

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matters of the Application of The East : Case No. 15-1712-GA-AAM
Ohio Gas Company d/b/a Dominion East :
Ohio for Approval to Change Accounting :
Methods Associated with its Pipeline Safety :
Management Program. :
:

**MOTION TO CLARIFY PROCEDURES
SUBMITTED ON BEHALF OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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**On behalf of the Staff of
The Public Utilities Commission of Ohio**

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The Staff of the Public Utilities Commission of Ohio (Staff) hereby requests that the Commission clarify the procedures to be followed when Dominion Energy Ohio (Dominion) proposes new initiatives for its pipeline safety management program (PSMP). The accompanying memorandum in support sets forth the grounds for this motion.

Respectfully submitted,

Dave Yost
Ohio Attorney General

John H. Jones
Section Chief

/s/ Thomas G. Lindgren

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MEMORANDUM IN SUPPORT

In an Opinion and Order dated November 3, 2016, the Commission authorized Dominion to establish a regulatory asset and to defer expenditures for its PSMP.¹ Pursuant to this order, Dominion is required to file an annual report concerning this program by June 1 of each year. Dominion is required to include with the annual report an audit report concerning the accuracy of its accounting for PSMP-related expenditures. Within 90 days after the annual report is filed, Staff is to file a report of its investigation. Dominion then has 30 days to accept or object to Staff's recommendations. Dominion and Staff are also to have bi-annual meetings to review progress under the PSMP, any proposed changes, the results of any investigations or evaluations, cost-savings measures, and other related matters.

On August 29, 2018, Staff filed its Report on Dominion's expenses for calendar year 2017. In its Report, Staff recommended that costs associated with two new programs be disallowed because these programs had not been approved by the Commission. Dominion objected to the recommended disallowance.

In its Finding and Order dated November 14, 2018, the Commission stated that Dominion is allowed to propose new initiatives and to revise existing initiatives.² The Commission further stated that "Dominion would be permitted to propose, and Staff

¹ *In the matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Change Accounting Methods Associated with its Pipeline Safety Management Program*, 15-1712-GA-AAM (Opinion and Order) (November 3, 2016).

² *In the matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Change Accounting Methods Associated with its Pipeline Safety Management Program*, 15-1712-GA-AAM (Finding and Order) (November 14, 2018) at ¶15.

would have the opportunity to investigate and review, new initiatives and to revise or discontinue initiatives within the established parameters for the PSMP.”³ The Commission concluded that Staff has not objected to the proposed initiatives and therefore permitted Dominion to defer expenses for these initiatives.⁴

In the most recent bi-annual meeting with Staff, Dominion proposed two new initiatives that the company intends to implement. Staff intends to investigate and review these new initiatives but is uncertain as to the procedure to follow. In the November 14, 2018 Finding and Order, the Commission stated that Staff would have an opportunity to investigate and review new initiatives but did not articulate the procedure for doing so when the new initiatives are proposed outside of the annual report.

Staff believes it is essential that these new initiatives be carefully examined prior to their implementation by Dominion with the expectation of deferral authority. Additionally, Staff maintains that simply describing new initiatives in a bi-annual meeting is insufficient to establish deferral authority for the new initiatives. Therefore, Staff respectfully requests that the Commission define the procedures to be followed when Dominion proposes new initiatives for its PSMP at a bi-annual meeting.

³ *Id.*

⁴ *Id.*

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing **Motion to Clarify Procedures**, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail upon the below parties of record this 8th day of January, 2020.

/s/ Thomas G. Lindgren

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Summary: Motion to Clarify Procedures electronically filed by Mrs. Kimberly M Naeder on behalf of PUCO