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File #: 163209

January 27, 2016

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Application for Approval of Abandonment of Service by Columbia Gas of
Pennsylvania, Inc. of Natural Gas Service to Six (6) Customers Located in Centre
County, Pennsylvania
Docket No. A-2015-2513395**

Dear Secretary Chiavetta:

Enclosed please find the Prehearing Memorandum of Columbia Gas of Pennsylvania, Inc. in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink that reads 'Michael W. Hassell'. The signature is written in a cursive, flowing style.

Michael W. Hassell

MWH/skr
Enclosure

cc: Certificate of Service
Honorable Mary D. Long

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST CLASS MAIL:

Thomas J. Sniscak, Esquire
Christopher M. Arfaa, Esquire
William E. Lehman, Esquire
Hawke McKeon & Sniscak LLP
100 North Tenth Street
PO Box 1778
Harrisburg, PA 17105


Amy E. Hirakis, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

VIA FIRST CLASS MAIL:

Rhonda Decker
1706 Egypt Hollow Road
Bellefonte, PA 16823

Thomas S. Smith
1752 Egypt Hollow Road
Bellefonte, PA 16823

Date: January 27, 2016



Michael W. Hassell

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Columbia Gas of Pennsylvania, Inc. for approval of the Abandonment of Service by Columbia Gas of Pennsylvania, Inc., of natural gas service to six (6) customers located in Centre County, PA	:	
	:	
	:	
	:	Docket No. A-2015-2513395
	:	
	:	
and	:	
	:	
Pennsylvania State University	:	
	:	
	:	
v.	:	Docket No. C-2016-2522399
	:	
Columbia Gas of Pennsylvania, Inc.	:	

**PREHEARING CONFERENCE MEMORANDUM OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

TO ADMINISTRATIVE LAW JUDGE MARY D. LONG:

Pursuant to 52 Pa. Code § 5.222(d) and the Prehearing Conference Order dated January 11, 2016, Columbia Gas of Pennsylvania, Inc. (“Columbia” or the “Company”) hereby submits this Prehearing Conference Memorandum.

I. BACKGROUND

On October 30, 2015, Columbia filed the above-captioned Application with the Pennsylvania Public Utility Commission (“Commission”) at Docket No. A-2015-2513395. The Application sought Commission approval for Columbia to abandon natural gas distribution service to six customers located in Centre County, PA. The proposed abandonment stems from the planned removal of a portion of the Snowshoe Lateral.

The Snowshoe Lateral is an approximately 21-mile high pressure transmission pipeline that extends from a connection point on the Columbia Pipeline Group's Columbia Gas Transmission, LLC ("TCO") interstate pipeline near Snow Shoe, PA, to a point near Pleasant Gap, PA. Columbia originally intended to replace the entire length of the Snowshoe Lateral at an estimated cost of \$53 million. Subsequently, Columbia identified an alternative that would allow the Company to save \$36.9 million in capital restoration costs by abandoning about 54,200 feet of the Snowshoe Lateral. There are currently six customers served off of this over 10-mile section of pipe.

Relatedly, on December 3, 2015, the Commission entered an Opinion and Order in Columbia's base rate proceeding at Docket No. R-2015-2468056, which approved a settlement between Columbia and The Pennsylvania State University ("PSU"). Pursuant to that settlement, the Commission removed PSU's amended complaint from the base rate proceeding and consolidated it with the above-captioned Application proceeding. Further, PSU's complaint, as amended by PSU on August 7, 2015, was re-docketed at Docket No. C-2016-2522399.

On December 10, 2015, the Office of Consumer Advocate ("OCA") filed a Notice of Intervention and Public Statement at Docket No. A-2015-2513395.

On December 11, 2015, Protests to the Application were filed by Thomas S. Smith and Rhonda Decker at Docket No. A-2015-2513395.¹

On December 14, 2015, The Pennsylvania State University ("PSU") filed a Petition to Intervene at Docket No. A-2015-2513395.

¹ An informal complaint to the abandonment was filed by Robert Bucha in December 2015. The informal complaint was dismissed by the Commission's Bureau of Consumer Services ("BCS") on January 11, 2016.

