THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE JOINT APPLICATION OF COLUMBIA GAS OF OHIO, INC. AND SUBURBAN NATURAL GAS COMPANY FOR APPROVAL OF A PIPELINE LEASE TO PROVIDE NATURAL GAS SERVICE.

CASE NO. 18-1277-GA-AEC

FINDING AND ORDER

Entered in the Journal on November 28, 2018

I. SUMMARY

{¶ 1} The Commission approves the joint application of Columbia Gas of Ohio, Inc. and Suburban Natural Gas Company for approval of a pipeline lease to provide natural gas service.

II. DISCUSSION

- {¶ 2} Columbia Gas of Ohio, Inc. (Columbia) and Suburban Natural Gas Company (Suburban) (jointly, Companies) are natural gas companies as defined in R.C. 4905.03 and public utilities as defined in R.C. 4905.02, and, as such, are subject to the jurisdiction of this Commission.
- {¶3} R.C. 4905.31 authorizes the Commission to approve schedules or reasonable arrangements between a public utility and another public utility. The statute provides that every such schedule or reasonable arrangement shall be under the supervision and regulation of the Commission, and is subject to change, alteration, or modification by the Commission. Further, R.C. 4905.48 provides that any public utility, with Commission authorization, may lease or purchase the property of another public utility.
- \P 4 On September 10, 2018, the Companies filed a joint application, pursuant to R.C. 4905.16, 4905.31, and 4905.48, seeking approval of a pipeline lease to provide natural

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gas service in a portion of Delaware County, Ohio. In the joint application, the Companies note that, in Case No. 94-938-GA-ATR, et al., the Commission, among other matters, authorized Suburban to lease to Columbia a pipeline needed by Columbia to serve customers in the Oak Creek subdivision. In re Columbia Gas of Ohio, Inc. and Suburban Natural Gas Co., Case No. 94-938-GA-ATR, et al., Finding and Order (Jan. 18, 1996). The Companies further note that, on January 23, 1996, they executed a 20-year pipeline lease to enable Columbia to serve the Oak Creek subdivision. According to the Companies, the lease expired on January 23, 2016, and a new three-year lease, with an expiration date of January 24, 2019, was subsequently approved by the Commission. In re Columbia Gas of Ohio, Inc. and Suburban Natural Gas Co., Case No. 15-1931-GA-AEC, Finding and Order (Jan. 20, 2016). The Companies state that they have again entered into a new pipeline lease to take effect immediately upon Commission approval.

- {¶ 5} On November 1, 2018, Staff filed its review and recommendations in response to the joint application. Staff notes that the proposed lease provides for monthly installment payments by Columbia and is for an initial term of five years, continuing on a month-to-month basis thereafter. Staff concludes that the joint application is reasonable, is in the public interest, and should be approved.
- {¶ 6} Upon review of the joint application, as well as Staff's review and recommendations, the Commission finds that the joint application does not appear to be unjust or unreasonable and should, therefore, be approved. Accordingly, we find that the pipeline lease between the Companies should be approved pursuant to R.C. 4905.31 and R.C. 4905.48.

III. ORDER

- {¶ 7} It is, therefore,
- {¶8} ORDERED, That the joint application of Columbia and Suburban be approved. It is, further,

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{¶ 9} 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,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

Asim Z. Haque, Chairman

M. Beth Trombold

Thomas W. Johnson

awrence K Friedeman Daniel R. Conway

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Barcy F. McNeal

Secretary