

Adam J. Lanier
Director
Rates & Regulatory Affairs

Southpointe Industrial Park
121 Champion Way, Ste. 100
Canonsburg, PA 15317
724.416.6390
Cell: 724.255.8302
Fax: 724.416.6383
ajlanier@nisource.com

December 24, 2015

VIA E-FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120-3265

**Re: Supplement No. 240 to Columbia Gas of Pennsylvania, Inc. to
Tariff Gas Pa. P.U.C. No. 9 – Quarterly Rider USP Filing**

Secretary Chiavetta:

Enclosed for filing on behalf of Columbia Gas of Pennsylvania, Inc. ("Columbia") is Supplement No. 240 to Tariff Gas Pa. P.U.C. No. 9 ("Supplement No. 240"). Supplement No. 240 issued December 24, 2015, to be effective January 1, 2016, is filed in compliance with the Order of the Pennsylvania Public Utility Commission effective October 1, 2010 at Docket No. R-2009-2149262. Supplement No. 240 increases Columbia's Rider USP rate to \$0.06800 per therm from the current rate of \$0.06621 per therm.

Also attached, please find the supporting calculations for the Rider USP, which reflect updated gas costs, program costs, and enrollment information.

Copies of the enclosed filing have been served on the parties designated on this letter.

Please direct any inquiry with regard to this filing to me at (724.416.6390) or to Columbia's Counsel, Theodore J. Gallagher (724.416.6355) both at the address written above, or to Columbia's outside counsel, Michael W. Hassell, Post & Schell P.C., 17 North Second Street, 12th Floor, Harrisburg, Pennsylvania 17101, (717.612.6029).

Sincerely,



Adam J. Lanier

Enclosure

c: Theodore J. Gallagher, Esquire
Andrew S. Tubbs, Esquire
Michael W. Hassell, Esquire
Bureau of Investigation and Enforcement
Office of Consumer Advocate
Office of Small Business Advocate

COLUMBIA GAS OF PENNSYLVANIA, INC.

121 Champion Way, Suite 100

Canonsburg, Pennsylvania

RATES AND RULES

FOR

FURNISHING GAS SERVICE

IN

THE TERRITORY AS DESCRIBED HEREIN

ISSUED: December 24, 2015

EFFECTIVE: January 1, 2016

ISSUED BY: MARK KEMPIC, PRESIDENT
121 CHAMPION WAY, SUITE 100
CANONSBURG, PENNSYLVANIA 15317

NOTICE

This Tariff Supplement Makes a Change to the Existing Tariff - See List of Changes Made by This Tariff Supplement on Page Nos. 2 through 2a

LIST OF CHANGES MADE BY THIS TARIFF SUPPLEMENT

Page	Page Description	Revision Description
Cover	Tariff Cover Page	Supplement No., Issue and Effective Date.
2	List of Changes	List of Changes.
2a	List of Changes	Held for Future Use.
16	Rate Summary	The "Pass-through Charge" has increased. The "Total Effective Rate" has increased.
21	Rider Summary	The "Universal Service Plan – Rider USP" has increased.
21b	Pass-through Charge Summary	The "Universal Service Plan – Rider USP" has increased. The "Total Pass-through Charge" has increased for rate schedules RSS and RDS.

**PAGE 2a INTENTIONALLY LEFT BLANK
FOR FUTURE USE**

Columbia Gas of Pennsylvania, Inc.

Rate Summary

Rate per thm

Residential Rate Schedules	Distribution Charge	Gas Supply Charge 1/	Gas Cost Adjustment	Pass-Through Charge 2/	State Tax Adjustment Surcharge 3/	Total Effective Rate
<u>Rate RSS - Residential Sales Service</u>						
Customer Charge	\$ 16.75	-	-	-	0.00	16.75
Usage Charge	\$ 0.47806	0.28470	(0.06811)	0.17261	0.00000	0.86726
Customer Transferring from Rate Schedule RDS - Usage Charge	\$ 0.47806	0.28470	-	4/ 0.17261	0.00000	0.93537
<u>Rate RDS - Residential Distribution Service</u>						
Customer Charge	\$ 16.75	-	-		0.00	16.75
Usage Charge:						
Customers Electing CHOICE - 1st Year	\$ 0.47806	-	(0.06811) 5/	0.14168	0.00000	0.55163
Customers Electing CHOICE - 2nd Year	\$ 0.47806	-	-	0.14168	0.00000	0.61974

1/ Please see Page No. 21a for rate components.

