# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Authority to Increase Rates for its Gas Distribution Service.

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval of an Alternative Rate Plan for its Gas Distribution Service

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Change Accounting Methods

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval of Tariffs to Recover Certain Costs Associated with a Pipeline Infrastructure Replacement Program Through an Automatic Adjustment Clause, And for Certain Accounting Treatment

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval of Tariffs to Recover Certain Costs Associated with Automated Meter Reading Deployment Through an Automatic Adjustment Clause, and for Certain Accounting Treatment

Case No. 07-829-GA-AIR

Case No. 07-830-GA-ALT

Case No. 07-831-GA-AAM

Case No. 08-169-GA-UNC

Case No. 06-1453-GA-UNC

## MEMORANDUM CONTRA APPLICATION FOR REHEARING BY THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO" or "Company"), pursuant to Rule 4901-1-35, Ohio Administrative Code, files its Memorandum Contra the

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business. Technician Date Processed 5/12/2008

COI-1399205v1

Application for Rehearing by the Ohio Partners for Affordable Energy ("OPAE"). For the reasons that follow, the Commission should deny OPAE's Application for Rehearing.<sup>1</sup>

#### I. INTRODUCTION

OPAE's Application merely recycles a number of arguments that were raised by the Office of the Ohio Consumers' Counsel ("OCC") in its Application for Rehearing filed on April 18, 2008, and responded to by DEO in its Memorandum Contra filed on April 29, 2008. Little need be said here that has not already been said. OPAE raises virtually identical arguments as OCC; some passages appear nearly verbatim. To save the time of the Commission (as well as paper), DEO will respond here only by referring to the passages of its prior briefing on these subjects. Responding at length would be a needless exercise in cutting and pasting.

What should be clear on review of OPAE's Application is that it has raised no arguments that have not already been raised by OCC and responded to by DEO. Assuming that the Commission is prepared to do so, there is no reason to delay ruling on the matters raised in the Applications for Rehearing filed by OCC and OPAE.

#### II. ARGUMENT

#### A. DEO Appropriately Filed the PIR Application under R.C. 4929.11.

## 1. The PIR Application Is Not for an Increase in Rates.

OPAE argues that the PIR Application "is clearly for an increase in rates." (OPAE Reh'g at 3.) OPAE is mistaken. As explained before and not rebutted here, the PIR Application is *not* for an increase in rates.<sup>2</sup>

COI-1399205v1 2

<sup>&</sup>lt;sup>1</sup> DEO's underlying application filed in Case No. 08-169-GA-UNC will be referred to as the "PIR Application."

<sup>&</sup>lt;sup>2</sup> See DEO's Reply to the Memorandum Contra Dominion East Ohio's Motion to Consolidate on Behalf of OCC and OPAE, at 6–9 (filed on March 26, 2008); DEO's Memorandum Contra the Application for Rehearing of OCC, at 10 (filed on April 29, 2008).

# 2. The PIR Application Is Not for an Alternate Rate Plan.

OPAE argues that "the Commission unlawfully finds that applications for automatic adjustment mechanisms do not require an alternate rate plan." (OPAE Reh'g at 3.) Once again, OPAE misses the mark. As explained before and not rebutted here, the PIR Application is *not* for an alternate rate plan.<sup>3</sup>

# 3. The PIR Application Fits Well Within the Terms of R.C. 4929.11.

Like OCC, OPAE argues that "automatic adjustments are permitted only where the costs being tracked fluctuate on the same automatic basis." (OPAE Reh'g at 5.) Like OCC, OPAE complains that "the recovery of any cost could be considered" under R.C. 4929.11. (*Id.*) Like OCC, OPAE cites *Pike Natural Gas Co.* (*Id.*) The same responses that compelled rejection of these positions when advanced by OCC also compel rejection of them when advanced by OPAE.<sup>4</sup>

# B. The Commission Did Not Err in Granting Consolidation.

In its Application, OPAE's arguments against consolidation amount to little more than ad hominem attacks on the Commission (e.g., for a purported lack of "courage"), and conclusory assertions that "it is far too late" to consolidate. (See, e.g., OPAE Reh'g at 7.) These assertions provide no grounds for rehearing. As explained before and not rebutted here, OPAE has not shown any prejudice resulting from consolidation.<sup>5</sup>

COI-1399205v1 3

<sup>&</sup>lt;sup>3</sup> See DEO's Reply to the Memorandum Contra Dominion East Ohio's Motion to Consolidate on Behalf of OCC and OPAE, at 9–12 (filed on March 26, 2008); DEO's Memorandum Contra the Application for Rehearing of OCC, at 9–10 (filed on April 29, 2008).

