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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.	**Case No. 07-829-GA-AIR**
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	**Case No. 07-830-GA-ALT**
In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Change Accounting Methods	**Case No. 07-831-GA-AAM**
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	**Case No. 08-169-GA-ALT**
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. 06-1453-GA-UNC**

REPORT AND RECOMMENDATION OF THE EAST OHIO GAS COMPANY D/B/A DOMINION EAST OHIO

In accordance with the Stipulation and Recommendation filed in the above-captioned cases on August 22, 2008 ("Stipulation"), and the October 15, 2008 Opinion and Order ("Order"), the East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") submits the

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following report and recommendation, as well as the attached updated cost-of-service study, consisting of the following documents:

— Updated Class Cost of Service Study (Year 2 Rates)

— Attachment 1: Rate of Return Comparison

— Attachment 2: Cost of Service Summary (Year 1 Rates)

— Attachment 3: Cost of Service Summary (Year 3 Rates)

— Attachment 4: Peak Day & Storage Utilization Details

BACKGROUND

In the Stipulation, DEO agreed to "evaluate the feasibility of separating the residential and non-residential GSS/ECTS classes for purposes of rate design and [to] share with the Signatory Parties the results of the feasibility study before including in its next base rate application a class cost of service study that separately assesses those classes." (Stip., ¶ 3.R.)

In the Order, the Commission approved the Stipulation and required DEO to submit an updated cost-of-service study. DEO is to "submit a report and recommendation regarding whether the GSS/ECTS classes are appropriately comprised of both residential and non-residential customers or whether the classes should be split." Order, p. 25. "[I]f the recommendation is to split the classes," DEO is to provide "a recommended cost allocation per class." *Id.* The purpose of the study is to aid the Commission in "establishing a process . . . to determine . . . appropriate rates in year three and beyond." *Id.*

APPROACH TO COST ALLOCATION

In accordance with the Stipulation and Order, DEO has updated its class cost of service study as follows. First, the figures have been adjusted to match those in the Staff Report, as revised by Staff following the issuance of the December 19, 2008 Entry on Rehearing in this

case. These figures were adopted with two exceptions: (1) DEO used a different formula than Staff for estimating Gross Receipts Tax; and (2) the revenue increase generated by applying approved year 2 rates to the test-year volumes and customer counts resulted in $40,470,809, which is $29,191 less than that approved.

Additionally, as requested, the GSS/ECTS class of customers has been broken into residential and non-residential segments. By analyzing the E-4 schedules and supporting work papers, DEO determined volumetric, peak-day (consumption and storage utilization), and customer-count information for both residential and non-residential customers within the GSS/ECTS classes. In developing these files for the rate case, baseload and heating degree day factors were developed for each rate class, and then for residential and non-residential. Updating the study's allocation factors provided insight into the cost to serve both the residential and non-residential segments of the GSS/ECTS class of customers.

RESULTS OF THE UPDATED COST OF SERVICE STUDY

The original cost of service study performed in this case (updated by the inclusion of a residential/non-residential split of the GSS/ECTS rate class) indicates that, within the GSS/ECTS classes, non-residential customers were subsidizing residential customers as indicated by the relative rates of return on rate base for each class (*i.e.*, 5.16% for GSS residential and 6.79% for GSS non-residential). This cross-subsidization of residential GSS customers would have continued had the Commission approved a continuation of traditional, volumetric rate design.

The rate design approved in this case, consisting of a GSS class that contains both residential and non-residential customers, appears to eliminate this subsidization by non-residential customers within the GSS/ECTS classes. As the mixed GSS class transitions to year 3 rates, the reverse may begin to take place, as it appears residential customers will generate an

increasingly higher return on rate base, while it appears non-residential customers will generate an increasingly lower return on rate base. (*See* Attachment 1.) This information suggests that a more equitable assignment of costs within the GSS class may result from splitting the class into residential and non-residential customers.

RECOMMENDED COST ALLOCATION PER CLASS

As noted, the Order directed DEO to recommend a cost allocation per class if it recommended that the GSS class be split into residential and non-residential segments. The attached class cost of service schedules contain the recommended cost allocation under Year 2 rates. Because some costs such as customer service and information, sales, and PUCO and OCC maintenance expenses are allocated to customer classes on the basis of revenue, the final cost allocation will be a function of the rate design authorized by the Commission. DEO recommends that the methodology employed in its average excess allocation model be utilized once the Commission determines the appropriate rate design for DEO's GSS class.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Report and Recommendation of The East Ohio Gas Company d/b/a Dominion East Ohio was delivered to the following persons by electronic mail this 13th day of January, 2009.

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THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.: WPE-3.2a-h