2/ Please see Page No. 21b for rate components.

3/ The STAS percentage is reflected on Page No. 20 and is applied to the Customer Charge and the Distribution Charge.

4/ If a customer transfers to RSS from RDS, the Gas Cost Adjustment shall not be billed for up to twelve billing cycles.

5/ If a customer transfers to RDS from RSS, the Gas Cost Adjustment shall be billed for up to twelve billing cycles.

Issued: December 24, 2015

Mark Kempic - President

Effective: January 1, 2016

Columbia Gas of Pennsylvania, Inc.

Rider Summary

Riders	Rate	Applicable Rate Schedules
Customer Choice - Rider CC	\$ 0.00010 /thm	RSS/RDS/SGSS/SGDS/SCD/DGDS
Universal Service Plan - Rider USP	\$ 0.06800 /thm	RSS/RDS
Distribution System Improvement Charge - Rider DSIC	0.00000%	This percentage is applied to a portion of the Distribution Charge and the Customer Charge. See Pages 177-180 for Rider DSIC details.
Elective Balancing Service - Rider EBS:		
Option 1 - Small Customer	\$ 0.01626 /thm	SGDS/SDS
Option 1 - Large Customer	\$ 0.00656 /thm	LDS/MLDS
Option 2 - Small Customer	\$ 0.00697 /thm	SGDS/SDS
Option 2 - Large Customer	\$ 0.00226 /thm	LDS/MLDS
Gas Procurement Charge - Rider GPC	\$ 0.00695 /thm	RSS/SGSS/LGSS/MLSS
Merchant Function Charge - Rider MFC	\$ 0.00421 /thm	RSS
Merchant Function Charge - Rider MFC	\$ 0.00122 /thm	SGSS
Purchased Gas Cost - Rider PGC	Pg. 21a & 21b	Rate Schedules specified on Page 21a & 21b

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Pass-through Charge Summary Rate per thm							
Rate Schedule	PGDC	PGDC "E" Factor	Capacity Assignment Factor	Pipeline Refund	Rider CC	Rider USP	Total Pass-through Charge
Rate CAP - Customer Assistance Plan	\$ 0.11873	(0.01422)	(0.03093)	-	-	-	0.07358
Rate RSS - Residential Sales Service	\$ 0.11873	(0.01422)	-	-	0.00010	0.06800	0.17261
Rate SGSS - Small General Sales Service	\$ 0.11873	(0.01422)	-	-	0.00010	-	0.10461
Rate LGSS - Large General Sales Service	\$ 0.11873	(0.01422)	-	-	-	-	0.10451
Rate MLSS Main Line Sales Service	\$ 0.11873	(0.01422)	-	-	-	-	0.10451
Rate RDS - Residential Distribution Service	\$ 0.11873	(0.01422)	(0.03093)	-	0.00010	0.06800	0.14168
Rate SCD - Small Commercial Distribution (Choice)	\$ 0.11873	(0.01422)	(0.03093)	-	0.00010	-	0.07368
Rate SGDS - Small General Distribution Service							
Priority One (P1)	\$ 0.11873	(0.01422)	-	-	0.00010	-	0.10461
Non-Priority One (NP1)	-	-	-	-	0.00010	-	0.00010
Rate SDS - Small Distribution Service	\$ -	-	-	-	-	-	-
Rate LDS - Large Distribution Service	\$ -	-	-	-	-	-	-
Rate MLDS - Main Line Distribution Service	\$ -	-	-	-	-	-	-

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Columbia Gas of Pennsylvania, Inc.

