

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Joint Motion to )  
Modify the December 2, 2009 Opinion )  
and Order and the September 7, 2011 ) Case No. 12-2637-GA-EXM  
Second Opinion and Order in Case No. )  
08-1344-GA-EXM )

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**AMENDED JOINT MOTION TO MODIFY ORDERS  
GRANTING EXEMPTION**

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1. By an Opinion and Order issued in Case No. 08-1344-GA-EXM ("the Exemption Proceeding") on December 2, 2009 ("First Opinion and Order"), the Public Utilities Commission of Ohio ("Commission" or "PUCO"), pursuant to R.C. 4929.04, granted an exemption authorizing Columbia Gas of Ohio, Inc. ("Columbia") to eliminate its gas cost recovery mechanism and replace it with an auction process. On September 7, 2011, the Commission issued a Second Opinion and Order in Case No. 08-1344-GA-EXM, further ruling upon issues associated with the First Opinion and Order (the two orders will be referred to collectively as the "Exemption Orders").
2. By this Motion, Columbia, Commission Staff, Ohio Gas Marketers Group<sup>1</sup>, Retail Energy Supply Association<sup>2</sup> and Dominion Retail, Inc. (all of the foregoing referred to collectively as the "Joint Movants") respectfully request, pursuant to R.C. 4929.08(A) and the terms of the Commission's First Opinion and Order, that the Commission modify the Exemption Orders, and thus the terms of the exemption, for a five-year period to begin after

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<sup>1</sup> The Ohio Gas Marketers Group for purposes of this proceeding includes Constellation NewEnergy, Inc., Direct Energy Services, LLC, Direct Energy Business, LLC, Interstate Gas Supply, Inc., Integrys Energy, Inc., Just Energy Group, Inc. and SouthStar Energy LLC.

<sup>2</sup> RESA's members include Champion Energy Services, LLC; ConEdison Solutions; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energetix, Inc.; Energy Plus Holdings LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company;; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus, LLC; Reliant; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P.

the initial term of the stipulation ("2009 Stipulation") approved in Case No. 08-1344-GA-EXM.

3. In the 2009 Stipulation, the signatory parties reserved their rights to propose modifications to the exemption, and the Commission's right to grant modifications to the exemption, to become effective after the Stipulation's initial term. R.C. 4929.08(A) also authorizes the Commission to modify an order granting an exemption only after notice and a hearing. To facilitate the scheduling of such a hearing, the Joint Movants have filed, concurrently with this Motion, an Amended Stipulation and Recommendation ("Amended Stipulation") designated as Joint Exhibit 2. The Amended Stipulation supersedes the stipulation that the Joint Movants filed in this case on October 4, 2012.
4. The ongoing operation of Columbia's CHOICE and Standard Choice Offer ("SCO") programs will be affected by the Commission's action with respect to the Amended Stipulation. Under the Revised Program Outline that the Commission approved in the Second Opinion and Order, an SCO Auction for the next program year (April 1, 2013 through March 31, 2014) will be conducted on January 29, 2013. The supplier education meeting for potential SCO suppliers will be held on January 8, 2013. In order to ensure that Columbia will have sufficient time to prepare for that supplier education meeting, the Joint Movants respectfully request issuance of a final order on all the issues in the case by December 31, 2012, considering the near-term need for resolution on the capacity-, SCO-, and billing-related issues in the Amended Stipulation. This proposed timing for an order on all the issues is consistent with the PUCO's Entry of October 18, 2012, in paragraph 12, where the Attorney Examiner stated her belief that "due process ... can be achieved within this timeframe."
5. Joint Movants note that the Amended Stipulation (unlike the now-superseded stipulation they filed on October 4, 2012) was signed by the Office of the Ohio Consumers' Counsel ("OCC"), as well as by the Joint Movants. While OCC supports approval of the Amended Stipulation, the Joint Movants would make clear that the legal positions set forth in this Motion and the attached Memorandum in Support are theirs only. Joint Movants do not represent that OCC holds these legal positions or that OCC should be bound by them in any future proceeding.

6. For the reasons discussed in this Motion and the attached Memorandum in Support, the Joint Movants request that the Commission modify the Exemption Orders as requested herein. The Joint Movants also request that the capacity, balancing, SCO, and billing issues be determined prior to the supplier education meeting for the next SCO auction.

Respectfully submitted,

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**BEFORE  
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**MEMORANDUM IN SUPPORT**

**INTRODUCTION**

7. On January 30, 2009, as supplemented on March 26 and 31, 2009, Columbia filed an application pursuant to Section 4929.04, Revised Code, for approval of a general exemption of certain natural gas commodity sales services or ancillary services contained in Chapters 4905, 4909, and 4935, Revised Code. That application was docketed as Case No. 08-1344-GA-EXM. Much of the detail related to Columbia's proposal was included in a Program Outline that was an attachment to the Application.
8. The parties to the case filed a Joint Stipulation and Recommendation on October 7, 2009 ("2009 Stipulation"). The 2009 Stipulation recommended approval of Columbia's exemption from regulation and recommended approval of revisions to the Program Outline. Among other things, the 2009 Stipulation did the following:
  - Eliminated Columbia's gas cost recovery mechanism as of April 1, 2010, and replaced it with two annual Standard Service Offer ("SSO") auctions, followed by annual Standard Choice Offer ("SCO") auctions;
  - Established an agreed upon level of Columbia's peak day demand and peak day capacity portfolio, which levels would not be subject to audit through March 31, 2013.
  - Established Columbia's off-system sales/capacity release revenue sharing mechanism through March 31, 2013
9. By Opinion and Order dated December 2, 2009 ("First Opinion and Order"), the Commission approved the 2009 Stipulation, as well as the Program Outline.

10. Pursuant to the terms of the 2009 Stipulation, on May 9, 2011, the OCC and Ohio Partners for Affordable Energy (“OPAE”) filed objections to the transition from an SSO auction to an SCO auction. After hearing, the Commission issued a Second Opinion and Order in Case No. 08-1344-GA-EXM on September 7, 2011, in which it reaffirmed Columbia’s transition to an SCO auction.
11. The most recent version of the Program Outline is that docketed on April 15, 2011, with a replacement page docketed on October 14, 2011, pursuant to the Commission’s Second Opinion and Order on September 7, 2011.
12. As noted above, several provisions of the 2009 Stipulation expire March 31, 2013. Significant among the provisions that expire March 31, 2013, are Columbia’s specified levels of peak day demand and peak day capacity portfolio exempt from audit. The ongoing operations of Columbia’s CHOICE and SCO programs are affected by Columbia’s levels of peak day demand and peak day capacity portfolio. Columbia also has interstate pipeline contracts that expire that same date – March 31, 2013.
13. Columbia’s stakeholder group met during 2012 in order to discuss issues associated with the provisions of the 2009 Stipulation that expire March 31, 2013. After the filing of the original Joint Motion in this proceeding on October 4, 2012, the Joint Movants continued to meet to discuss the issues raised in that Joint Motion. Those discussions have resulted in the filing of the Amended Stipulation attached hereto as Joint Exhibit 2.