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Witness: C. Andrews

ALLOCATION FACTORS

#	Allocator	Basis	GSS/ECTS Details (% of GSS/ECTS)		RATE SCHEDULE					SYSTEM TOTAL
			Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS	DTS/Off-System	Storage	
	INPUT ALLOCATORS									
1	Total Throughput	Mcf	111,741,482	31,567,328	143,308,810	8,994,640	51,952,159	50,368,814	0	254,624,423
			77.97%	22.03%	56.3%	3.5%	20.4%	19.8%	0.0%	100.0%
2	Winter Throughput	Mcf	81,820,392	23,056,596	104,876,988	6,337,343	27,989,383	23,982,134	0	163,185,848
			78.02%	21.98%	64.3%	3.9%	17.2%	14.7%	0.0%	100.0%
3	October-April Throughput	Mcf	96,615,325	27,097,856	123,713,181	7,579,939	36,181,255	31,952,258	0	199,426,633
			78.10%	21.90%	62.0%	3.8%	18.1%	16.0%	0.0%	100.0%
4	On-system Sales	Mcf	38,037,742	11,103,859	49,141,601.0	1,821,342	0	0	0	50,962,943
			77.40%	22.60%	96.4%	3.6%	0.0%	0.0%	0.0%	100.0%
5	Peak Day Requirements	Mcf	1,350,279	385,911	1,736,191	101,756	337,307	231,768	0	2,407,024
			77.77%	22.23%	72.1%	4.2%	14.0%	9.6%	0.0%	100.0%
6	Excess Peak Day Requirement	Mcf	1,044,138	299,426	1,343,564.00	77,115	194,972	93,771	-	1,709,422
			77.71%	22.29%	78.6%	4.5%	11.4%	5.5%	0.0%	100%
7	Winter Storage Requirement	Mcf	26,616,766	7,592,609	34,209,375.6	2,014,273	1,016,477	-	16,757,874	54,000,000
			77.81%	22.19%	63.4%	3.7%	1.9%	0.0%	31.0%	100.0%
8	Excess Peak Storage Requirement	Mcf	353,039	100,995	454,034	26,550	10,458	-	231,343	722,384
			77.76%	22.24%	62.9%	3.7%	1.4%	0.0%	32.0%	100.0%
9	Gathering Throughput	Mcf	8,763,078	2,475,598	11,238,676	705,385	21,309,109	6,155,946	0	39,409,116
			77.97%	22.03%	28.5%	1.8%	54.1%	15.6%	0.0%	100.0%
10	Number of Customers	# of Customers	1,127,327	80,474	1,207,801	2,248	2,910	78	0	1,213,037
			93.34%	6.66%	99.6%	0.2%	0.2%	0.0%	0.0%	100.0%
11	Transportation Customers	# of Customers	737,470	54,077	791,547	1,769	2,910	78	0	796,304
			93.17%	6.83%	99.4%	0.2%	0.4%	0.0%	0.0%	100.0%
12	Industrial Customers	# of Customers	-	633	633	148	757	65	0	1,603
			0.00%	100.00%	39.5%	9.2%	47.2%	4.1%	0.0%	100.0%
13	Customers, Low Pressure	# of Customers	787,520	50,930	838,450	1,682	617	0	0	840,949
			93.93%	6.07%	99.7%	0.2%	0.1%	0.0%	0.0%	100.0%
14	Customers, Regulated Pressure	# of Customers	339,807	29,544	369,351	566	2,093	78	0	372,088
			92.00%	8.00%	99.3%	0.2%	0.6%	0.0%	0.0%	100.0%
15	Revenue @ Test Year Rates (excludes EC gas cost/sales tax)	Whole Dollars	$702,165,050	$184,507,367	$886,672,417	$37,534,174	$69,611,215	$19,865,936	$10,878,391	$1,024,562,133
			79.19%	20.81%	86.5%	3.7%	6.8%	1.9%	1.1%	100.0%

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
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Work Paper Reference Nos.: WPE-3.2a-h

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ALLOCATION FACTORS

#	Allocator	Basis	GSS/ECTS Details (% of GSS/ECTS)		RATE SCHEDULE					SYSTEM TOTAL
			Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS	DTS/Off-System	Storage	
	INPUT ALLOCATORS									
16	Base Rate Revenue (Test Year)	Whole Dollars	$213,288,368 82.88%	$44,053,287 17.12%	$257,319,653 77.0%	$9,886,536 3.0%	$41,695,124 12.5%	$15,081,838 4.5%	$10,291,548 3.1%	$334,274,699 100.0%
17	Non-Tax Rider Revenue (Test Year)	Whole Dollars	$118,714,554 77.98%	$33,516,405 22.02%	$152,230,959 86.2%	$9,624,007 5.4%	$14,337,592 8.1%	$431,149 0.2%	$0 0.0%	$176,623,705 100.0%
18	Tax-related Rider Revenue (Test Year)	Whole Dollars	$33,723,600 79.07%	$8,928,480 20.93%	$42,652,080 88.3%	$1,675,137 3.5%	$2,786,310 5.8%	$1,173,805 2.4%	$0 0.0%	$48,287,331 100.0%
19	Other Revenue (Test Year)	Whole Dollars	$8,879,496 78.84%	$2,382,762 21.16%	$11,262,258 42.5%	$663,096 2.5%	$10,792,189 40.8%	$3,179,146 12.0%	$586,843 2.2%	$26,483,533 100.0%
20	Purchased Gas Cost/Revenue (SSO) (Per Staff report)	Whole Dollars	$327,581,034 77.40%	$95,626,434 22.60%	$423,207,468 96.4%	$15,685,397 3.6%	$0 0.0%	$0 0.0%	$0 0.0%	$438,892,865 100.0%
21	Non-Gas Cost Revenue (Test Year)	Whole Dollars	$374,584,016 80.82%	$88,880,933 19.18%	$463,464,949 79.1%	$21,848,777 3.7%	$69,611,215 11.9%	$19,865,936 3.4%	$10,878,391 1.9%	$585,669,268 100.0%
22	Uncollectible Expense (Test Year) (PIPP + UER)	Whole Dollars	$95,639,042 77.97%	$27,018,261 22.03%	$122,657,303 87.2%	$7,698,483 5.5%	$10,297,164 7.3%	$0 0.0%	$0 0.0%	$140,652,949 100.0%
23	PIP Rider Revenue (Test Year)	Whole Dollars	$63,167,460 77.97%	$17,845,011 22.03%	$81,012,470 87.2%	$5,084,870 5.5%	$6,801,012 7.3%	$0 0.0%	$0 0.0%	$92,898,153 100.0%
24	Gas Cost Riders (Test Year)	Whole Dollars	$23,075,512 78.03%	$6,498,144 21.97%	$29,573,656 82.2%	$1,925,524 5.4%	$4,040,428 11.2%	$431,148 1.2%	$0 0.0%	$35,970,756 100.0%
26	Revenue @ New Rates (Year 2)	Whole Dollars	$753,056,582 81.32%	$172,947,707 18.68%	$926,004,289 86.9%	$38,630,627 3.6%	$69,499,969 6.5%	$19,504,094 1.8%	$11,393,972 1.1%	$1,065,032,942 100.0%
27	Base Rate Revenue @ Year 2 Rates	Whole Dollars	$260,022,449 89.16%	$30,395,524 10.84%	$280,417,973 79.10%	$10,291,320 2.90%	$39,467,045 11.13%	$13,993,247 3.95%	$10,331,429 2.91%	$354,501,014 100.00%
28	Gas Cost Rider Revenue (Yr 2 rates)	Whole Dollars	$21,998,530 78.03%	$6,194,862 21.97%	$28,193,392 82.4%	$1,835,656 5.4%	$3,736,268 10.9%	$431,148 1.3%	$0 0.0%	$34,196,464 100.0%
29	Non-Tax Related Rider Rev (Year 2)	Whole Dollars	$94,123,924 77.97%	$26,590,300 22.03%	$120,714,224 87.2%	$7,576,515 5.5%	$10,133,991 7.3%	$0 0.0%	$0 0.0%	$138,424,730 100.0%
30	Tax Related Rider Revenue (Year 2)	Whole Dollars	$50,842,001 81.08%	$11,862,707 18.92%	$62,704,708 85.1%	$2,607,831 3.5%	$5,845,508 7.9%	$2,040,490 2.8%	$501,532 0.7%	$73,700,070 100.0%

