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May 09, 2019

FILE

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

RE: *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval of an Adjustment to its Uncollectible Expense Rider Rate, Case No. 19-321-GA-UEX.*

Enclosed please find the Staff's Review and Recommendation in regard to the application filed by Columbia Gas of Ohio, Inc., to update its Uncollectible Expense Rider, in Case No. 19-321-GA-UEX.

Respectfully submitted,

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

Enclosure
cc: Parties of Record

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.

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Columbia Gas of Ohio, Inc.
Case No. 19-321-GA-UEx

SUMMARY:

In Case No. 03-1127-GA-UNC, the Commission authorized the concept of an uncollectible accounts expense recovery mechanism for five natural gas companies. The mechanism approved allows for the recovery of actual uncollectible accounts expense through a rider, rather than through base rates. Subsequently, Columbia Gas of Ohio, Inc. (Columbia or Company) was authorized in Case No. 03-2572-GA-ATA to establish a rider recovery mechanism consistent with the mechanism approved in Case No. 03-1127-GA-UNC. On April 7, 2004, the Commission issued its Opinion and Order in that case and authorized an initial uncollectible expense rider (UEX Rider) rate of \$0.0493 per Mcf.

Since that time Columbia has filed annual updates to adjust its UEX Rider rate and the Commission has authorized such subsequent revisions. The most recent history of Columbia's rider rates is as follows:

June 2014 – May 2015	\$0.1457 per Mcf
June 2015 – May 2016	\$0.1214 per Mcf
June 2016 – May 2017	\$0.0555 per Mcf
June 2017 – May 2018	\$0.0438 per Mcf
June 2018 – Current	\$0.0730 per Mcf

On April 12, 2019, Columbia filed an application, Case No. 19-321-GA-UEx, to increase its current UEX Rider rate of \$0.0730 per Mcf to \$0.0833 per Mcf, an increase of \$0.0103 per Mcf. Staff has reviewed the application and makes its finding and recommendation in this Staff Letter.

STAFF REVIEW:

Staff reviewed Columbia's actual annual balance of UEX Rider expenses and recoveries as of January 1, 2018 through March 31, 2019 (Attachments 1 and 2); the Company's UEX Rider calculations (Attachments 3 and 4) and the Company's proposed tariff sheets (Attachment 5).

STAFF RECOMMENDATION:

Staff believes that Columbia calculated the UEX Rider rate correctly in its application and recommends that the proposed rate of \$0.0833 per Mcf be approved.