## **ARGUMENT**

### **A. The Commission Has Authority To Modify Its Orders Granting An Exemption**

14. The 2009 Stipulation, which the Commission’s First Opinion and Order approved in its entirety, allowed the 2009 Stipulation’s parties to seek, and the Commission to grant, modifications to the exemption’s terms for the period after the 2009 Stipulation’s initial term. On page 8 of the 2009 Stipulation, the signatory parties “reserve[d] the right to propose changes to the Agreement to become effective after the end of the initial term.” On the same page, the parties agreed that the provisions of the 2009 Stipulation would “continue [after the expiration of the initial term] until modified by the Commission.”

15. Ohio statute also authorizes the Commission to modify the terms of the exemption. The Exemption Orders were issued under R.C. 4929.04. The Commission has the authority to modify or abrogate the Exemption Orders under certain specified conditions. Specifically, R.C. 4929.08(A) provides:

The public utilities commission has jurisdiction over every natural gas company that has been granted an exemption or alternative rate regulation under section 4929.04 or 4929.05 of the Revised Code. As to any such company, the commission, upon its own motion or upon the motion of any person adversely affected by such exemption or alternative rate regulation authority, and after notice and hearing and subject to this division, may abrogate or modify any order granting such an exemption or authority only under both of the following conditions:

(1) The commission determines that the findings upon which the order was based are no longer valid and that the abrogation or modification is in the public interest;

(2) The abrogation or modification is not made more than eight years after the effective date of the order, unless the affected natural gas company consents.

16. Twice this year, the Commission has applied R.C. 4929.08 in granting motions to modify previous Commission orders granting exemptions. *See In the Matter of the Application to Modify, in Accordance with Section 4929.08, Revised Code, the Exemption Granted to The East Ohio Gas Company d/b/a Dominion East Ohio in Case No. 07-1224-GA-EXM, Case No. 11-6076-GA-EXM, Opinion and Order, at 5 (Feb. 14, 2012); In the Matter of the Application and Joint Stipulation and Recommendation of Vectren Energy Delivery of Ohio, Inc., for Approval of its Exemption Authority Granted in Case No. 07-1285-GA-EXM, Case No. 12-483-GA-EXM, Opinion and Order, at 5 (May 16, 2012).*
17. As discussed below, certain findings upon which the Exemption Orders were based are no longer valid. As a result, Columbia is adversely affected by the exemption as it currently stands, and modification of the Exemption Orders is in the public interest. The eight-year limitation in R.C. 4929.08(A)(2) does not apply, because Columbia consents to the modifications sought in this proceeding. Regardless, the First Opinion and Order was approved two and one half years ago, well under the eight-year limit imposed by R.C. 4929.08(A)(2). Therefore, under both the Commission's

First Opinion and Order and statute, the Commission has the authority to modify the Exemption Orders granting Columbia's exemption.

**B. Pursuant To R.C. 4929.08(A), The Commission Should Modify The Exemption Order**

**1. Certain findings upon which the Exemption Order was based are no longer valid, adversely affecting Columbia**

18. The exemption from regulation granted Columbia in Case No. 08-1344-GA-EXM was the first such exemption for Columbia. In abandoning the GCR and implementing gas supply auctions, Columbia was initiating a new method of supplying gas to customers.
19. The auction process is now no longer new or novel, and there is no longer uncertainty about the auction process. Columbia has held three auctions, and the parties agree that the auctions have provided customer benefits. The Retail Price Adjustment in Columbia's second and third auctions decreased from that in the first and second auctions respectively.
20. While there is now less uncertainty about the auction process, since the 2009 Stipulation was approved in December 2009, the introduction of Marcellus shale gas into the marketplace has created greater uncertainty about Columbia's best use of interstate pipeline capacity. The introduction of Marcellus shale gas, and subsequently Utica shale gas, has created the potential for new gas supply opportunities in Ohio. How these opportunities will develop is unknown, but the opportunities could potentially impact Ohio utilities' use of interstate pipeline capacity. It will likely take several years to fully assess the full impacts of shale gas on Ohio markets, and until all market participants can assess these impacts it makes sense not to make long-term interstate pipeline capacity contract decisions that could adversely impact Columbia's ability to make the best use of all pipeline capacity available to it. Consequently, the factual assumptions underlying Columbia's capacity contracts have changed since the Commission issued the Exemption Orders. Yet, the 2009 Stipulation approved by the Exemption Orders provides for a peak day capacity portfolio that is not geared to meet Columbia's needs during the period after the 2009 Stipulation's initial term.
21. Columbia has also begun to plan for a possible exiting of the merchant function. When the 2009 Stipulation was approved in December 2009, Co-



lumbia had not expressed a present intent to, and did not contemplate seeking to, exit the merchant function. Since then, some of the stakeholders believe such an exit may be warranted, if participation in Columbia's CHOICE program were to meet sufficient levels, while some stakeholders believe an exit may not be warranted. The Exemption Orders do not, however, authorize Columbia to exit the merchant function.

22. For these reasons, the Joint Movants believe that the Exemption Orders are adversely affecting Columbia, the findings underlying the Commission's Exemption Orders are no longer valid, and modifications to those Orders should be granted.

**2. Certain modifications to the Exemption Order are in the public interest**

23. The Amended Stipulation attached hereto as Joint Exhibit 2 would modify the details of Columbia's exemption for a term that will commence on April 1, 2013, and continue until March 31, 2018. The stakeholders believe that there are likely benefits to be derived from continuing the current exemption agreement, with modifications. Such a continuation would permit Columbia to retain flexibility in a rapidly evolving marketplace. The exact terms under which the exemption should continue involve interrelationships among complicated issues, including uncertainty as to how best to contract for interstate pipeline capacity in a changing marketplace. These terms, including revisions to the Program Outline, are set forth in the Amended Stipulation and in the amended revised Program Outline, which will be filed in this docket in the near future.
24. It is in the public interest for the Commission to permit Columbia and its stakeholders to maintain flexibility, particularly with regard to interstate pipeline capacity, while the market for shale gas develops. The other substantive modifications to the Exemption Orders are also in the public interest. Modifying the Balancing Fee, which is currently charged to Suppliers (and factored into Suppliers' charged rates), to instead charge it directly to customers would improve transparency in the way marketers' rates are set. The Amended Stipulation's prohibition against CHOICE suppliers charging rates that include the prior Balancing Fee would ensure that this change will not result in any customer paying the Balancing Fee twice. The proposed modifications would allow Columbia to upgrade its computer systems to allow for more varied and diverse marketing services.