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ALLOCATION FACTORS

#	Allocator	Basis	GSS/ECTS Details (% of GSS/ECTS)		RATE SCHEDULE					SYSTEM
			Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS	DTS/Off-System	Storage	TOTAL
INTERNALLY GENERATED ALLOCATORS										
31	O&M @ Current Rates	Whole Dollars	$99,494,668	$18,026,844	$117,521,512	$3,809,153	$13,035,784	$7,525,603	$3,782,358	$145,674,408
			84.66%	15.34%	80.7%	2.6%	8.9%	5.2%	2.6%	100.0%
32	Gross Plant	Whole Dollars	$1,213,738,249	$246,424,884	$1,460,163,133	$56,579,516	$226,572,082	$134,457,811	$38,361,438	$1,916,133,980
			83.12%	16.88%	76.2%	3.0%	11.8%	7.0%	2.0%	100.0%
33	Other General Plant	Whole Dollars	$34,046,009	$7,172,397	$41,218,406	$1,675,230	$6,719,117	$3,990,308	$1,138,492	$54,741,554
			82.60%	17.40%	75.3%	3.1%	12.3%	7.3%	2.1%	100.0%
34	Net Plant	Whole Dollars	$668,940,152	$139,410,514	$808,350,666	$32,376,432	$130,162,051	$78,212,620	$17,684,466	$1,066,786,235
			82.75%	17.25%	75.8%	3.0%	12.2%	7.3%	1.7%	100.0%
35	Rate Base	Whole Dollars	$897,648,090	$188,478,735	$1,086,126,825	$44,729,750	$161,215,282	$91,240,573	$21,421,780	$1,404,734,309
			82.65%	17.35%	77.3%	3.2%	11.5%	6.5%	1.5%	100.0%

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OPERATING INCOME SUMMARY

AT TEST YEAR RATES	System Total	GSS/ECTS Details		Rate Schedule/Class				
		Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS	DTS/Off-System	Storage
OPERATING REVENUE ($):								
Base Rate Revenues	$334,274,699	$213,266,366	$44,053,287	$257,319,653	$9,886,536	$41,695,124	$15,081,838	$10,291,548
Gas Cost Revenues	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Rider Revenue	$35,970,756	$23,075,512	$6,498,144	$29,573,656	$1,925,524	$4,040,428	$431,148	$0
Non-Tax Related Rider Revenue	$140,652,949	$95,639,042	$27,018,261	$122,657,303	$7,698,483	$10,297,164	$0	$0
Tax Related Rider Revenue	$48,287,331	$33,723,600	$8,928,480	$42,652,080	$1,675,137	$2,786,310	$1,173,805	$0
Other Revenue	$26,483,533	$8,879,496	$2,382,762	$11,262,258	$663,096	$10,792,189	$3,179,146	$586,843
TOTAL OPERATING REVENUE	$1,024,562,133	$702,165,050	$184,507,367	$886,672,417	$37,534,174	$69,611,215	$19,865,936	$10,878,391
OPERATING EXPENSES ($)								
Gas Cost	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Related Riders	$35,970,756	$23,075,512	$6,498,144	$29,573,656	$1,925,524	$4,040,428	$431,148	$0
Non-Tax Related Rider Expense	$140,652,949	$95,639,042	$27,018,261	$122,657,303	$7,698,483	$10,297,164	$0	$0
Other Operation and Maintenance Expense	$145,674,408	$99,494,668	$18,026,844	$117,521,512	$3,809,153	$13,035,784	$7,525,603	$3,782,358
Depreciation Expense	$46,908,074	$36,432,720	$5,222,306	$41,655,026	$948,000	$3,906,449	$2,303,403	$95,196
Tax-Related Rider Expense	$48,287,331	$33,723,600	$8,928,480	$42,652,080	$1,675,137	$2,786,310	$1,173,805	$0
Other Taxes	$47,561,495	$30,539,231	$6,673,593	$37,212,824	$1,564,822	$5,418,605	$2,438,792	$926,351
Federal Income Taxes	$25,428,810	$9,298,254	$3,710,890	$13,009,144	$1,004,653	$8,642,166	$968,825	$1,804,021
TOTAL OPERATING EXPENSES	$931,376,688	$655,784,061	$171,704,951	$827,489,011	$34,311,270	$48,126,905	$14,841,575	$6,607,926
NET OPERATING INCOME	$93,185,445	$46,380,989	$12,802,416	$59,183,405	$3,222,904	$21,484,310	$5,024,361	$4,270,465
RATE BASE	$1,404,734,309	$897,648,090	$188,478,735	$1,086,126,825	$44,729,750	$161,215,282	$91,240,673	$21,421,780
RATE OF RETURN - AT CURRENT RATES	6.63%	5.17%	6.79%	5.45%	7.21%	13.33%	5.51%	19.94%
RECOMMENDED RATE OF RETURN	8.72%	8.72%	8.72%	8.72%	8.72%	8.72%	8.72%	8.72%
REVENUE CONVERSION FACTOR	1.61518	1.61518	1.61518	1.61518	1.61518	1.61518	1.61518	1.61518
REVENUE DEFICIENCY	$47,336,793	$51,514,524	$5,867,846	$57,382,370	$1,094,334	($11,994,893)	$4,735,435	($3,880,454)