On January 18, 2016, PSU filed a Notice of Withdrawal and Satisfaction of Amended Complaint.

II. SERVICE OF DOCUMENTS

Columbia's attorneys in this proceeding are Michael W. Hassell, Esquire, Michael W. Gang, Esquire, Devin T. Ryan, Esquire, Andrew S. Tubbs, Esquire, and Theodore J. Gallagher, Esquire. Columbia requests that Devin T. Ryan be listed as the recipient for service. Mr. Ryan's contact information is provided below:

Devin T. Ryan (ID # 316602)
Post & Schell, P.C.
17 North Second Street, 12th Floor
Harrisburg, PA 17101-1601
Phone: 717-612-6052
Fax: 717-731-1985
E-mail: dryan@postschell.com

Columbia also requests that Mr. Hassell, Mr. Gang, Mr. Tubbs, and Mr. Gallagher be added to any informal e-mail distribution lists in this proceeding. Mr. Hassell's e-mail address is mhassell@postschell.com, Mr. Gang's e-mail address is mgang@postschell.com, Mr. Tubbs's e-mail address is astubbs@nisource.com, and Mr. Gallagher's e-mail address is tjgallagher@nisource.com. In addition, Columbia agrees to receive service of documents electronically in this proceeding.

III. WITNESSES AND ISSUES

As addressed fully in Columbia's Application, the Company has determined that it is in the public interest and the interest of its customers to abandon and discontinue service to the six customers identified in the Application. Columbia anticipates submitting testimony consistent with the facts in its Application. In addition, Columbia

will respond to any other issues raised in this proceeding. At this time, the Company expects to present the following witnesses.

<u>Witness</u>	<u>General Subject Matter</u>
Nicole Paloney Director of Rates and Regulatory Affairs Columbia Gas of Pennsylvania, Inc. 121 Champion Way, Suite 100 Canonsburg, PA 15317	Overview of Decision-making Process to Abandon Service
Nelson White Manager, CPA Field Engineering Columbia Gas of Pennsylvania, Inc. 121 Champion Way Canonsburg, PA 15317	Cost of Original Project; Cost of the Current Project; Cost of the Protestants' Recommendations
Michael D. Anderson Director, Supply Development NiSource Corporate Services 290 W. Nationwide Blvd. Columbus, OH 43215	Switching Capacity from TCO to DTI; Economics on Rate Calculations for the Six Customers

Columbia reserves the right to call additional witnesses, as necessary, to address issues that may arise during the course of this proceeding.

Further, Columbia proposes that the parties submit written testimony in this proceeding.

IV. PROCEDURAL SCHEDULE

Columbia proposes the following procedural schedule:

January 28, 2016	Prehearing Conference
February 25, 2016	Direct Testimony of All Parties
March 24, 2016	Rebuttal Testimony of All Parties
April 21, 2016	Evidentiary Hearing

May 11, 2016

Main Brief

May 24, 2016

Reply Brief

The Company understands that OCA also agrees with this procedural schedule.

V. DISCOVERY

Columbia proposes no modifications to the discovery rules for this proceeding. The Company is willing to work with the parties, through informal discovery, to expedite discovery.

VI. PROTECTION OF CONFIDENTIAL INFORMATION

If necessary and should the case proceed to hearing, Columbia will timely submit an appropriate Motion for Protective Order.

VII. SETTLEMENT

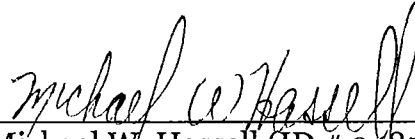
The Company will continue to work with the parties in an effort to resolve this proceeding through settlement.

Theodore J. Gallagher (ID # 90842)
NiSource Corporate Services Company
121 Champion Way, Suite 100
Canonsburg, PA 15317
Phone: 724-416-6355
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Andrew S. Tubbs (ID # 80310)
NiSource Corporate Services Company
800 North Third Street, Suite 204
Harrisburg, PA 17102
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Date: January 27, 2016

Respectfully submitted,



Michael W. Hassell (ID # 34851)
Michael W. Gang (ID # 25670)
Devin T. Ryan (ID # 316602)
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*Attorneys for Columbia Gas of
Pennsylvania, Inc.*