The proposed modifications would also allow new Columbia customers to enroll in the CHOICE program immediately, if they choose, and preclude Columbia from exiting the merchant function entirely unless certain pre-conditions are satisfied, including that, among other things, certain levels of shopping are achieved and the PUCO decides to authorize an exit, after holding a hearing and conducting local public hearings. All of these modifications would further the state's policies, as outlined in R.C. 4929.02, to "[e]ncourage innovation and market access for cost-effective supply- \* \* \* side natural gas services and goods[,]" "[r]ecognize the continuing emergence of competitive natural gas markets through the development and implementation of flexible regulatory treatment[,]" and "[p]romote an expeditious transition to the provision of natural gas services and goods in a manner that achieves effective competition and transactions between willing buyers and willing sellers to reduce or eliminate the need for regulation of natural gas services and goods under Chapters 4905. and 4909. of the Revised Code[.]" R.C. 4929.02(5), (6), and (7).

## CONCLUSION AND REQUEST FOR EXPEDITED CONSIDERATION

25. Accordingly, the Joint Movants respectfully request that the Commission modify the Exemption Orders to continue the exemptions granted in those orders, but with the modifications requested herein.
26. Due to the fact that the supplier education meeting for the next SCO auction will be held on or about January 8, 2013, the Joint Movants respectfully request that the Commission issue an order resolving all issues in this case by the end of 2012, as there is a need to determine the time-sensitive capacity-related issues in the attached Amended Stipulation (as well as the other issues not related to Columbia's potential exit of the merchant function and Monthly Variable Rate Program) in sufficient time for Columbia to incorporate the necessary revisions to the SCO Auction process into the materials and presentation for its supplier education meeting – ideally, by December 31, 2012. In particular, the time-sensitive issues are:
  - SCO Auction Goals, Objectives, Timing, and Calendar (Amended Stipulation at p. 4);
  - SCO Supplier Security Requirements (*id.*);
  - SCO Supplier Payments (*id.*);
  - Columbia Capacity Contracts (*id.* at p. 5);

- Capacity Allocation Process (*id.* at pp. 5-6);
- Daily Nominations – Demand and/or Supply Curves (*id.* at p. 6);
- Off-System Sales and Capacity Release (*id.* at pp. 3, 6);
- Enhancements to Billing for Competitive Retail Natural Gas Suppliers (*id.* at pp. 14-17, except paragraphs 48 and 49).

Respectfully submitted,

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## **JOINT EXHIBIT 2**

**BEFORE  
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**AMENDED STIPULATION  
AND RECOMMENDATION**

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**INTRODUCTION**

1. Rule 4901-1-30, Ohio Administrative Code ("OAC"), provides that any two or more parties to a proceeding may enter into a written or oral stipulation concerning the issues presented in any proceeding before the Public Utilities Commission of Ohio ("Commission" or "PUCO"). Pursuant to Rule 4901-1-10(C), OAC, the Staff of the Commission ("Staff") is considered a party for the purposes of entering into a stipulation under Rule 4901-1-30, OAC.
2. Pursuant to Rule 4901-1-30, OAC, Columbia Gas of Ohio, Inc. ("Columbia"); Staff; the Office of the Ohio Consumers' Counsel ("OCC")<sup>1</sup>; Ohio Gas

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<sup>1</sup> OCC joins only those provisions of the Amended Stipulation that relate to residential customers (so, for example, OCC is not joining this Amended Stipulation regarding a non-residential exit of the merchant function). Additionally, OCC does not join the provisions of this Amended Stipulation that relate to SCO Supplier Security Requirements (e.g. the \$0.06/Mcf SCO Supplier security deposit fee). OCC disagrees with the rationale supporting the security deposit fee, but will not litigate this issue given the totality of this Amended Stipulation. OCC's decision not to litigate this issue will not be used as precedent against OCC in other cases. In addition, the Amended Stipulation does not limit OCC's future advocacy with regard to the Monthly Variable Rate provision and/or the Billing Enhancements provision, following the approval of this Amended Stipulation and consistent with its terms.

Marketers Group<sup>2</sup>; Retail Energy Supply Association<sup>3</sup>; and Dominion Retail, Inc.(hereinafter “the Parties” or “the Signatory Parties”) enter into and request the Commission to accept the following Amended Stipulation and Recommendation (“Amended Stipulation”) in the above-captioned proceeding.

3. This Stipulation, which shall be designated as Joint Exhibit 2, is supported by adequate data and information; represents a just and reasonable resolution of certain issues in this proceeding; violates no regulatory principle or precedent; is in the public interest; and is the product of lengthy, serious bargaining among knowledgeable and capable parties. While the Commission is not bound to adopt this Amended Stipulation, where, as here, it is sponsored by Parties representing a significant cross section of interests, including the Commission's Staff, it is entitled to careful consideration by the Commission. Except for enforcement purposes and except as otherwise specified herein, neither this Amended Stipulation nor any Commission ruling approving the Amended Stipulation, nor the information and data contained herein or attached, shall be cited or used as precedent in any future proceeding for or against any Signatory Party, or the Commission itself, if the Commission approves this Amended Stipulation. The Signatory Parties’ agreement to this Amended Stipulation, in its entirety, shall not be interpreted in a future proceeding before this Commission as their agreement to only an isolated provision of this Amended Stipulation. Except as otherwise specified herein, no specific element or item contained in or supporting this Amended Stipulation shall be construed or applied to attribute the results set forth in this Amended Stipulation as the results that any Signatory Party might support or seek, but for this Amended Stipulation, in these proceedings or in any other proceeding.

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<sup>2</sup> The Ohio Gas Marketers Group for purposes of this proceeding includes: Constellation NewEnergy, Inc., Direct Energy Services, LLC, Direct Energy Business, LLC, Interstate Gas Supply, Inc., Integrys Energy, Inc., Just Energy Group, Inc. and SouthStar Energy LLC.