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		Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS	DTS/Off-System	Storage
OPERATING REVENUE ($):								
Base Rate Revenues (Year 2 Rates)	$354,501,014	$250,022,449	$30,395,524	$280,417,973	$10,291,320	$39,467,045	$13,993,247	$10,331,429
Gas Cost Revenues (per Staff Report)	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Rider Revenue	$34,196,464	$21,998,530	$6,194,862	$28,193,392	$1,835,656	$3,736,268	$431,148	$0
Non-Tax Related Rider Revenue	$138,424,730	$94,123,924	$26,590,300	$120,714,224	$7,576,515	$10,133,991	$0	$0
Tax Related Rider Revenue	$73,700,070	$50,842,001	$11,862,707	$62,704,708	$2,607,831	$5,845,508	$2,040,490	$501,532
Other Revenue	$25,317,800	$8,488,645	$2,277,879	$10,766,524	$633,909	$10,317,147	$3,039,209	$561,012
TOTAL OPERATING REVENUE	$1,065,032,942	$753,056,582	$172,947,707	$926,004,289	$38,630,627	$69,499,959	$19,504,094	$11,393,972
OPERATING EXPENSES ($)								
Gas Cost	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Related Riders	$34,196,464	$21,998,530	$6,194,862	$28,193,392	$1,835,656	$3,736,268	$431,148	$0
Non-Tax Related Rider Expense	$138,424,730	$94,123,924	$26,590,300	$120,714,224	$7,576,515	$10,133,991	$0	$0
Other Operation and Maintenance Expense	$145,674,408	$99,761,342	$17,809,781	$117,571,123	$3,804,705	$13,002,835	$7,512,398	$3,783,347
Depreciation Expense	$48,908,074	$36,432,720	$5,222,306	$41,655,026	$948,000	$3,906,449	$2,303,403	$95,196
Tax-Related Rider Expense	$73,700,070	$50,842,001	$11,862,707	$62,704,708	$2,607,831	$5,845,508	$2,040,490	$501,532
Other Taxes (Excludes GRT)	$26,726,677	$17,267,261	$3,468,063	$20,735,324	$788,771	$2,935,605	$1,729,419	$539,558
Federal Income Taxes	$39,392,200	$26,577,939	$91,872	$26,669,810	$1,410,021	$8,576,656	$791,743	$1,943,970
TOTAL OPERATING EXPENSES	$945,915,486	$674,584,750	$166,866,325	$841,451,075	$34,654,897	$48,137,311	$14,808,601	$6,853,603
NET OPERATING INCOME	$119,117,456	$78,471,832	$6,081,382	$84,553,214	$3,975,731	$21,362,648	$4,695,493	$4,530,370
RATE BASE	$1,404,734,309	$897,648,090	$188,478,735	$1,086,126,825	$44,729,750	$161,215,282	$91,240,673	$21,421,780
RATE OF RETURN - AT PROPOSED RATES	8.48%	8.74%	3.23%	7.785%	8.89%	13.25%	5.15%	21.15%
GROSS RECEIPTS TAX RIDER RATE	4.5044%							

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

OPERATING INCOME SUMMARY

Item	System Total	GSS/ECTS Details		Rate Schedule/Class				
		Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS	DTS/Off-System	Storage
YEAR 2 RATES vs. TEST YEAR RATES								
OPERATING REVENUE ($):								
Base Rate Revenues	$20,226,315	$36,756,083	($13,657,763)	$23,098,320	$404,783	($2,228,078)	($1,088,591)	$39,881
Gas Cost Revenues	$0	$0	$0	$0	$0	$0	$0	$0
Gas Cost Rider Revenue	($1,774,292)	($1,076,982)	($303,282)	($1,380,264)	($89,868)	($304,160)	$0	$0
Non-Tax Related Rider Revenue	($2,228,220)	($1,515,118)	($427,961)	($1,943,079)	($121,968)	($163,173)	$0	$0
Tax Related Rider Revenue	$25,412,738	$17,118,401	$2,934,227	$20,052,629	$932,694	$3,059,198	$866,686	$501,532
Other Revenue	($1,165,733)	($390,851)	($104,883)	($495,734)	($29,188)	($475,043)	($139,937)	($25,831)
TOTAL OPERATING REVENUE	$40,470,809	$50,891,533	($11,559,660)	$39,331,872	$1,096,453	($111,256)	($361,842)	$515,581
% CHANGE FROM TEST YEAR RATES	4.0%	7.2%	-6.3%	4.4%	2.9%	-0.2%	-1.8%	4.7%
OPERATING EXPENSES ($)								
Gas Cost	$0	$0	$0	$0	$0	$0	$0	$0
Gas Cost Related Riders	($1,774,292)	($1,076,982)	($303,282)	($1,380,264)	($89,868)	($304,160)	$0	$0
Non-Tax Related Rider Expense	($2,228,220)	($1,515,118)	($427,961)	($1,943,079)	($121,968)	($163,173)	$0	$0
Other Operation and Maintenance Expense	($0)	$266,674	($217,063)	$49,611	($4,447)	($32,948)	($13,204)	$989
Depreciation Expense	$0	$0	$0	$0	$0	$0	$0	$0
Tax-Related Rider Expense	$25,412,738	$17,118,401	$2,934,227	$20,052,629	$932,694	$3,059,198	$866,686	$501,532
Other Taxes (Excludes GRT)	($20,834,818)	($13,271,970)	($3,205,530)	($16,477,500)	($778,151)	($2,483,001)	($709,373)	($396,793)
Federal Income Taxes	$13,963,390	$17,279,685	($3,619,018)	$13,660,666	$405,368	($65,510)	($177,083)	$139,949
TOTAL OPERATING EXPENSES	$14,538,798	$18,800,669	($4,838,626)	$13,962,063	$343,627	$10,406	($32,975)	$255,676
NET OPERATING INCOME	$25,932,010	$32,090,843	($6,721,034)	$25,369,809	$752,826	($121,662)	($328,868)	$259,905
Revenue Sharing Impact (Allocated on PIPP Rider Revenue)	($11,021,795)	($7,494,431)	($2,117,201)	($9,611,632)	($803,265)	($806,898)	$0	$0
Migration Rider & Credit Impact (Allocated on SSO/Choice Volumes)	($1,071,495)	($788,131)	($222,084)	($1,008,215)	($63,280)	$0.00	$0.00	$0.00
Net Change in Total Operating Revenue	$28,377,519	$42,610,971	($13,898,946)	$28,712,026	$429,909	($918,154)	($361,842)	$515,581
% CHANGE FROM CURRENT RATES	2.8%	6.1%	-7.5%	3.2%	1.1%	-1.3%	-1.8%	4.7%
Impact per Customer Per Month		$3.15	($14.39)	$1.98	$15.84	($26.29)	($386.58)	
Impact per MCf		$0.38	($0.12)	$0.20	$0.05	($0.02)	($0.01)	

