

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Columbia Gas of Ohio, Inc. for Ap-)	Case No. 19-0321-GA-UEX
proval of an Adjustment to its Uncol-)	
lectible Expense Rider Rate.)	

**APPLICATION OF
COLUMBIA GAS OF OHIO, INC.**

Columbia Gas of Ohio, Inc. ("Columbia"), hereby submits its annual Uncollectible Expense Rider Report, and also requests approval to increase its Uncollectible Expense Rider rate. In support of its Application, Columbia states as follows:

1. By Finding and Order dated December 17, 2003 (the "December 17 Order"), in Case No. 03-1127-GA-UNC, the Commission approved, in concept, an Uncollectible Expense Rider for Columbia and several other natural gas companies.

2. Pursuant to the December 17 Order, Columbia is required to file an annual report each May that identifies the amounts recovered, deferred and, as applicable, amortized pursuant to the Uncollectible Expense Rider. Attached hereto as Attachment 1 is Columbia's annual Uncollectible Expense Rider Report.

3. By Entry dated April 7, 2004, in Case No. 03-2572-GA-ATA, the Commission approved Columbia's initial Uncollectible Expense Rider rate. However, the December 17 Order further provided utilities with the opportunity to adjust their Uncollectible Expense Rider rates. Pursuant to Columbia's Uncollectible Expense Rider tariffs,¹ Columbia shall request "approval to change the rate if

¹ See Section V, Nineteenth Revised Sheet No. 29, for customers served under rate schedules SGS and GS; Section VI, Eleventh Revised Sheet No. 69, for customers served under rate schedules SGTs and GTs; and Section VII, Eighteenth Revised Sheet No. 29, Page 9 of 11, for customers served through Columbia's CHOICE Program. All tariff sheets include identical billing rates and adjustment provisions.

the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under-collections.”

4. On April 13, 2018, Columbia filed an Application for Approval of an Adjustment to its Uncollectible Expense Rider in Case No. 18-0321-GA-UEX. This filing proposed the establishment of a revised Uncollectible Expense Rider rate of \$0.0730 per Mcf. On May 15, 2018 Columbia filed a correction to the Application to remove language when Columbia is required to file rider rate adjustments and add in reconciliation and adjustment language to its Uncollectible Expense Rider tariff sheets. By Finding and Order dated June 6, 2018, the Commission approved the amended application and revised Uncollectible Expense Rider rate to \$0.0730 per Mcf.

5. Attachment 2 shows the impact per Mcf of the projected under-collection of bad-debt expense to be experienced by Columbia during the period June 2018 through May 2019. On May 31, 2019, Columbia projects it will have an under-collected balance of \$1,637,816. Without accounting for any projected changes in the bad debt balance, an increase of \$.0092 per Mcf would be required to make Columbia whole for this deficiency. Rather than increasing the Uncollectible Expense Rider to recover the increased total bad debt balance from June 2018 to May 2019, Columbia recommends adding the under-collected amount (1,637,816) to the projected total bad debt balance from June 2019 through May 2020. Therefore, included as Attachment 3, is a projection of Columbia’s anticipated bad debt under-recovery for the period June 2019 through May 2020. Attachment 3 shows a projected bad debt write off of \$13,155,957 during the period June 2019 through May 2020. Combining the projected under-collected balance at May 31, 2019 of (\$1,637,816), with the bad debt projection for the twelve months period ending May 31, 2020 results in a bad-debt recovery requirement of \$14,793,773 or a revised rate of \$0.0833. Therefore, Columbia proposes to increase its current Uncollectible Expense Rider by \$0.0103 per Mcf in order that it may properly match its projected bad-debt experience with recoveries during the period twelve months ending May 31, 2020.