<sup>&</sup>lt;sup>4</sup> See DEO's Memorandum Contra the Application for Rehearing of OCC, at 8-9 (filed on April 29, 2008).

<sup>&</sup>lt;sup>5</sup> See DEO's Reply to the Memorandum Contra Dominion East Ohio's Motion to Consolidate on Behalf of OCC and OPAE, at 13–14 (filed on March 26, 2008, in these cases); DEO's Memorandum Contra the Application for Rehearing of OCC, at 2–7 (filed on April 29, 2008).

## III. CONCLUSION

For the above reasons, DEO respectfully requests that the Commission deny OPAE's Application for Rehearing.

Respectfully submitted,

Mark A. Whitt (Counsel of Record)

Andrew J. Campbell

JONES DAY

Mailing address:

P. O. Box 165017

Columbus, Ohio 43216-5017

Street address:

325 John H. McConnell Blvd., Suite 600

Columbus, Ohio 43215-2673

Telephone: (614) 469-3939

Facsimile: (614) 461-4198

mawhitt@jonesday.com

ajcampbell@jonesday.com

ATTORNEYS FOR THE EAST OHIO GAS COMPANY D/B/A DOMINION EAST OHIO

#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Memorandum Contra the Application for Rehearing by the Ohio Partners for Affordable Energy was sent by ordinary U.S. mail to the following parties on this 9th day of May, 2008.

Mark A. White

Interstate Gas Supply, Inc.
John Bentine, Esq.
Chester, Wilcox & Saxbe LLP
65 East State Street, Suite 1000
Columbus, OH 43215-4213
jbentine@cwslaw.com

The Neighborhood Environmental Coalition,
The Empowerment Center of Greater
Cleveland, The Cleveland Housing Network,
and The Consumers for Fair Utility Rates
Joseph Meissner, Esq.
The Legal Aid Society of Cleveland
1223 West 6th Street
Cleveland, OH 44113
jpmeissn@lasclev.org

Weld Johns

Office of the Ohio Consumers Counsel Joseph Serio, Esq. 10 West Broad Street, Suite 1800 Columbus, OH 43215-3485 serio@occ.state.oh.us Ohio Energy Group David Boehm, Esq. 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202 dboehm@BKLlawfirm.com

Ohio Partners for Affordable Energy David Rinebolt, Esq. P.O. Box 1793 Findlay, OH 45839-1793 drinebolt@aol.com Dominion Retail Barth E. Royer 33 South Grant Avenue Columbus, OH 43215-3927 barthroyer@aol.com

Industrial Energy Users-Ohio Samuel C. Randazzo, Esq. McNees Wallace & Nurick LLC 21 East State Street, 17th Floor Columbus, OH 43215 sam@mwncmh.com

Stand Energy Corporation
John M. Dosker, Esq.
General Counsel
1077 Celestial Street, Suite 110
Cincinnati, OH 45202-1629
jdosker@stand-energy.com

UWUA Local G555
Todd M. Smith, Esq.
Schwarzwald & McNair LLP
616 Penton Media Building
1300 East Ninth Street
Cleveland, Ohio 44114
tsmith@smenlaw.com

Integrys Energy Services, Inc.
M. Howard Petricoff
Stephen M. Howard
VORYS, SATER, SEYMOUR AND PEASE
LLP
52 East Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008
mhpetricoff@vorys.com

The Ohio Oil & Gas Association
W. Jonathan Airey
VORYS, SATER, SEYMOUR AND PEASE
LLP
52 East Gay Street
P.O. Box 1008
Columbus, Ohio 43216-1008
wjairey@vssp.com

6