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
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Work Paper Reference Nos.:

SUMMARY OF OTHER O&M EXPENSES

			GSS/ECTS Details		RATE SCHEDULES				
Account	Item	SYSTEM TOTAL	Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage
	AT TEST YEAR RATES								
750-769	Production & Gathering	$3,346,288	$744,086	$210,207	$954,293	$59,895	$1,809,389	$522,711	$0
814-837	Storage	$8,303,903	$3,855,554	$1,101,922	$4,957,476	$290,557	$125,305	$0	$2,930,565
850-867	Transmission	$7,699,707	$4,263,689	$1,217,908	$5,481,597	$322,341	$1,108,113	$787,656	$0
870-894	Distribution	$62,854,562	$41,117,993	$8,554,581	$49,672,574	$1,997,231	$6,645,877	$4,538,879	$0
901-905	Customer Accounts	$25,441,735	$23,517,181	$1,678,769	$25,195,950	$40,972	$157,330	$31,185	$16,298
907-910	Customer Service & Information	$9,414,016	$6,451,726	$1,695,315	$8,147,040	$344,876	$639,611	$182,535	$99,954
911-916	Sales	$482,939	$330,973	$86,970	$417,943	$17,692	$32,812	$9,364	$5,128
920-935	Administrative & General	$28,131,258	$19,213,465	$3,481,173	$22,694,638	$735,587	$2,517,347	$1,453,273	$730,413
	TOTAL O & M @ CURRENT RATES:	$145,674,408	$99,494,668	$18,026,844	$117,521,512	$3,809,153	$13,035,784	$7,525,603	$3,782,358
	AT NEW RATES (YEAR 2 RATES)								
750-769	Production	$3,346,288	$744,086	$210,207	$954,293	$59,895	$1,809,389	$522,711	$0
813	Other Gas Supply Expense	$2,845,787	0	0	0	0	0	0	$2,845,787
814-837	Storage	$8,303,903	$3,855,554	$1,101,922	$4,957,476	$290,557	$125,305	$0	$2,930,565
850-867	Transmission	$7,699,707	$4,263,689	$1,217,908	$5,481,597	$322,341	$1,108,113	$787,656	$0
870-894	Distribution	$62,854,562	$41,117,993	$8,554,581	$49,672,574	$1,997,231	$6,645,877	$4,538,879	$0
901-905	Customer Accounts	$25,441,735	$23,517,181	$1,678,769	$25,195,950	$40,972	$157,330	$31,185	$16,298
907-910	Customer Service & Information	$9,414,016	$6,656,401	$1,528,716	$8,185,117	$341,463	$614,323	$172,400	$100,713
911-916	Sales	$482,939	$341,473	$78,423	$419,896	$17,517	$31,515	$8,844	$5,167
920-935	Administrative & General	$28,131,258	$19,264,963	$3,439,256	$22,704,218	$734,729	$2,510,984	$1,450,723	$730,604
	TOTAL O & M @ PROPOSED RATES:	$148,520,195	$99,761,342	$17,809,781	$117,571,123	$3,804,705	$13,002,835	$7,512,398	$6,629,134
	DIFFERENCE	$2,845,787	$266,674	-$217,063	$49,611	-$4,447	-$32,948	-$13,204	$2,846,776