6. Columbia believes it is reasonable to consider the prospective application of the Uncollectible Expense Rider in the development of the appropriate Uncollectible Expense Rider rate because it better matches expenses with recoveries. The computation of the Uncollectible Expense Rider rate based on the collection year: (1) properly matches recoveries with expenses; (2) is consistent with the method approved by the Commission in Case No. 18-0321-GA-UEX for determin-

ing Columbia's current Uncollectible Expense Tracker rate; and (3) in the aggregate, cannot result in over-collection of costs due to the annual true-up program requirements. For this reason, Columbia, therefore, proposes to increase its Uncollectible Expense Rider rate from \$0.0730 to \$0.0833 per Mcf. The rate is comprised of: (1) Columbia's projected deferred uncollectible expenses at May 31, 2019; and (2) Columbia's estimated uncollectible accounts expense for the twelve-month period ending May 31, 2020. The calculation of the proposed Uncollectible Expense Rider rate is shown on Attachment 4.

7. The resulting Uncollectible Expense Rider rate of \$0.0833 per Mcf is just and reasonable and Columbia requests that the Commission expeditiously approve the proposed rate. Clean copies of the proposed tariff sheets and scored current tariff sheets are attached hereto as Attachment 5.

WHEREFORE, Columbia respectfully requests that the Commission approve the proposed Uncollectible Expense Rider rate proposed herein.

Respectfully submitted by,

COLUMBIA GAS OF OHIO, INC.

/s/ Joseph M. Clark

Joseph M. Clark, (Counsel of Record)

Stephen B. Seiple, Asst. General
Counsel (0003809)
Joseph M. Clark, Senior Counsel
(0080711)

P.O. Box 117
290 W. Nationwide Blvd.,
Columbus, Ohio 43216-0117
Telephone: (614) 460-6988
E-mail: josephclark@nisource.com
sseiple@nisource.com

Attorneys for
COLUMBIA GAS OF OHIO, INC.

ATTACHMENT 1

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report

Line
No.

	Calendar Year 2018 Actual Balances											
	January	February	March	April	May	June	July	August	September	October	November	December
1 Balance - Beginning of Month	3,934,937.66	2,182,716.86	952,342.19	377,541.09	670,361.60	2,189,297.51	4,405,561.50	7,095,129.69	9,638,969.19	11,392,651.18	10,700,968.20	8,178,479.82
2 Bad Debts Written Off	1,771,757.17	1,476,083.26	1,950,927.40	2,156,022.23	2,470,841.85	2,897,480.37	3,617,958.56	3,528,954.05	2,720,535.76	2,895,352.21	3,578,682.08	2,118,420.16
3 Amortization of 2001 Deferral	-	-	-	-	-	-	-	-	-	-	-	-
4 Recovery - Base Rates	-	-	-	-	-	-	-	-	-	-	-	-
5 Consultant Fees	-	-	-	-	-	-	-	-	-	-	-	-
6 Recovery - Bad Debt Rider	(1,723,262.54)	(1,348,117.81)	(1,075,272.00)	(957,272.57)	(438,927.11)	(192,650.53)	(239,128.31)	(239,135.09)	(251,650.49)	(397,428.00)	(1,144,079.07)	(1,991,602.23)
7 Recovery - Other	(1,805,062.00)	(1,360,196.54)	(1,451,453.83)	(906,797.66)	(515,236.18)	(492,470.99)	(698,340.43)	(759,188.97)	(731,805.14)	(3,209,661.02)	(4,973,483.39)	(2,350,440.51)
8 Incremental Bad Debt (2)+(3)+(4)+(5)+(6)+(7)	(1,756,567.37)	(1,232,231.09)	(575,798.43)	291,952.00	1,516,678.56	2,212,358.85	2,680,489.82	2,530,629.99	1,737,080.13	(711,736.81)	(2,538,880.38)	(2,223,622.58)
9 Balance Subtotal (1) + (8)	2,178,370.29	950,485.77	376,543.76	669,493.09	2,187,040.16	4,401,656.36	7,086,051.32	9,625,759.68	11,376,049.32	10,680,914.37	8,162,087.82	5,954,857.24
10 Carrying Charges [((1)+(9))/2]x(12) (a)	4,346.56	1,856.42	997.33	868.51	2,257.35	3,905.14	9,078.37	13,209.50	16,601.86	20,053.83	16,392.00	13,398.40
11 Balance - End of Month (9)+(10)	2,182,716.86	952,342.19	377,541.09	670,361.60	2,189,297.51	4,405,561	7,095,130	9,638,969	11,392,651	10,700,968	8,178,480	5,968,255.64
12 Monthly Pool Rates	0.18%	0.15%	0.19%	0.21%	0.20%	0.15%	0.20%	0.20%	0.20%	0.23%	0.22%	0.24%

(a) Interest on undercollections are reduced to reflect federal tax benefit. Carrying Charges equals [(((1)+(9))/2)x(12)]x(1-tax rate).

