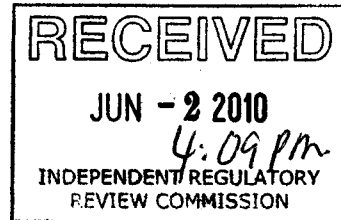


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NiSource



June 2, 2010

VIA OVERNIGHT MAIL

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17105-3265

RE: Proposed Rulemaking Relating to Universal Service and Energy Conservation Reporting Requirements, 52 Pa. Code §§ 54.71-54.78 (electric); §§ 62.1-62.8 (natural gas) and Customer Assistance Programs, §§ 76.1-76.6

Dear Ms. Chiavetta:

Enclosed for filing please find the Comments of Columbia Gas of Pennsylvania, Inc. in the above-referenced rulemaking.

I have enclosed an original and 15 copies of Columbia's Comments plus an additional copy. Please file stamp the additional copy and return it to me in the enclosed self-addressed, stamped envelope. As indicated on the certificate of service, copies have been served on the parties in the manner indicated.

If you have any questions, please call me at 724.416.6347 or e-mail me at kscuccia@nisource.com. I thank you for your assistance.

Very truly yours,

Kimberly S. Cuccia

enclosure

cc: Stephanie Wimer (via e-mail)
Grace McGovern (via e-mail)
IRRC (via e-mail)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Re: Proposed Rulemaking Relating to :
Universal Service and Energy Conservation :
Reporting Requirements, 52 Pa. Code §§ : **Docket No. L-00070186**
54.71-54.78 (electric); §§ 62.1-62.8 (natural :
gas) and Customer Assistance Programs, :
§§ 76.1-76.6 :

COMMENTS OF COLUMBIA GAS OF PENNSYLVANIA, INC.

A. INTRODUCTION

Columbia Gas of Pennsylvania, Inc. ("Columbia"), by and through its attorneys, submits its comments in response to the Commission's invitation for additional comments and suggestions regarding the Proposed Rulemaking Order and Annex A attached thereto, entered on September 4, 2007, and published in the *Pennsylvania Bulletin* on February 9, 2008 ("Proposed Rulemaking Order"). Columbia appreciates this opportunity to make additional comments on the six specific topics enumerated in the Notice published in the April 2, 2010 *Pennsylvania Bulletin* on the Commission's proposed revisions to its regulations for Universal Service and Energy Conservation Reporting Requirements, at 52 Pa. Code §§ 54.74-54.78 (electric distribution companies) and §§ 62.1-62.8 (natural gas distribution companies), as well as its proposed new regulations relating to Customer Assistance Programs, at 52 Pa. Code §§ 76.1-76.6.

Columbia incorporates its original Comments as filed on April 18, 2008, and those of the Energy Association of Pennsylvania ("EAPA"), which has also filed detailed comments on the Commission's request for additional comments and suggestions as published in the April 2, 2010 *Pennsylvania Bulletin*. Columbia supports the EAPA's comments, incorporates the EAPA's

comments specifically regarding topics 1, 2, 3, and 5 in their entirety, and commends them to the Commission's attention. Columbia further submits additional comments to specific topics 4 and 6 raised by the Commission, in addition to incorporating the EAPA's comments on those topics, and as further discussed by Columbia below.

B. COMMENTS—PROPOSED RULEMAKING ORDER

Columbia applauds the Commission's interest in establishing a unified process by which the level of funding for distribution company service programs could be determined in conjunction with the Commission's triennial review of the Company's Universal Service and Energy Conservation Plan ("Plan"), and offers the following additional comments.

4) Proposed rules in 52 Pa. Code §§ 54.74 and 62.4 (relating to review of universal service and energy conservation plans, funding and cost recovery), which create a triennial review process that takes the form of a tariff filing and addresses CAP program funding.

Columbia is in agreement with the concept that there should be coordination of the Universal Service and Energy Conservation Plan ("Plan") and the recovery of the program costs so that incremental costs associated with modifications to the programs are fully recovered pursuant to the requirement of Pennsylvania's 1999 Natural Gas Choice and Competition Act. Columbia seeks clarification from the Commission on what the Commission intends the utilities to file in their proposed tariff filings. Based on the language proposed in § 62.4(a)(3) and § 62.4(b)(1), it would appear that the Commission intends the entire filing, both the Plan and the funding mechanism, to become a part of the tariff upon final approval. Columbia's recommends that utilities be required to file the rate-related items in the Plan as a tariff filing only—not the Plan itself. For example, Columbia files the rate related items to its Plan through Columbia's Rider USP, which is part of its tariff. It is Columbia's belief that the rate related items are the only items proper for the tariff filing. If, however, the Commission decides that it will require

the utilities to file both their Plan and funding mechanism as part of the tariff filing, Columbia urges the Commission to modify the proposed regulations to limit the tariff filing as approved to include the funding mechanism only, and not the Plan.

6) The Commission's USP approval process, specifically, whether the Commission should issue tentative orders to provide an opportunity for comments and reply comments before approving a distribution company's USP, and whether the companies' USPs should be served on the statutory advocates.

Columbia appreciates that the Commission is attempting to form structure around the process in an effort to expedite Plan approval. Columbia urges the Commission to determine that a final order is more preferable than a tentative order, but if the Commission determines that a tentative order is more appropriate, Columbia will support that decision. In addition, Columbia fails to see the need for obligating utilities to serve comments on the statutory advocates. As noted in Columbia's previously filed comments, Columbia recommends that the regulations specify a period of time for the Commission to review and approve the proposed Plan. Columbia also suggests that the regulations provide that the Commission will act on the proposed Plan within 180 days of the distribution company's filing of its revised tariff. The approved Plan should then become effective, for the next three years, starting on the date the Commission entered its final order. This will directly benefit the distribution companies and the customers by having the approved Plan in effect for three years before submitting new Plans for review.

C. CONCLUSION

For the reasons discussed above, Columbia Gas of Pennsylvania, Inc. respectfully requests that the Commission revisit and reconsider some of the changes that it has proposed to its regulations on universal service and energy conservation programs, as well as its proposed new regulations on Customer Assistance Programs. Again, in addition to the specific matters discussed herein, Columbia commends to the attention of the Commission the Energy

Association of Pennsylvania's comments filed in this matter. The changes described above and in greater detail in the Energy Association of Pennsylvania's comments are necessary for the delicate balancing of interests the Commission seeks to achieve.

Respectfully submitted,

COLUMBIA GAS OF PENNSYLVANIA, INC.

By: 

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Its Attorneys

Dated: June 2, 2010

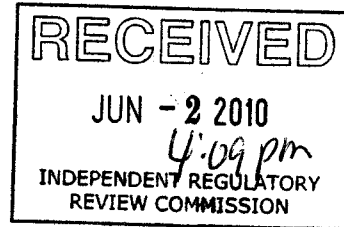
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From: kscuccia@nisource.com
Sent: Wednesday, June 02, 2010 4:01 PM
To: stwimer@state.pa.us; gmcgovern@state.pa.us
Cc: IRRRC; tjgallagher@nisource.com
Subject: Columbia Comments Re: L-00070186; Regulation ID # 57-257 (#2674)
Attachments: Columbia Gas of PA Rulemaking Comments_6.2.2010.pdf

Attached please find Columbia Gas of Pennsylvania's Comments filed in the above referenced docket.

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