<sup>3</sup> RESA’s members include: Champion Energy Services, LLC; ConEdison Solutions; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energetix, Inc.; Energy Plus Holdings LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus, LLC; Reliant; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

4. The Signatory Parties stipulate and recommend that the Commission issue such order as is necessary to modify the December 2, 2009 Opinion and Order and the September 7, 2011 Second Opinion and Order in Case No. 08-1344-GA-EXM (the "Exemption Orders") in the manner described hereinafter, including the described modifications from the October 7, 2009 Stipulation and Recommendation ("2009 Stipulation") and Program Outline in that same docket. The Signatory Parties agree that no additional modification from the Exemption Orders or Program Outline is intended by this Amended Stipulation, except as expressly stated herein and/or reflected in the revised Program Outline.

#### **CHANGES FROM THE 2009 STIPULATION**

##### *Term*

5. The Parties agree that the Amended Stipulation shall commence on April 1, 2013, and shall have a term extending until March 31, 2018. After the expiration of the term, the provisions of this Amended Stipulation including the then-approved method of supplying commodity for standard service offer and Standard CHOICE Offer ("SCO") service shall continue until modified by the Commission unless otherwise stated herein. All Parties reserve the right to propose changes to the Agreement to become effective after the end of the term. However, the Parties shall not seek modifications to this Amended Stipulation that would become effective during the term of this Amended Stipulation.

##### *Off-System Sales and Capacity Release ("OSS/CR") Sharing Mechanism*

6. The OSS/CR Program's prior revenue sharing mechanism (page 14 of the 08-1344-GA-EXM Stipulation and Recommendation dated October 7, 2009) will continue for a five-year term (April 1, 2013 through March 31, 2018), except as modified and described herein.

#### **CHANGES TO THE PROGRAM OUTLINE**

7. The Parties will submit to the Commission for its approval an amended Program Outline. The significant modifications to the Program Outline are described below.



### *SCO Auction Goals, Objectives, Timing, and Calendar*

8. This section will be revised to reflect that the SCO has been approved and continues unless discontinued by Commission action on (by a Commission decision to authorize) Columbia's exit from the merchant function.

### *SCO Supplier Security Requirements*

9. In addition to the Letter of Credit, SCO Suppliers will be required to provide Columbia with a cash deposit in the amount of six cents per Mcf multiplied by the initial estimated annual delivery requirements for the SCO Program Year of the tranches won by that SCO Supplier.<sup>4</sup> This security will provide a liquid account to meet supply default expenses incurred by Columbia other than compensation to the non-defaulting SCO Suppliers. These deposits and interest earned during the program year will be accounted for through establishment of a regulatory liability in Account 254, Other Regulatory Liabilities. Interest will be computed monthly based on average account balance for each month and the applicable NiSource Inc. and Subsidiaries Money Pool Rate. Any funds remaining at the end of each Program Year will be transferred to customers through the Choice/SSO/SCO Reconciliation Rider ("CSRR") commencing June 2014, for the 2013 Program Year.<sup>5</sup>

### *SCO Supplier Payments*

10. The Balancing Fee will be reduced from \$.32/Mcf to \$.27/Mcf. The Balancing Fee will also be charged directly to customers instead of being charged to Suppliers. After April 1, 2013, no CHOICE Supplier<sup>6</sup> may charge retail CHOICE customers a rate that is designed or intended to provide compensation for the Balancing Fee that Columbia charged any suppliers prior to April 1, 2013, so as to avoid charging any customers twice for the same service.

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<sup>4</sup> Footnote 1 contains OCC's position on this section.

<sup>5</sup> The 2013 Program Year means April 1, 2013 through March 31, 2014. There are five such Program Years comprising the 5-Year term of the Amended Stipulation – April 1, 2013 through March 31, 2018.

<sup>6</sup> CHOICE Supplier refers to Competitive Retail Natural Gas Suppliers providing service to individual Choice customers through bilateral contracts, as well as Choice Suppliers serving Governmental Aggregation Programs.

### *Columbia Capacity Contracts*

11. Columbia's firm city gate interstate and intrastate pipeline transportation and storage capacity will be adjusted to 1,963,178 Dth/day on April 1, 2013, and 1,940,214 Dth/day on November 1, 2013.

### *Capacity Allocation Process*

12. Columbia will continue the use of its existing annual design peak day calculation process for Core Market demand, which is premised on a 1-in-10 probability of occurrence. Such process includes all standby service quantities elected by Transportation Service customers on a year-to-year basis. Columbia shall retain storage and related transportation service capacity equal to the elected standby service volumes. Customer standby service demand and related retained capacity shall be removed from the capacity allocation calculations.
13. Columbia will assign Suppliers capacity, including the Columbia provided peaking service, equal to up to 100% of the design peak day requirements of their customers.
14. Columbia shall determine its design peak day demand annually, as noted above, for the term of the Agreement. Columbia will retain its existing peak day capacity portfolio through March 31, 2018 with the following modifications to Columbia's capacity contracts: (1) the Sempra peaking contract for 31,200 Dth/day shall be permitted to terminate effective March 31, 2013; (2) 22,964 Dth/day of North Coast Gas Transmission transportation capacity along with 23,255 Dth/day of Crossroads transportation capacity will be terminated when the respective contracts expire October 31, 2013; and, (3) Columbia shall renew 100% of its existing Columbia Gulf FTS-1 capacity through March 31, 2016. Thereafter, Columbia will renew its Columbia Gulf FTS-1 contracts to cover 75% of the volume under contract prior to March 31, 2016, and such renewal shall be for the two-year period April 1, 2016 through March 31, 2018.
15. As a result of the Commission's directions to Columbia, North Coast and Staff in Case No. 08-1344-GA-EXM, effective April 1, 2013, Columbia will retain the remaining North Coast capacity and treat such as operationally

required. This capacity will be utilized as part of the Columbia-provided peaking service.

16. There will be no contract capacity review via the Amended Stipulation during the term of the Amended Stipulation.

*Daily Nominations – Demand and/or Supply Curves*

17. New paragraphs will be added to the Program Outline to reflect Columbia's agreement to update the morning weather forecast in the afternoon for the current day and provide that information on a timely basis to Suppliers.

*Off-System Sales and Capacity Release*

18. The annual cap on Columbia's retained Off-System Sales/Capacity Release revenues will be \$14 million during each of the five program years. The cumulative cap on Columbia's retained Off-System Sales/Capacity Release revenues will be reduced to a total of \$55 million over the five-year term of the Amended Stipulation. Off-system sales revenues above the \$14 million annual cap or above the \$55 million cumulative cap will be provided 100% for customers through the CSRR. Additionally, the formula for determining Columbia's share of off-system sales will be modified. For the first \$1 million of off-system sales, Columbia shall retain 50% of the revenue, and the remainder of this revenue shall be included in the CSRR mechanism for customers. For off-system sales from \$1 million to \$2 million, Columbia shall retain 100% of the revenue. For off-system sales from \$2 million to \$27 million, Columbia shall retain 50% of the revenue, and the remainder of the revenue shall be included in the CSRR mechanism for customers. Columbia shall provide a quarterly accounting of the Off-System Sales and Capacity Release Revenue activity to the Stakeholder Group through Columbia's quarterly CSRR report.