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report
Calendar Year 2019 Actual

Line No.		January	Actual February	March
1	Balance - Beginning of Month	5,968,256	3,890,853	1,717,727
2	Bad Debts Written Off	1,895,470	1,840,781	2,152,872
3	Amortization of 2001 Deferral	-	-	-
4	Recovery - Base Rates			
5	Consultant Fees			
6	Recovery - Bad Debt Rider	(2,301,629)	(2,471,393)	(2,170,706)
7	Recovery - Other	(1,681,358)	(1,547,384)	(1,266,496)
8	Incremental Bad Debt (2)+(3)+(4)+(5)+(6)+(7)	(2,087,517)	(2,177,995)	(1,284,330)
9	Balance Subtotal (1) + (8)	3,880,738	1,712,858	433,398
10	Carrying Charges $[(1)+(9)]/2 \times (12)$ (a)	10,115	4,870	2,039
11	Balance - End of Month (9)+(10)	3,890,853	1,717,727	435,437
12	Monthly Pool Rates	0.26%	0.22%	0.24%

(a) Interest on undercollections are reduced to reflect federal tax benefit. Carrying Charges equals $[(1)+(9)]/2 \times (12) \times (1 - \text{tax rate})$.

NISOURCE INC. AND SUBSIDIARIES
OPERATING COMPANIES MONEY POOL RATES
January 2018 Through March 2019

MONTH	DAYS	AVERAGE DAILY BALANCES			MONTHLY INTEREST ACCRUALS			MONTHLY RATES *		
		S-T DEBT \$	INVESTMENT \$	COMPOSITE \$	S-T DEBT \$	INVESTMENT \$	COMPOSITE \$	S-T DEBT %	INVEST %	COMPOSITE %
JAN 2018	31	742,572,032.26	0.00	742,572,032.26	1,305,465.23	0.00	1,305,465.23	2.07%	0.00%	2.07%
FEB	28	611,779,035.71	0.00	611,779,035.71	941,653.99	0.00	941,653.99	2.01%	0.00%	2.01%
MAR	31	876,445,290.32	0.00	876,445,290.32	1,682,626.73	0.00	1,682,626.73	2.26%	0.00%	2.26%
APR	30	841,476,433.33	0.00	841,476,433.33	1,742,269.50	0.00	1,742,269.50	2.52%	0.00%	2.52%
MAY	31	254,559,096.77	0.00	254,559,096.77	507,453.08	0.00	507,453.08	2.35%	0.00%	2.35%
JUN	30	42,066,666.67	72,568,195.73	114,634,862.40	84,880.58	90,273.30	175,153.88	2.45%	1.51%	1.86%
JUL	31	297,709,677.42	23,022,961.19	320,732,638.61	598,323.34	34,415.73	632,739.07	2.37%	1.76%	2.32%
AUG	31	598,935,483.87	0.00	598,935,483.87	1,194,199.45	0.00	1,194,199.45	2.35%	0.00%	2.35%
SEP	30	601,533,333.33	0.00	601,533,333.33	1,194,902.50	0.00	1,194,902.50	2.42%	0.00%	2.42%
OCT	31	801,483,870.97	7,158,812.88	808,642,683.85	1,808,371.66	11,852.53	1,820,224.19	2.66%	1.95%	2.65%
NOV	30	1,010,920,566.67	30,660,405.81	1,041,580,972.48	2,278,205.36	49,136.91	2,327,342.27	2.74%	1.95%	2.72%
DEC	31	978,635,870.97	121,706,501.09	1,100,342,372.06	2,457,087.14	215,972.69	2,673,059.83	2.96%	2.09%	2.86%
JAN 2019	31	862,725,806.45	18,017,633.23	880,743,439.68	2,225,447.49	34,185.99	2,259,633.48	3.04%	2.23%	3.02%
FEB	28	864,821,428.57	37,222,301.13	902,043,729.70	1,934,047.22	63,687.92	1,997,735.14	2.92%	2.23%	2.89%
MAR	31	888,709,677.42	39,355,694.20	928,065,371.62	2,184,365.84	68,549.73	2,252,915.57	2.89%	2.05%	2.86%