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

OTHER O&M EXPENSE DETAILS

Account	Item	SYSTEM TOTAL	GSS/ECTS Details: Residential	GSS/ECTS Details: Non-residential	RATE SCHEDULES: GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	OTS/OR-System	Storage	Allocation Basis
	AT TEST YEAR RATES									
750-769	Production & Gathering	$3,346,288	$744,086	$210,207	$954,293	$58,895	$1,809,389	$522,711	$0	9 Gathering Throughput
814-837	Storage									
	Other Gas Supply Expense	$437,045	$0	$0	$0	$0	$0	$0	$437,045	Applicable only to Storage Class
	Commodity Related (33.113%)	$2,604,920	$1,283,973	$366,262	$1,660,235	$97,167	$49,131	$0	$808,387	7 Winter Storage Requirements
	Capacity Related (66.887%)	$5,261,938	$2,571,581	$735,660	$3,307,241	$193,390	$76,175	$0	$1,685,132	8 Excess Peak Storage Requirements
	Total Storage	**$8,303,903**	**$3,855,554**	**$1,101,922**	**$4,857,476**	**$290,557**	**$125,305**	**$0**	**$2,930,565**	
850-867	Transmission									
	Commodity Related (33.185%)	$2,555,148	$1,121,322	$316,777	$1,438,099	$90,261	$521,338	$505,449	$0	1 Total Throughput
	Capacity Related (66.815%)	$5,144,559	$3,142,367	$901,131	$4,043,498	$232,080	$586,774	$282,207	$0	6 Excess Peak Day Requirements
	Total Transmission	**$7,699,707**	**$4,263,689**	**$1,217,908**	**$5,481,597**	**$322,341**	**$1,108,113**	**$787,656**	**$0**	
870-894	Distribution									Customer Related:
	Customer Related	$16,720,961	$15,539,502	$1,109,284	$16,648,786	$30,987	$40,113	$1,075	$0	10 Perc 878-9, 892-3: Number of Customers
	Customer Related-Industrial	$351,728	$0	$138,892	$138,892	$32,474	$166,100	$14,262	$0	12 Perc 876, 880, Industrial Customers
	Customer Related-Transportation	-$409,785	$0	$0	$0	$0	-$208,063	-$201,722	$0	1 GTS/OTS Transportation Volumes Only
	Commodity Related (33.185%)	$15,328,702	$6,726,974	$1,900,392	$8,627,366	$541,488	$3,127,584	$3,032,264	$0	1 Total Throughput
	Capacity Related (66.815%)	$30,862,956	$18,851,518	$5,406,013	$24,257,531	$1,392,282	$3,520,144	$1,692,999	$0	6 Excess Peak Day Requirements
	Total Distribution	**$62,854,562**	**$41,117,993**	**$8,554,581**	**$49,672,574**	**$1,997,231**	**$8,645,877**	**$4,538,879**	**$0**	
901-905	Customer Accounts									
902,903	Meter Reading/Customer Records	$22,108,846	$20,546,693	$1,466,721	$22,013,414	$40,972	$53,038	$1,422	$0	10 # of Customers
904	Uncollectible Accounts - Non Tracker	$150,354	$0	$0	$0	$0	$104,292	$29,763	$16,298	15 % of GTS/TSS, OTS/OS, Storage Revenue
	AMR Deployment Expense	$0	$0	$0	$0	$0	$0	$0	$0	10* # of Customers (* all but OTS)
	DSM program, Deposits	$3,182,536	$2,970,488	$212,048	$3,182,536	$0	$0	$0	$0	GSS/ECTS Customers Only
	Total Customer Accounts	**$25,441,735**	**$23,517,181**	**$1,678,769**	**$25,195,950**	**$40,972**	**$157,330**	**$31,185**	**$16,298**	
907-910	**Customer Service & Information**	**$9,414,016**	**$6,451,725**	**$1,696,316**	**$8,147,040**	**$344,876**	**$639,611**	**$182,636**	**$99,954**	15 Revenue @ Current Rates
911-916	**Sales**	**$482,936**	**$330,973**	**$86,970**	**$417,943**	**$17,692**	**$32,812**	**$9,364**	**$5,128**	15 Revenue @ Current Rates
920-935	Administrative & General									Calculated as indicated:
	Production Related	$800,857	$178,080	$50,308	$228,388	$14,335	$433,036	$125,099	$0	Production Share of O&M
	Storage Related	$1,987,349	$922,739	$263,720	$1,186,458	$69,538	$29,989	$0	$701,363	Storage Share of O&M
	Transmission Related	$1,842,748	$1,020,416	$291,478	$1,311,895	$77,145	$265,201	$188,507	$0	Transmission Share of O&M
	Distribution Related	$23,500,303	$17,092,230	$2,875,667	$19,967,897	$574,570	$1,789,121	$1,139,867	$29,050	Dist. + Customer/Info/Sales Share of O&M
	Total Administrative & General	**$28,131,268**	**$19,213,466**	**$3,481,173**	**$22,694,638**	**$735,587**	**$2,517,347**	**$1,453,273**	**$730,413**	
	TOTAL OTHER O & M EXPENSES *(AT CURRENT RATES)*	***$145,674,408***	***$99,494,668***	***$18,028,844***	***$117,521,512***	***$3,809,153***	***$13,035,794***	***$7,525,603***	***$3,782,358***	

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
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OTHER O&M EXPENSE DETAILS

Account	Item	SYSTEM TOTAL	GSS/ECTS Details Residential	GSS/ECTS Details Non-residential	RATE SCHEDULES GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage	Allocation Basis
	AT NEW YEAR 2 RATES									
750-769	Production & Gathering	$3,346,288	$744,086	$218,207	$954,293	$59,895	$1,809,389	$522,711	$0	9 Gathering Throughput
813	Other Gas Supply Expense	$0	0	0	0	0	0	0	$0	Applicable only to Storage Class
814-837	Storage									
	Other Gas Supply Expense	$437,045	$0	$0	$0	$0	$0	$0	$437,045	Applicable only to Storage Class
	Commodity Related (33.113%)	$2,604,920	$1,283,973	$366,262	$1,650,235	$97,167	$49,131	$0	$808,387	7 Winter Storage Requirements
	Capacity Related (66.887%)	$5,261,938	$2,571,581	$735,660	$3,307,241	$193,390	$76,175	$0	$1,885,132	8 Excess Peak Storage Requirements
	Total Storage	**$8,303,903**	**$3,855,554**	**$1,101,922**	**$4,957,476**	**$290,557**	**$125,305**	**$0**	**$2,830,565**	
850-867	Transmission									
	Commodity Related (33.185%)	$2,555,148	$1,121,322	$316,777	$1,438,099	$90,261	$521,338	$505,449	$0	1 Total Throughput
	Capacity Related (66.815%)	$5,144,559	$3,142,367	$901,131	$4,043,498	$232,080	$586,774	$282,207	$0	6 Excess Peak Day Requirements
	Total Transmission	**$7,699,707**	**$4,283,689**	**$1,217,908**	**$5,481,597**	**$322,341**	**$1,108,113**	**$787,656**	**$0**	
870-894	Distribution									Customer Related:
	Customer Related	$16,720,961	$15,539,502	$1,109,284	$16,648,786	$30,987	$40,113	$1,075	$0	10 Ferc 878-9, 892-3: Number of Customers
	Customer Related-Industrial	$351,726	$0	$138,892	$138,892	$32,474	$168,100	$14,262	$0	12 Ferc 876, 890, Industrial Customers
	Customer Related-Transportation	-$409,785	$0	$0	$0	$0	-$208,063	-$201,722	$0	1 GTS/DTS Transportation Volumes Only
	Commodity Related (33.185%)	$15,328,702	$6,726,974	$1,900,392	$8,627,366	$541,468	$3,127,584	$3,032,264	$0	1 Total Throughput
	Capacity Related (66.815%)	$30,882,956	$18,851,518	$5,406,013	$24,257,531	$1,392,282	$3,520,144	$1,692,999	$0	6 Excess Peak Day Requirements
	Total Distribution	**$62,854,562**	**$41,117,993**	**$8,554,581**	**$49,672,574**	**$1,997,231**	**$6,645,877**	**$4,538,879**	**$0**	
901-905	Customer Accounts									
902,903	Meter Reading/Customer Records	$22,108,846	$20,546,693	$1,466,721	$22,013,414	$40,972	$53,036	$1,422	$0	10 # of Customers
904	Uncollectible Accounts - Non Tracker	$150,354	$0	$0	$0	$0	$104,292	$29,763	$16,298	15 % of GTS/TSS, DTS/OS, Storage Revenue
	AMR Deployment Expense	$0	$0	$0	$0	$0	$0	$0	$0	10* # of Customers (* all but DTS)
	DSM program, Deposits	$3,182,536	$2,970,488	$212,048	$3,182,536	$0	$0	$0	$0	GSS/ECTS Customers Only
	Total Customer Accounts	**$25,441,735**	**$23,517,181**	**$1,678,769**	**$25,195,950**	**$40,972**	**$157,330**	**$31,185**	**$16,298**	
907-910	Customer Service & Information	$9,414,016	$6,656,401	$1,528,716	$8,185,117	$341,463	$614,323	$172,400	$100,713	26 Revenue @ Proposed Rates
911-916	Sales	$482,939	$341,473	$78,423	$419,896	$17,517	$31,515	$8,844	$5,167	26 Revenue @ Proposed Rates
920-935	Administrative & General									Calculated as:
	Production Related	$800,857	$178,080	$50,308	$228,388	$14,335	$433,036	$125,099	$0	Production Share of O&M
	Storage Related	$1,987,349	$922,739	$263,720	$1,186,458	$69,538	$29,989	$0	$701,363	Storage Share of O&M
	Transmission Related	$1,842,748	$1,020,416	$291,478	$1,311,895	$77,145	$265,201	$188,507	$0	Transmission Share of O&M
	Distribution Related	$23,500,303	$17,143,728	$2,633,749	$19,977,477	$573,711	$1,782,758	$1,137,117	$29,241	Dist. + Customerinfo/Sales Share of O&M
	Total Administrative & General	**$28,131,258**	**$19,264,963**	**$3,439,256**	**$22,704,218**	**$734,729**	**$2,510,984**	**$1,450,723**	**$730,604**	
	TOTAL OTHER O & M EXPENSES *(AT PROPOSED RATES)*	**$145,674,408**	**$98,781,342**	**$17,809,781**	**$117,571,123**	**$3,804,705**	**$13,002,835**	**$7,512,398**	**$3,783,347**	