Derivation of Rider USP Surcharge Rate

Effective January 1, 2016

Line No.	Description	Amount
1	<u>Current CAP customers</u>	
2	Enrolled Customers	21,419
3	Consumption - Thm	1,234
4	Revenues Billed	26,601,810
5	Customer Payments	<u>(13,882,080)</u>
6	Discounts for Current Customers	<u><u>12,719,730</u></u>
7	<u>Projected CAP customers</u>	
8	Estimated Enrollment	500
9	Consumption - Thm	1,234
10	Revenues Billed	620,991
11	Customer Payments	<u>(324,060)</u>
12	Discount for Additional Enrollment	<u><u>296,931</u></u>
13	<u>RATE DERIVATION:</u>	
14	CAP Total Customer Discounts	13,016,661
15	CAP Pre-Program Arrearages	1,083,716
16	CAP Application Fees	240,000
17	CAP Administrative Costs	282,132
18	Low Income Usage Reduction Program (LIURP)	4,750,000
19	Energy Efficiency Program (EE)	500,000
20	Fuel Fund	375,000
21	Emergency Repair Fund	600,000
22	2014 Rider USP Undercollection	^{1/} 446,181
23	Interest on 2014 Undercollection	^{1/} 59,587
24	Reconciliation of prior year Over/Undercollection	^{1/} 231,070
25	Total Discount to be Recovered	<u><u>21,584,347</u></u>
26	Rate Determinants Thm	^{2/} <u><u>317,403,050</u></u>
27	Rider USP Rate per Thm	<u><u>\$ 0.06800</u></u>

^{1/} Reconciliation Factor $\$736,838/317,403,050 = \0.00232

^{2/} Based on the volumes reflected in Columbia's October 2015 PGC filing.

Columbia Gas of Pennsylvania, Inc.

Calculation of Estimated CAP Revenues to be Billed
Effective January 1, 2016

Line No.	Description	Amount	
			\$
1	<u>CURRENT CUSTOMERS:</u>		
2	Enrolled CAP Customers	21,419	
3	Customer Charge		
4	Monthly Customer Charge	16.75	
5	STAS & DISC factor	<u>0.00000</u>	
6	STAS & DISC Customer Rate Charge	<u>0.00000</u>	
7	Total Customer Charge (Line 4 + Line 6)	16.75	
8	Annual Customer Charge Revenue		4,305,220
9	Base Rate Charge		
10	Average Annual Normalized Volumes - Thm	1,234	
11	Base rate charge	0.47806	
12	STAS & DISC factor	<u>0.00000</u>	
13	STAS & DISC Base Rate Charge	<u>0.00000</u>	
14	Total Base Rate (Line 11 + Line 13)	0.47806	
15	Annual Base Rate Volume Revenue		12,635,110
16	Commodity Charge		
17	E-Factor	(0.01422)	
18	PGDC	0.11873	
19	NGS Supply Charge	0.29197	
20	Capacity Assignment Factor	(0.03093)	
21	Pipeline Refund	0.00000	
22	Merchant Function Charge	<u>0.00000</u>	
23	Total Billed Rate	<u>0.36555</u>	
24	Average Annual Normalized Volumes - Thm	1,234	
25	Annual Commodity Charges		9,661,480
26	Total Revenue Billed for Enrolled Customers		26,601,810
27	<u>PROJECTED ENROLLMENT:</u>		
28	1Q 2016	500	
29	Customer Charge		
30	Monthly Customer Charge	\$16.7500	
31	Annual Customer Charge		100,500
32	Base Rate Charge		
33	Total Billed Rate	\$0.47806	
34	Adjusted base rate volumes	1,234	
35	Annual Base Rate Charge		294,951
36	Commodity Charge		
37	Total Billed Rate	\$0.36555	
38	Average Annual Normalized Volumes - Thm	1,234	
39	Annual Commodity Charges		225,540
40	Total Revenue for Projected Enrollment		620,991

Columbia Gas of Pennsylvania, Inc.

Calculation of CAP Customer Payments
Effective January 1, 2016

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	<u>Current</u>	
2	Customers Enrolled	21,419
3	Average Required Monthly Payment	\$ 54.01
4	Annual Required Payment	<u>13,882,080</u>
5	<u>Projected</u>	
6	Customers Enrolled	500
7	Average Required Monthly Payment	\$ 54.01
8	Annual Required Payment	<u>324,060</u>
9	<u>Energy Assistance</u>	
10	Average Per Customer	\$ -
11	Annualized Amount - Current	<u>0</u>
12	Annualized Amount - Projected	<u>0</u>
13	Total Customer Payments - Current	<u>13,882,080</u>
14	Total Customer Payments - Projected	<u>324,060</u>