**OTHER CHANGES**

*Possible Exit From the Merchant Function*

19. During the five-year term of this Amended Stipulation, Columbia will not exit the merchant function for Non-Residential Customers, and will not file an application to exit the merchant function for Residential Customers,

unless and until participation in Columbia's CHOICE program meets the specified thresholds in this Amended Stipulation and other conditions in this Amended Stipulation are met. The term "exit the merchant function" shall mean that all of Columbia's CHOICE-Eligible Residential and/or Non-Residential customers are provided commodity service by a Competitive Retail Natural Gas Supplier ("Supplier") through Columbia's CHOICE Program or Columbia's MVR Program.

20. If Columbia exits from the merchant function for any customer class, Columbia will provide no default commodity service for CHOICE-Eligible customers in that customer class upon exit. CHOICE-Eligible Customers in the customer class may enroll with a Supplier. Those CHOICE-Eligible Customers in the customer class that do not enroll with a Supplier will be assigned to a Supplier, and the pricing for such customers will be based on the closing New York Mercantile Exchange ("NYMEX") price plus basis (the monthly variable rate or "MVR" price).
21. CHOICE-Eligible Customers are those customers who:
  - Use less than 6,000 Mcf per year, or are a Human Needs Customer regardless of annual consumption; and,
  - Are not enrolled in the Percentage of Income Payment Plan; and,
  - Are not a Transportation Service customer; and,
  - Are not more than 60 days in arrears in payment of their Columbia bills, or not more 30 days in arrears in payment of their Columbia bills if enrolled in a payment plan.

CHOICE-Eligible Non-Residential Customers are a sub-class of CHOICE-Eligible Customers and consist of those CHOICE-Eligible Customers who are Commercial or Industrial Customers.

22. If Columbia exits from the merchant function for any customer class, Columbia will continue as the supplier of last resort for that customer class. Columbia will also retain responsibility for all system balancing obligations, and will maintain operational control of the interstate pipeline capacity necessary to satisfy that obligation.

23. Beginning the first month following the signing of the Stipulation, Columbia will report on the levels of customer participation<sup>7</sup> in its CHOICE program. Beginning April 1, 2013, Columbia will send monthly updates on the percentage of participation in the CHOICE program to Staff and other interested members of the stakeholder group. Columbia commits to continue distributing its SCO/CHOICE Program Reports to stakeholders on a monthly basis during the term of this Agreement. OCC reserves the right to challenge the CHOICE participation levels reported in the monthly SCO/CHOICE Program Reports.
24. Following Commission approval of the Amended Stipulation filed in this proceeding, Columbia, in consultation with its stakeholder group, will develop and conduct a customer survey to determine Non-Residential Customers' educational needs and general knowledge of Columbia's CHOICE program. Columbia and the stakeholder group will use the results of the Non-Residential customer survey to design an education program for all CHOICE-Eligible Non-Residential Customers regarding:
- Columbia's CHOICE program and available supply options as Columbia exits the merchant function (Phase 1), and
  - Columbia's exit of the merchant function as it affects remaining SCO customers who have not selected a supplier by the end of the SCO program period (Phase 2).
25. Phase 1 of the education program will be implemented by the first day of October after the Non-Residential Customer participation level in the CHOICE program meets or exceeds 70% of the CHOICE-Eligible Non-Residential Customers for three consecutive months, as described below. Phase 1 of the education plan will target all CHOICE-Eligible Non-Residential Customers about changes in the CHOICE program, specifically that Columbia will no longer provide SCO service to CHOICE-Eligible Non-Residential customers after the actual exit of the merchant function occurs. Education materials will be tailored to address educational needs

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<sup>7</sup>Customer participation in the CHOICE program is measured according to the percentage of CHOICE-Eligible accounts that are not served under the SCO because they have selected a CRNGS supplier or are participating in a governmental aggregation.

identified through the surveys and information about the Commission's Apples to Apples chart.<sup>8</sup>

26. Phase 2 of the education program will be implemented by the first day of January prior to Columbia's exit from the merchant function for Non-residential customers. Phase 2 will be targeted specifically at the remaining CHOICE-Eligible SCO Non-residential customers. Education materials will emphasize explaining the MVR process and include, among other things, an informational letter at the initial transfer to an MVR Supplier and periodic bill inserts thereafter showing the participating MVR Suppliers' monthly rates as posted on the Apples to Apples chart. The Phase 2 educational process shall continue for one year after the transfer of Non-Residential customers to MVR Suppliers.
27. Following Commission approval of the Amended Stipulation filed in this proceeding, Columbia, in consultation with its stakeholder group, will develop an educational program for Non-Residential CHOICE-Eligible Customers.
28. Beginning on or about April 1, 2013, and continuing on or about the first day of each month of the term of this Amended Stipulation until Columbia exits the merchant function with regard to Non-Residential Customers, Columbia will evaluate Non-Residential Customer participation in Columbia's CHOICE program for the preceding twelve months ("the evaluation period"). On August 1 each year, Columbia will calculate whether, during the evaluation period preceding the August 1 review, the Non-Residential Customer participation level in the CHOICE program met or exceeded 70% of the CHOICE-Eligible Non-Residential Customers for three consecutive months. If the consecutive three month 70% customer participation threshold has been met, then Columbia will exit the merchant function with regard to Non-Residential Customers effective the first April 1 that follows.
29. Following the exit for Non-Residential Customers, Columbia will gather information from those customers and the SCO Suppliers regarding the impacts on customers from that exit, for use in evaluating any subsequent

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<sup>8</sup> Parties agree that when developing education programs for residential customers, the materials will also be tailored to include references to OCC's *Comparing Your Natural Gas Choices* at OCC's website.

application by Columbia to exit the merchant function with regard to CHOICE-Eligible Residential Customers. Columbia will then share that information with its stakeholders. The gathering and use of this information does not limit any stakeholder or party to a case from providing, obtaining and using any other information. The Parties recommend that the Commission instruct its Staff to meet with Columbia and its stakeholders, following Commission approval of this Amended Stipulation, to discuss and determine the parameters of this study of the Non-Residential exit from the merchant function.