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
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Work Paper Reference Nos.:

DEPRECIATION EXPENSE

Item	SYSTEM TOTAL	GSS/ECTS Details		RATE SCHEDULES					#	Allocation Basis
		Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage		
PRODUCTION										
Commodity Related	$1,142,307	$254,005	$71,757	$325,763	$20,446	$617,663	$178,435	$0	9	Gathering Throughput
TOTAL PRODUCTION DEPRECIATION	$1,142,307	$254,005	$71,757	$325,763	$20,446	$617,663	$178,435	$0		
STORAGE										
Commodity Related (33.113%)	-$615	-$303	-$86	-$390	-$23	-$12	$0	-$191	7	Winter Storage Requirements
Capacity Related (66.887%)	-$1,243	-$607	-$174	-$781	-$46	-$18	$0	-$398	8	Excess Peak Storage Requirements
TOTAL STORAGE DEPRECIATION	-$1,858	-$910	-$260	-$1,171	-$69	-$30	$0	-$589		
TRANSMISSION										
Commodity Related (33.185%)	$98,650	$43,292	$12,230	$55,523	$3,485	$20,128	$19,515	$0	1	Total Throughput
Capacity Related (66.815%)	$198,623	$121,322	$34,791	$156,113	$8,960	$22,654	$10,896	$0	6	Excess Peak Day Requirements
TOTAL TRANSMISSION DEPRECIATION	$297,273	$164,614	$47,021	$211,635	$12,445	$42,782	$30,410	$0		
DISTRIBUTION										
Customer: Services, All Pressures	$549,382	$510,564	$36,446	$547,010	$1,018	$1,318	$35	$0	10	# of Customers
Customer: Services, Low Pressure	$7,669,344	$7,200,806	$465,668	$7,666,494	$15,380	$7,470	$0	$0	13	# of Customers, Low Pressure
Customer: Services, Regulated Pres.	$6,120,586	$5,589,589	$485,976	$6,075,564	$9,310	$34,428	$1,283	$0	14	# of Customers, Regulated Pressure
Customer: Meters & Regulators	$4,000,668	$3,717,991	$265,408	$3,983,399	$7,414	$9,597	$257	$0	10	# of Customers
Customer Related, Industrial	$165,733	$0	$73,343	$73,343	$17,148	$87,711	$7,531	$0	12	Industrial Customers
Commodity Related (33.185%)	$4,907,657	$2,153,717	$608,432	$2,762,149	$173,364	$1,001,331	$970,814	$0	1	Total throughput
Capacity Related (66.815%)	$9,881,124	$6,035,526	$1,730,786	$7,766,322	$445,755	$1,127,014	$542,033	$0	6	Excess Peak Day Requirements
TOTAL DISTRIBUTION DEPRECIATION	$33,334,493	$25,208,193	$3,666,089	$28,874,282	$669,389	$2,268,870	$1,521,953	$0		
SUBTOTAL DEPRECIATION	$34,772,216	$25,625,902	$3,784,607	$29,410,509	$702,211	$2,929,285	$1,730,799	-$589		
GENERAL PLANT:										
Customer Related General Plant	$4,777,079	$4,439,543	$316,916	$4,756,459	$8,853	$11,460	$307	$0	10	# of Customers
Other General Plant:										Calculated as:
Production Related	$156,139	$34,719	$9,808	$44,528	$2,795	$84,427	$24,390	$0		Production Share of Plant
Storage Related	$0	$0	$0	$0	$0	$0	$0	$0		Set to zero
Transmission Related	$40,634	$22,501	$6,427	$28,928	$1,701	$5,848	$4,157	$0		Transmission Share of Plant
Distribution Related	$4,556,411	$3,445,647	$501,109	$3,946,756	$91,497	$310,126	$208,032	$0		Dist.,Customer/Info/Sales Share of Plant
Sub-Total Other General Plant	$4,753,184	$3,502,867	$517,344	$4,020,212	$95,993	$400,401	$236,579	$0		Sub Total
TOTAL GENERAL PLANT DEPRECIATION	$9,530,263	$7,942,410	$834,260	$8,776,671	$104,846	$411,861	$236,886	$0		
INTANGIBLE PLANT DEPR.	$4,605,595	$2,864,408	$603,438	$3,467,846	$140,943	$365,302	$335,718	$95,785	33	Other General Plant
TOTAL DEPRECIATION EXPENSE	$48,908,074	$36,432,720	$5,222,306	$41,655,026	$948,000	$3,906,449	$2,303,483	$95,196		

