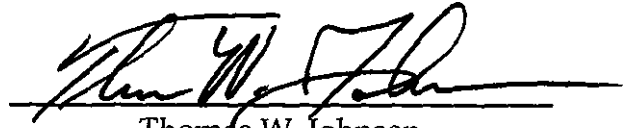
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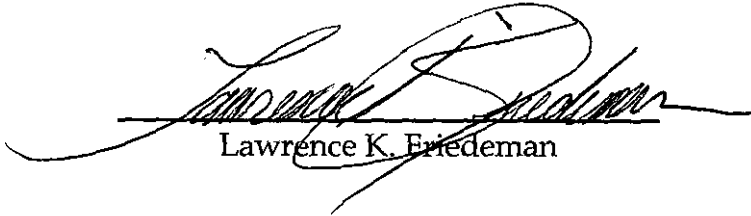
Asim Z. Haque, Chairman



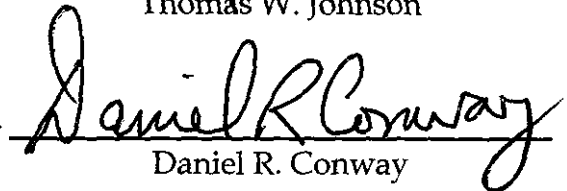
M. Beth Trombold



Thomas W. Johnson



Lawrence K. Friedeman

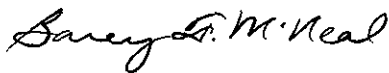


Daniel R. Conway

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Barcy F. McNeal
Secretary