30. If the consecutive three-month 70% customer participation threshold for CHOICE-Eligible Non-Residential Customers has not been met by August 1 of any year during the term of this Amended Stipulation, then Columbia will continue its SCO auction for gas to be supplied to Non-Residential Customers during the subsequent program year (the following April 1 through March 31). Each August 1 during the term of this Amended Stipulation, Columbia shall calculate whether the threshold has been met for Non-Residential customer participation until such level is met.
31. Beginning on or about April 1, 2013, and continuing on or about the first day of each month of the term of this Amended Stipulation unless and until Columbia files an application to exit the merchant function with regard to Residential Customers, Columbia also will evaluate Residential Customer participation in Columbia's CHOICE program for the preceding three months. For the term of the Amended Stipulation, the Parties agree that only Columbia may make a filing at the Commission to seek an exit from the merchant function for Columbia's CHOICE-Eligible Residential Customers. Columbia will not file an application with the Commission to exit the merchant function for all CHOICE-Eligible Residential customers unless and until the customer participation level in the CHOICE program has met or exceeded 70% of the CHOICE-Eligible Residential Customers for three consecutive months. Additionally, Columbia will not file an application with the Commission to exit the merchant function for all CHOICE-Eligible Residential Customers until (1) at least one month after the third consecutive month of at least 70% customer participation by CHOICE-Eligible Residential Customers, and (2) at least twenty-two months after Columbia exits the merchant function with regard to Non-Residential Customers (where data are available for analysis from at least two full winter heating seasons of a non-residential exit during the time of

case preparation leading up to a Commission hearing on an application for a residential exit).

32. If Columbia files such an application, the Commission will hold a hearing and Columbia will bear the burden of proof to show the Commission, in the exercise of its discretion, that it should approve Columbia's application. Testimony by Columbia and the Ohio Gas Marketers Group supporting that exit-the-merchant-function application shall be filed following the filing of the application and before the filing of intervenor testimony. In the event Columbia files an application to exit the merchant function for Residential Customers, the Commission will hold at least six local public hearings throughout Columbia's service territory to provide customers the opportunity to testify on the proposed exit before the Commission makes a decision on the application. OCC reserves the right to oppose any application to exit the merchant function for Columbia's CHOICE-Eligible Residential Customers. Furthermore, OCC's signature on this Amended Stipulation cannot be used to make an argument that OCC supports a residential exit, or that OCC is precluded from challenging an application filed by Columbia seeking a residential exit. The parties recognize the Commission may evaluate and consider, among other things, the effects of Columbia's exiting the merchant function on Non-Residential Customers as part of the Commission's evaluation and consideration of Columbia's application to exit the merchant function for Residential Customers. If the Commission approves the application, Columbia will exit the merchant function with regard to Residential Customers effective the first April 1 that is at least five months after the issuance of the order approving the application.
33. If the consecutive three-month 70% customer participation threshold for CHOICE-Eligible Residential Customers has not been met, or the Commission has not issued an order approving an application by Columbia to exit the merchant function with regard to CHOICE-Eligible Residential Customers, by November 1 of any year during the term of this Amended Stipulation, then Columbia will continue its SCO auction for gas to be supplied to Residential Customers during the subsequent program year (the following April 1 through March 31).
34. If any consecutive three month 70% participation threshold has not been met as of June 1, 2016, Columbia will invite its stakeholders to meet to dis-



cuss prospective gas supply options for CHOICE-Eligible customers to be effective April 1, 2018.

35. The parties agree that if Columbia exits the merchant function, those customers assigned to Suppliers shall not be subject to any termination fees from MVR Suppliers should such customers decide to affirmatively enroll as a CHOICE customer. The parties further agree that the Customers who are not CHOICE-Eligible and are not being served under Transportation Service will continue under the Default Sales Service and be allocated to the SCO until Columbia fully exits the merchant function, at which time Customers who are not CHOICE-Eligible and are not being served under Transportation Service will be aggregated and the supply for such customers will be bid out to Suppliers through a Request for Proposal process.
36. Columbia shall continue its full residential and non-residential CHOICE Program Shadow Bill during the term of this Amended Stipulation and shall make such shadow-billing information available to OCC upon request. If Columbia exits the merchant function with regard to Non-Residential Customers, Columbia's CHOICE Program Shadow Bill for Non-Residential Customers after that exit shall compare the Non-Residential CHOICE customers' monthly billed gas costs to the residential monthly SCO auction price. Columbia will not be obligated to continue its CHOICE Program Shadow Bill for any customer class, including the residential class, if and when Columbia exits the merchant function for the residential class. This Amended Stipulation does not require Columbia to discontinue its CHOICE Program Shadow Bill after the term of this Amended Stipulation. OCC and others have the right to seek an order from the Commission requiring Columbia to continue its CHOICE Program Shadow Bill after the term of this Amended Stipulation or after Columbia exits the merchant function for Residential Customers, if such an exit occurs during the term of this Agreement. Any Party may object to such a request by the OCC.

#### *Monthly Variable Rate (MVR) Program*

37. If Columbia exits the merchant function, CHOICE-Eligible customers who have not selected a CHOICE Supplier and are not served through a Government Aggregation Program shall receive commodity service through Columbia's Monthly Variable Rate ("MVR") program. Such customers

- shall remain on Columbia's Customer List. The parties agree that the MVR program will apply to Non-Residential CHOICE-Eligible customers upon exit. The parties further agree that an MVR program will not be implemented for any customer class unless and until Columbia exits the merchant function for that class.
38. Suppliers that are active in Columbia's CHOICE program ("CHOICE Suppliers") may elect each February 1 to be MVR Suppliers for the upcoming program year (April through the following March). MVR Suppliers may elect each February to end their participation or continue in the MVR program for the following program year.
  39. Non-residential customers establishing service with Columbia for the first time (including both the initial installation of a new meter at a premise as well as an account transfer or switch from one customer to another) and customers relocating within Columbia's service territory will be served under the Default Sales Service ("DSS") for two billing cycles. Subsequently, CHOICE-Eligible Non-Residential Customers who have not selected a CHOICE supplier and are not served through a Governmental Aggregation Program will be assigned to an MVR Supplier. Prior to Columbia's exit of the merchant function, a method for assigning supply default Choice-Eligible Customers should be determined. The Parties acknowledge and agree that such method should be part of this proceeding and include both the initial allocation upon Columbia's exits as well as an allocation methodology for future supply default CHOICE-Eligible Customers. The Parties agree that the allocation methodology can be addressed by the undersigned in the testimony phase of this proceeding; however, this provision does not preclude any of the Parties from making proposals in the future with regards to the allocation methodology for Residential Customers.
  40. MVR Suppliers shall provide their MVR prices to Columbia each month for the applicable billing month. The MVR price provided to Columbia shall be no greater than the Supplier's MVR price posted on the Commission's Apples to Apples chart for the same billing period. MVR Suppliers agree to have their MVR prices posted on the Commission's Apples to Apples chart each month. MVR suppliers will provide OCC with a copy of the MVR prices that are provided to the Commission.