ATTACHMENT 2

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Report
Based on Historic Balance @ March 31, 2019

Line No.	Description	Amount
1	Deferred Uncollectible Accounts Expense Balance As of May 31, 2019	1,637,816
2	Projected Volumes Twelve Months Ending May 31, 2020	177,514,701
3	Under(Over) Recovery of Uncollectible Expense TME May 31, 2019 per Mcf (Line 1 / Line 2)	0.0092

ATTACHMENT 3

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Calculation

Line No.	Projection through May 31, 2020													
	April	May	June	July	August	September	October	November	December	January	February	March	April	May
1 Balance - Beginning of Month	435,437	301,049	1,637,816	4,417,741	8,046,767	11,051,347	13,061,569	13,225,353	11,240,122	10,593,614	10,779,760	11,053,289	11,574,705	12,730,249
2 Bad Debts Written Off	1,175,035	2,009,464	2,774,307	3,617,078	2,986,274	1,987,853	138,587	(2,007,927)	(667,436)	165,659	254,625	499,725	1,132,997	2,037,141
3 Amortization of 2001 Deferral	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Recovery - Base Rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Recovery - Bad Debt Rider	(1,310,107)	(674,555)	-	-	-	-	-	-	-	-	-	-	-	-
6 Recovery - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Incremental Bad Debt (2)+(3)+(4)+(5)+(6)	(135,071)	1,334,909	2,774,307	3,617,078	2,986,274	1,987,853	138,587	(2,007,927)	(667,436)	165,659	254,625	499,725	1,132,997	2,037,141
8 Balance Subtotal (1) + (7)	300,366	1,635,958	4,412,123	8,034,819	11,033,041	13,039,200	13,200,156	11,217,426	10,572,685	10,759,273	11,034,385	11,553,015	12,707,702	14,767,390
9 Carrying Charges $(((1)+(8))/2) \times (11) \text{ (a)}$	683	1,859	5,617	11,948	18,307	22,369	25,197	22,696	20,929	20,487	18,905	21,690	22,547	26,383
10 Balance - End of Month (8)+(9)	301,049	1,637,816	4,417,741	8,046,767	11,051,347	13,061,569	13,225,353	11,240,122	10,593,614	10,779,760	11,053,289	11,574,705	12,730,249	14,793,773
11 Monthly Pool Rates	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.22%	0.24%	0.24%	0.24%
12 Balance - End of Month May 2020 (Line 10)														14,793,773
13 Balance - End of Month May 2019 (Line 10)														1,637,816
14 Incremental Bad Debt June 2019 - May 2020 (Line 12 - Line 13)														13,155,957

(a) Interest on undercollections are reduced to reflect federal tax benefit. Carrying Charges equals $(((1)+(9))/2) \times (12) \times (1-\text{tax rate})$.

ATTACHMENT 4

Columbia Gas of Ohio, Inc.
Uncollectible Expense Rider Calculation

Line No.	Description	Amount \$
1	Incremental Net Charge Offs for TME May 31, 2020 (Attachment 3 line 14)	13,155,957
2	Projected Volumes TME May 31, 2020	177,514,701
3	Projected Rate Impact of Under(Over) TME May 31, 2020 (Line 1 / Line 2)	0.0741
4	Plus: Under(Over) Recovery of Uncollectible Expense TME May 31, 2019 per Mcf (Attachment 2, Line 3)	<u>0.0092</u>
5	Proposed Rate per Mcf Effective Unit 1 June 2019 (Line 3 + Line 4)	\$ 0.0833

