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|  | **PENNSYLVANIA**  **PUBLIC UTILITY COMMISSION**  **HARRISBURG, PA 17120** |  |
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|  | Public Meeting held September 21, 2017 |
| Commissioners Present: |  |

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| |  | | --- | | Gladys M. Brown, Chairman | | Andrew G. Place, Vice Chairman | | David W. Sweet  John F. Coleman, Jr. | |
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| Columbia Gas of Pennsylvania, Inc. Supplement No. 262 to Tariff Gas Pa. P.U.C. No. 9 | Docket Number:  R-2017-2616428 |

# ORDER

**BY THE COMMISSION:**

On July 28, 2017, Columbia Gas of Pennsylvania, Inc. (Columbia), Utility Code 120700, filed Supplement No. 262 to Tariff Gas Pa. P.U.C. No. 9 (Supplement No. 262), to become effective September 26, 2017.

Columbia proposed to add a new sub-section to Section 2.7 Distribution Nomination, concerning the Rules Applicable to Distribution Service. Columbia stated that the proposed addition (Sub-Section 2.7.2) would limit nominations[[1]](#footnote-1) to designated pipeline scheduling points under certain qualifying circumstances, and allow shippers, at their option, to deliver additional volumes above the nomination limitation[[2]](#footnote-2) to an alternate delivery point.

Columbia stated that it proposed the addition of Sub-Section 2.7.2 to the tariff for two reasons. First, there may be times when Columbia would need to require both customer proxies[[3]](#footnote-3) and suppliers to deliver quantities from alternate and/or multiple transmission pipeline delivery points due to changing operational conditions. Second, Columbia may need to designate an alternative delivery point on an upstream pipeline where customer proxies may continue to deliver supplies to Columbia in the event there is a pipeline restriction or operational order on the upstream pipeline that restricts delivery to the company at one or more delivery points.

The proposed tariff states that Columbia will limit the nomination restrictions to those instances when the upstream pipeline communicates that an order or restriction may be imposed or issues and order or restriction.

Columbia stated that it initially proposed the addition of Sub-Section 2.7.2 in its 2016 Base Rate Case (2016 Rate Case) filing at Docket No. R-2016-2529660. Columbia submitted that in the 2016 Rate Case proceeding, certain parties expressed concerns that the proposed language of Sub-Section 2.7.2 was too broad and did not specify the conditions under which the company would alter the delivery requirements. To address these concerns, Columbia agreed in the Joint Petition for Settlement (Settlement) to withdraw Sub-Section 2.7.2 from the 2016 Rate Case, and to discuss Sub-Section 2.7.2 as part of a collaborative with parties to the Settlement and all interested suppliers on Columba’s system.

Consistent with the terms of the Settlement, Columbia convened a collaborative with the parties to the Settlement and all interested suppliers on the system and discussed new approaches to deal with ongoing pipeline delivery constraints. Columbia submitted that Supplement No. 262 represents consensus language reached during the collaborative.

Columbia stated that Supplement No. 262 will positively impact Columbia’s distribution system customers by providing additional flexibility to manage compliance with upstream pipeline advisories, orders and/or restrictions, and facilitates system reliability. Columbia further stated that Supplement No. 262 would also positively impact NGSs by providing opportunities to deliver additional volumes to alternate delivery points.

Columbia serves approximately 426,000 customers. Columbia stated that Supplement No. 262 will have no impact on customer bills and will not directly affect Columbia’s revenue.

Columbia served Supplement No. 262 on the Commission’s Bureau of Investigation and Enforcement, the Office of Small Business Advocate, and the Office of Consumer Advocate and the active parties in the 2016 Rate Case. Columbia also provided Supplement No. 262 via email to all active collaborative participants. No complaints have been filed and no hearings held.

We agree that, Supplement No. 262 will positively impact Columbia’s distribution service customers and NGSs and will contribute to system reliability. Upon review of Supplement No. 262, we find that the proposed modifications contained therein do not appear to be unlawful, unjust, unreasonable, or contrary to the public interest.

Accordingly, we grant Supplement No. 262 to become effective on September 26, 2017. However, approval of this filing does not constitute a determination that this filing is lawful, just, or reasonable, but only that further investigation or suspension does not appear to be warranted at this time; **THEREFORE,**

**IT IS ORDERED:**

1. That Columbia Gas of Pennsylvania, Inc. Supplement No. 262 to Tariff Gas Pa. P.U.C. No. 9 is hereby permitted to become effective on September 26, 2017.

2. That this Order is without prejudice to any issues that may be raised by any party with respect to the tariff changes implemented by Supplement No. 262 to Tariff Gas Pa. P.U.C. No. 9 in future proceedings.

3. That a copy of this Order be served on the Office of Consumer Advocate, the Office of Small Business Advocate, the Bureau of Investigation and Enforcement and all active parties in the 2016 Rate Case at Docket No. R-2016-2529660.

4. That the proceeding at Docket No. R-2017-2616428 be closed.

 **BY THE COMMISSION,**

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: September 21, 2017

ORDER ENTERED: September 21, 2017

1. A “nomination” represents the notification by a customer or their supplier of the amount of gas that customer/supplier intends to deliver to Columbia on any given day. [↑](#footnote-ref-1)
2. A “nomination limitation” represents a maximum or minimum amount of gas that a customer or their supplier can nominate for delivery to Columbia. [↑](#footnote-ref-2)
3. A “proxy” represents the party that is submitting a nomination to Columbia for a customer. [↑](#footnote-ref-3)