41. Non-residential customers may migrate from the MVR program by enrolling with a CHOICE Supplier or participating in a Government Aggregation program in accordance with the enrollment submission process, without incurring a cancellation fee.
42. An MVR Supplier that exits Columbia's CHOICE program must also exit the MVR program. If Columbia terminates the MVR Supplier from participation in Columbia's CHOICE program, Columbia will also terminate the supplier from participation in the MVR program. Columbia also may terminate MVR Suppliers that are in default of their obligations under the MVR Program from participation in the MVR program. If Columbia terminates an MVR Supplier from participation in the MVR Program, Columbia may also terminate the Supplier from participation in Columbia's CHOICE Program. If Columbia terminates an MVR Supplier from participation in the MVR program, that Supplier's customers will be reassigned to the remaining MVR Suppliers on a random, rotating basis.

*Enhancements to Billing for Competitive Retail Natural Gas Suppliers*

43. Columbia will implement changes to its current billing system for the benefit of Suppliers. Columbia will use its best effort to implement the following changes by April 1, 2013:
  - Permit Suppliers the option to bill a fixed bill for the Suppliers' charges. Suppliers may submit a rate ready<sup>9</sup> code to Columbia so that Columbia may bill a flat fee to their CHOICE customers covering the Suppliers' gas costs for the month;
  - Increase rate ready billing codes to 100 per Supplier;
  - Permit Suppliers to bill a rate based upon monthly NYMEX prices, plus or minus a value;
  - Offer Suppliers larger logo size and placement on bill. For those Suppliers that elect this service, Columbia will enlarge and reposition the Supplier's logo to the top margin of the front page of the bill when Columbia is providing a consolidated bill to CHOICE customers. Columbia shall charge a competitively neutral fee to

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<sup>9</sup> Rate ready refers to the billing method under which the Supplier provides rates to Columbia. Columbia then calculates charges for the Supplier and creates a consolidated billing statement sent to customers.

Suppliers that use this service. The net revenues for this service shall be credited to the CSRR;

- Permit rolling rate change submission. Suppliers shall be able to submit a rate change transaction for an existing CHOICE Customer each processing day; an accepted rate change will be effective with the CHOICE customer's next billing cycle; and,
- Permit contract portability. For those Suppliers who elect this service, Columbia will offer their CHOICE customers who transfer natural gas service within Columbia's service territory the ability to transfer their existing CHOICE contract to their new service address. This service will not be available to Government Aggregation customers.

44. Columbia will use its best effort to implement the following changes by April 1, 2017:

- Offer rate ready billing and/or bill ready<sup>10</sup> billing by individual customer. Suppliers will have the option to bill commodity-related charges to CHOICE customers via rate ready, bill ready, or a combination of the two under Columbia's consolidated billing option;
- Permit Suppliers to offer customers the opportunity to prepay the commodity portion of the bill. A credit amount will be provided by the Supplier and applied to the customer's bill; the credit will be used to offset Supplier charges. The pre-paid amount will be reported monthly to the Supplier and offset with Supplier payments. The actual account balance and supplier monthly charges shall appear on the bill;
- Allow a new customer to start CHOICE immediately. Suppliers may elect annually to participate in this service. This optional service will allow customers to enroll in the CHOICE Program at the time they request service with Columbia. Such customers must inform Columbia when they want to establish service with their desired CHOICE Supplier. The initial rate for CHOICE customers under this service will be the same as the monthly SCO rate. If the SCO no longer exists because Columbia has exited the merchant

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<sup>10</sup> Bill ready refers to the billing method under which the Supplier provides charges to Columbia that are ready to be placed on the bill. Columbia then creates a consolidated billing statement sent to customers.

function, the introductory rates will be established by each participating Supplier; and,

- Rolling Enrollment. Columbia will process CHOICE enrollment and drop transactions each processing day. As of the fifteenth day of each month, or the prior business day if the fifteenth falls on a non-business day, Columbia will take a snap-shot of CHOICE enrollment to develop the Demand and Supply Curves and the Capacity Allocation.

45. A tentative timeline and an estimate of the costs for these billing enhancements is attached as Amended Stipulation Attachment 1.
46. To the extent that any of the billing enhancements listed above conflict with the requirements of Columbia's tariff or Commission regulations, Columbia will file an application with the Commission requesting a waiver of those conflicting requirements. OCC reserves all its rights to advocate positions regarding the content and timing of communications with customers.
47. The Parties agree that Columbia may continue to collect from customers through the CSRR the costs of implementing the CHOICE education program, the pre-exit-the-merchant-function education programs, and the billing system changes described above. The above program costs shall be subject to review during the Commission's annual audit of the CSRR, to determine whether or not such costs are appropriate for collection from customers, and this Amended Stipulation does not limit OCC's rights to participate in cases involving such reviews. Also, OCC reserves its rights in CSRR proceedings to challenge the reasonableness and prudence of Columbia's costs for the billing system enhancements outlined above. If the audit is conducted by an independent auditor, the costs of such audit shall be collected from customers through the CSRR.
48. Except as specified below, if Columbia exits the merchant function with regard to any class of customers, the Parties agree that Columbia may collect from customers through the CSRR the Incremental Program Costs relating to that exit. "Incremental Program Costs" means any expense that is incurred by Columbia resulting from the implementation of the exits from the merchant function and that is found by the Commission to be prudent, reasonable and necessary. These include, but are not limited to, the post-exit-the-merchant-function educational programs; and, information tech-

nology expenses incurred in development of revisions to current programs and development of new programs necessary for an exit from the merchant function for CHOICE-Eligible Residential Customers.

49. However, if the Commission denies an application filed by Columbia to exit the merchant function with regard to CHOICE-Eligible Residential Customers, any information technology expenses previously incurred in preparation for that exit shall instead be directly billed to all CHOICE and MVR Suppliers, and allocated based on throughput. Columbia will bill all information technology costs referenced in this paragraph directly to CHOICE and MVR Suppliers on a quarterly basis.

