



Public Utilities Commission

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August 29, 2023

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 that reads "Adam Burns". The signature is fluid and cursive, with a horizontal line drawn underneath it.

Adam Burns
Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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

SUMMARY:

By Finding and Order (Order) dated December 17, 2014, the Commission approved Columbia Gas of Ohio Inc.'s (Columbia or Company) application in Case No. 14-1615-GA-AAM, thereby authorizing the Company to establish a regulatory asset to defer to up to \$15 million annually to increase customer safety through the Pipeline Safety Program (PSP). The Order required Columbia to file a PSP annual report by June 1 each year. The report must include annual and cumulative PSP expenses, monthly expenditures for each safety initiative on an annual basis, and an audit report prepared by the Company's external auditor regarding the accuracy of Columbia's accounting of PSP expenditures. Additionally, the report includes items such as PSP's progress toward reducing risks to Columbia's system, 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 No. 16-552-GA-AAM to increase the PSP by \$10 million, totaling \$25 million annually to increase customer safety. The incremental \$10 million deferral authority has a fixed three percent per annum rate for carrying costs used exclusively to accelerate implementation of Columbia's 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. By Opinion and Order dated January 26, 2023, a Joint Stipulation and Recommendation was approved, allowing Columbia to continue the PSP through December 31, 2030 to complete the remediation of its GPS data currently being gathered in its service area. Effective January 1, 2024 through December 31, 2030, carrying charges shall accrue at the Company's then-current overall long-term debt rate.

On May 26, 2023, Columbia filed its annual PSP report detailing expenses deferred from January 1, 2022 through December 31, 2022. Pursuant to the Order in Case No. 14-1615-GA-AAM, Staff has 90 days to file a report regarding the proposed PSP deferrals.

STAFF REVIEW AND RECOMMENDATION:

Staff reviewed Columbia's annual report and the accompanying attachments filed with the annual report. Staff has no objections to the annual report. Staff recommends that the Commission accept Columbia's annual report as filed. However, Staff's lack of objection to Columbia's Annual Report should not be construed as support for future recovery of PSP deferrals. Staff reserves the rights to challenge recovery of PSP 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.