|  |  |  |
| --- | --- | --- |
| PUC logo | COMMONWEALTH OF PENNSYLVANIA  PENNSYLVANIA PUBLIC UTILITY COMMISSION  P.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE** |

May 18, 2017

**Ms. Nicole Paloney**

**Director Rates & Regulatory Affairs**

**Columbia Gas of Pennsylvania, Inc.**

**Southpointe Industrial Park**

**121 Champion Way, Suite 100**

**Canonsburg, PA  15317**  

Re: Management Efficiency Investigation of Columbia Gas of Pennsylvania, Inc.;

D‑2016-2564606

Dear Ms. Paloney:

The Commission appreciates the cooperation extended to our staff by the management and employees of Columbia Gas of Pennsylvania, Inc. (Columbia Gas or Company) and its affiliates during the Management Efficiency Investigation (MEI). We seek your further cooperation in implementing the follow-up recommendations cited in the MEI report.

At its Public Meeting of May 18, 2017, the Commission acknowledged receipt of Columbia Gas’s May 1, 2017 Implementation Plan and released it, along with the Audit Staff’s MEI report, to the public. The Commission notes that the Company’s Implementation Plan indicates acceptance of all four follow-up recommendations. Receipt of the Implementation Plan does not constitute acceptance by the Commission of the actions already taken, those to be taken, or the explanations and analysis provided. The Company’s implementation actions, together with any explanations and cost/benefit analyses, may be reviewed by the Commission at a later date. This review would be made to determine if the Company has effectively implemented the follow-up recommendations.

Accordingly, the Commission directs the Company to proceed with the May 1, 2017 Implementation Plan. The Commission’s direction to proceed with the Implementation Plan should not be construed as approval of the plan.

 Sincerely,

Rosemary Chiavetta

Secretary

Contact Person: John Clista

(717) 772-0317