



Public Utilities Commission

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August 30, 2022

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

RE: *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval to Change Accounting Methods, Case No. 14-1615-GA-AAM.*

Dear Docketing:

Enclosed please find the Staff's Review and Recommendation regarding the compliance filing made by Columbia Gas of Ohio, Inc., Case No. 14-1615-GA-AAM.

A handwritten signature in black ink, reading "Adam Burns".

Adam Burns
Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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Columbia Gas of Ohio, Inc.
Case No. 14-1615-GA-AAM

SUMMARY:

By Finding and Order dated December 17, 2014 (Order), the Commission approved Columbia Gas of Ohio Inc.'s (Columbia or Company) application in the above reference case to establish a regulatory asset to defer to up to \$15 million annually to increase customer safety through the Pipeline Safety Program (PSP). The Commission's Order required Columbia to file an annual report for its PSP by June 1 each year. The report was to include annual and cumulative PSP expenses, monthly expenditures for each PSP component on an annual basis, and an audit report prepared by the Company's external auditor regarding the accuracy of Columbia's accounting for PSP expenditures. The report was to also include items such as the PSP's progress toward reducing risks to Columbia's system, the result of ongoing and future investigations, any mid-term adjustments to PSP projects or programs, and the Company's effort towards identifying inefficiencies and implementing cost savings measures. The carrying charge rate shall be determined annually based on Columbia's embedded debt-only interest rate.

By Opinion and Order dated August 26, 2016, the Commission approved Columbia's application in case number 16-552-GA-AAM to increase the PSP by \$10 million for a total of \$25 million. The incremental \$10 million of deferral authority would have a fixed three percent per annum rate to be used exclusively to accelerate implementation of its Damage Prevention Technology Initiative (DPTI) through December 23, 2023.

On June 30, 2021, in Case No. 21-0637-GA-AIR, Columbia filed a rate case application to recover the deferred PSP amounts from January 1, 2015 through March 31, 2021. As of the date of this annual report, Columbia's rate case application is pending. On May 27, 2022, Columbia filed its annual report for the PSP detailing expenses deferred in calendar year 2021, from April 1, 2021 through December 31, 2021. Pursuant to the Commission's Order, Staff has 90 days to file a report regarding the proposed PSP deferrals.

STAFF REVIEW AND RECOMMENDATION:

Staff reviewed Columbia's annual report and accompanying attachments that were filed in this case and has no objection to the information contained in the report. As a result, Staff recommends that the Commission accept Columbia's annual report as filed. However, as noted in Staff Comments filed in this case and acknowledged in the Commission's Order, Staff's lack of objection to Columbia's Annual Report should not be construed as support for future recovery of the PSP deferrals. Staff expressly reserves the right to challenge recovery of the deferrals in any future recovery proceeding.

**This foregoing document was electronically filed with the Public Utilities
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in

Case No(s). 14-1615-GA-AAM

Summary: Staff Review and Recommendation regarding the compliance filing
made by Columbia Gas of Ohio, Inc. electronically filed by Zee Molter on behalf of
PUCO Staff