#### **NON-SEVERABILITY OF STIPULATION PROVISIONS**

50. The settlement agreement embodied in this Amended Stipulation was reached only after extensive negotiations between and among the Parties and reflects a bargained compromise involving a balancing of competing interests. Although the Amended Stipulation does not necessarily reflect the position any of the Parties would have taken if all of the issues addressed herein had been fully litigated, the Parties believe that, as a package, the Amended Stipulation strikes a reasonable balance among the various interests represented by the Parties, does not violate any important regulatory principle, and is in the public interest. This Amended Stipulation shall not be relied upon or used as precedent for or against any Party or the Commission itself in any subsequent proceeding, except as may be necessary to enforce the terms of the Amended Stipulation.
51. Because the Amended Stipulation is an integrated settlement, it is expressly conditioned upon the Commission adopting same in its entirety without material modification. Rejection of all or any part of the Amended Stipulation by the Commission shall be deemed to be a material modification for purposes of this provision. If the Commission materially modifies all or any part of this Amended Stipulation, and such modifications are not acceptable to all the Parties, the Parties agree to convene immediately to work in good faith to attempt to formulate an alternative proposal that satisfies the intent of the Amended Stipulation, or represents a reasonable equivalent thereto, to be submitted to the Commission for its considera-

tion through a joint application for rehearing filed by all the Parties.<sup>11</sup> If the Parties do not reach unanimous agreement with respect to such an alternative proposal, no alternative proposal shall be submitted. In that circumstance (the lack of unanimous agreement on an alternative proposal) any Party may, within thirty (30) days of the Commission's order, file an application for rehearing supporting the adoption of the Amended Stipulation as filed or may, within thirty (30) days of the Commission's Order, file a notice with the Commission terminating the Amended Stipulation and withdrawing from it with service to all Parties. No Party shall oppose an application for rehearing or termination notice filed by any other Party pursuant to this provision. Upon the Commission's issuance of an entry on rehearing or any other ruling that does not adopt this Amended Stipulation in its entirety without material modification, or the alternative proposal, if one is submitted, a Party may terminate the Amended Stipulation and withdraw from it by filing a notice with the Commission within thirty (30) days of such Commission's entry on rehearing or other ruling. No Party shall oppose the termination of the Amended Stipulation by any other party.

52. Upon notice of termination and withdrawal by any Party in accordance with the above procedure, this Amended Stipulation shall immediately and automatically become null and void.
53. The Parties have agreed to the above-described process to be followed in the event the Commission materially modifies the terms of this Amended Stipulation in recognition of the unique circumstances involved. A Party's agreement to this process for purposes of this Amended Stipulation shall not be interpreted as binding such Party to support a similar process in any future proceeding, and the Commission's approval of this Amended Stipulation shall not be interpreted or otherwise relied upon as authority for utilizing this process as a template for stipulations in future proceedings.

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<sup>11</sup> The Commission Staff is not considered a signatory Party for the purposes of requirements regarding rehearing applications.

## RECOMMENDATION

54. The Parties agree that the foregoing Amended Stipulation and Recommendation is in the best interests of all parties, and urge the Commission to adopt the Stipulation.

AGREED THIS 27TH DAY OF NOVEMBER, 2012.

/s/ Stephen B. Seiple

Stephen B. Seiple

On behalf of Columbia Gas of Ohio,  
Inc.

/s/ Stephen Reilly

(per email authorization 11/26/12)

Stephen Reilly

Assistant Attorney General,  
Public Utilities Section

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

/s/ M. Howard Petricoff

(per email authorization 11/27/12)

M. Howard Petricoff

On behalf of the Ohio Gas Marketers  
Group

/s/ M. Howard Petricoff

(per email authorization 11/27/12)

M. Howard Petricoff

On behalf of the Retail Energy Supply  
Association

/s/ Barth E. Royer

(per telephone authorization 11/27/12)

Barth E. Royer

On behalf of Dominion Retail, Inc.

/s/ Larry S. Sauer

(per telephone authorization 11/27/12)

Larry S. Sauer

On behalf of the Office of the Ohio  
Consumers' Counsel



Ref#	Product Name	Product Description	Implementation Timeline	Range of Estimated (Hrs)	Range of Estimated Costs
1	Fixed Billing for CRNGS	Suppliers may submit to Columbia a rate ready code with a flat fee that will be billed to their CHOICE customers covering the Suppliers' gas cost for the month.	Apr-13	610-800	\$53,680 - \$70,400
2	Increase Rate Ready Billing Codes	Suppliers may have up to 100 rate ready billing codes.	Apr-13	0	-
3	NYMEX Prices, Plus or Minus a Value Billing for CNRGS	Suppliers may submit to Columbia a rate ready code with a NYMEX indicator plus or minus a value, the sum of the values will be billed to their CHOICE customers covering the Suppliers' gas cost for the month.	Apr-13	320 - 420	\$28,160 - \$36,960
4	Larger logo size and placement on bill	Columbia will offer Suppliers larger logo size and placement on bill.	Apr-13	200 - 260	\$17,600 - \$22,880
5	Rolling Rate Change Submission	Suppliers shall be able to submit a rate change transaction for an existing CHOICE Customer each processing day; an accepted rate change will be effective with the CHOICE customer's next billing cycle.	Apr-13	100 - 130	\$8,800 - \$11,440
6	Contract Portability	Suppliers who elect this service, Columbia will offer their Choice customers who transfer natural gas service within Columbia's service territory the ability to transfer their existing CHOICE contract to their new service address. This service will not be available to Government Aggregation customers.	Apr-13	1,100 - 1,430	\$96,800 - 125,840
7	Rate Ready and/or Bill Ready billing by individual customer	Supplier will have the option to bill commodity-related charges to CHOICE customers via rate ready, bill ready, or a combination of the two under Columbia's consolidated billing option.	2014-2017	6,380 - 8,310	\$561,440 - \$731,280
8	Prepay commodity billing	A credit amount will be provided by the Supplier and applied to the customer's bill. The credit will be used to offset Supplier charges. The pre-paid amount will be reported monthly to the Supplier and offset with Supplier payments.	2014-2017	1,080 - 1,400	\$95,040 - \$123,200
9	New customer to start CHOICE immediately	Suppliers may elect annually to participate in this service. This optional service will allow customers to enroll in the CHOICE Program at the time they request service with Columbia.	2014-2017	350 - 450	\$30,800 - \$39,600
10	Rolling Enrollment	Columbia will process enrollment and drop transactions each processing day. As of the fifteenth day of each month, or the prior business day if the fifteenth falls on a non-business day, Columbia will take a snap-shot of CHOICE enrollment to develop the Demand and Supply Curves and Capacity Allocation.	2014-2017	4,860 - 6,400	\$427,680 - \$563,200
<b>Totals</b>				15,000 - 19,600	\$1,320,000 - \$1,724,800