Columbia Gas of Ohio, Inc.
Projected Bad-Debt Recovery @ Current Rates

Attachment 4
Sheet 2 of 2

	Throughput	Current Rate	Revenue
Apr	17,946,666.1	0.0730	1,310,107
May	9,240,476.7	0.0730	674,555
Jun	4,830,065.0	-	-
Jul	3,673,746.4	-	-
Aug	3,510,878.1	-	-
Sep	3,714,005.7	-	-
Oct	5,077,128.0	-	-
Nov	12,177,902.9	-	-
Dec	23,520,542.8	-	-
Jan	33,548,922.1	-	-
Feb	33,080,437.6	-	-
Mar	27,019,700.5	-	-
Apr	18,060,794.6	-	-
May	9,300,577.1	-	-
Total	177,514,701		-

ATTACHMENT 5

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE:

To all customers served under rate schedules SGS and GS.

UNCOLLECTIBLE EXPENSE RIDER:

A charge of ~~\$0.0730~~ \$0.0833 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider.

RECONCILIATION ADJUSTMENT:

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. The Rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the Tax COI Case.

COLUMBIA GAS OF OHIO, INC

69

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE

To all customers served under rate schedules SGTS and GTS.

UNCOLLECTIBLE EXPENSE RIDER

A charge of \$~~0.0730~~ 0.0833 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider.

RECONCILIATION ADJUSTMENT:

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. The Rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the Tax COI Case.

Filed in accordance with Public Utilities Commission of Ohio Entry dated ~~June 6, 2018 in Case No. 18-321-GA-UEX.~~

Issued: ~~June 15, 2018~~

Issued By
Daniel A. Creekmur, President

Effective: ~~With meter readings on or after June 29, 2018~~

SECTION VII
PART 29 - BILLING ADJUSTMENTS
UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS and FRGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

A charge of \$~~0.0730~~0.0833 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider.

29.20 RECONCILIATION ADJUSTMENT

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. The Rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the Tax COI Case.

Filed in accordance with Public Utilities Commission of Ohio Entry dated ~~June 6, 2018 in Case No. 18-321-GA-UEX.~~

Issued: ~~June 15, 2018~~

Effective: ~~With meter readings on or after June 29, 2018~~

Issued By
Daniel A. Creekmur, President

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE:

To all customers served under rate schedules SGS and GS.

UNCOLLECTIBLE EXPENSE RIDER:

A charge of \$0.0833 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider.

RECONCILIATION ADJUSTMENT:

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. The Rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the Tax COI Case.

Filed in accordance with Public Utilities Commission of Ohio Entry dated

Issued:

Issued By
Daniel A. Creekmur., President

Effective:

COLUMBIA GAS OF OHIO, INC

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION
AND SALE OF GAS**

UNCOLLECTIBLE EXPENSE RIDER

APPLICABLE

To all customers served under rate schedules SGTS and GTS.

UNCOLLECTIBLE EXPENSE RIDER

A charge of \$0.0833 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider.

RECONCILIATION ADJUSTMENT:

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. The Rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the Tax COI Case.

Filed in accordance with Public Utilities Commission of Ohio Entry dated

Issued:

Issued By
Daniel A. Creekmur, President

Effective:

SECTION VII
PART 29 - BILLING ADJUSTMENTS
UNCOLLECTIBLE EXPENSE RIDER

29.18 Applicability

To all customers served under rate schedules FRSGTS and FRGTS.

29.19 UNCOLLECTIBLE EXPENSE RIDER

A charge of \$0.0833 per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider.

29.20 RECONCILIATION ADJUSTMENT

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. The Rider is also subject to reconciliation or adjustment based on the outcome of the Commission's investigation in the Tax COI Case.

Filed in accordance with Public Utilities Commission of Ohio Entry dated

Issued:

Effective:

Issued By
Daniel A. Creekmur, President

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/12/2019 12:46:33 PM

in

Case No(s). 19-0321-GA-UEx

Summary: Application for Approval of an Adjustment to its Uncollectible Expense Rider electronically filed by Cheryl A MacDonald on behalf of Columbia Gas of Ohio, Inc.