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

TAXES

Item	SYSTEM TOTAL	GSS/ECTS Details Residential	GSS/ECTS Details Non-residential	RATE SCHEDULES GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage	#	Allocation Basis
Taxes - Other (Test Year Rates)										
Public Utilities Excise (Gross Receipts) Tax	$20,834,818	$13,326,592	$3,161,884	$16,487,476	$777,267	$2,476,375	$706,718	$386,992	31	Non Gas Cost Revenue
Real and Personal Property	$18,783,259	$11,897,894	$2,415,626	$14,313,520	$554,631	$2,221,015	$1,318,048	$376,045	32	Gross Plant
Payroll	$5,489,686	$3,735,760	$676,860	$4,412,620	$143,024	$489,459	$282,566	$142,017	25	Total O&M Expense
PUCO/OCC Maintenance	$2,005,780	$1,374,625	$361,209	$1,735,834	$73,460	$136,278	$38,891	$21,297	15	Revenue @ Current Rates
Other	$487,952	$205,360	$58,015	$263,375	$18,530	$95,478	$92,568	$0	1	Total Throughput
TOTAL TAXES - OTHER	**$47,561,495**	**$30,539,231**	**$8,673,593**	**$37,212,824**	**$1,664,922**	**$5,418,605**	**$2,438,792**	**$926,351**		
Taxes - Other (New Rates: Year 2)										
Real and Personal Property	$18,783,259	$11,897,894	$2,415,626	$14,313,520	$554,631	$2,221,015	$1,318,048	$376,045	10	Gross Plant
Payroll	$5,489,686	$3,745,773	$668,710	$4,414,482	$142,857	$488,222	$282,071	$142,055	17	Total O&M Expense
PUCO/OCC Maintenance	$2,005,780	$1,418,234	$325,713	$1,743,947	$72,753	$130,889	$36,732	$21,458	26	Revenue @ New Rates
Other	$487,952	$205,360	$58,015	$263,375	$18,530	$95,478	$92,568	$0	1	Total Throughput
TOTAL TAXES - OTHER	**$26,726,677**	**$17,267,261**	**$3,468,063**	**$20,735,324**	**$786,771**	**$2,935,605**	**$1,729,419**	**$539,558**		
Note: GRT is included in Tax Related Rider Expense under proposed rates										
Income Taxes at Test Year Rates										
Net Operating Income Before FIT	$118,814,255	$55,679,243	$16,513,306	$72,192,549	$4,227,558	$30,126,476	$5,993,186	$6,074,486		Calculated
Less Reconciling Items	($2,933,133)	-$1,857,937	-$377,216	-$2,235,153	-$86,609	-$346,826	-$205,822	-$58,722	32	Gross Plant
Taxable Income	$115,881,122	$53,821,306	$16,136,090	$69,957,396	$4,140,948	$29,779,649	$5,787,364	$6,015,764		Calculated
Current Income Taxes (@ 35%)	$40,488,393	$18,837,457	$5,647,631	$24,485,089	$1,449,332	$10,422,877	$2,025,577	$2,105,518		Taxable Income x 35%
Deferred Income Taxes	-$14,509,765	-$9,190,932	-$1,866,032	-$11,056,964	-$428,444	-$1,718,898	-$1,018,171	-$290,489	32	Gross Plant
Investment Tax Credit	-$549,818	-$348,272	-$70,709	-$418,981	-$16,235	-$65,013	-$38,582	-$11,007	32	Gross Plant
Total Federal Income Taxes	$25,428,810	$9,298,254	$3,710,890	$13,009,144	$1,004,653	$8,642,166	$968,825	$1,804,021		Calculated
Income Taxes at New Rates: Year 2										
Net Operating Income Before FIT	$158,509,655	$105,049,771	$6,173,253	$111,223,025	$5,386,752	$29,939,303	$5,487,236	$6,474,340		Calculated
Less Reconciling Items	($2,933,133)	($1,857,937)	($377,216)	($2,235,153)	($86,609)	($346,826)	($205,822)	($58,722)		Gross Plant
Taxable Income	$155,576,523	$103,191,834	$5,796,037	$108,987,872	$5,299,142	$29,592,477	$5,281,414	$6,415,618		Calculated
Current Income Taxes (@ 35%)	$54,451,783	$36,117,142	$2,028,613	$38,145,756	$1,854,700	$10,357,367	$1,848,495	$2,245,466		Taxable Income x 35%
Deferred Income Taxes	-$14,509,765	($9,190,932)	($1,866,032)	($11,056,964)	($428,444)	($1,718,898)	($1,018,171)	($290,489)		Same as Test Year Rates
Investment Tax Credit	-$549,818	($348,272)	($70,709)	($418,981)	($16,235)	($65,013)	($38,582)	($11,007)		Same as Test Year Rates
Total Federal Income Taxes	$38,392,200	$26,577,939	$91,872	$26,669,810	$1,410,021	$8,576,656	$791,743	$1,943,970		Calculated
Difference in Pre-Tax Income	$38,895,401	$49,370,528	($10,340,053)	$39,030,476	$1,158,194	($187,172)	($505,950)	$399,854		Calculated
Difference in Federal Income Taxes	$13,963,390	$17,279,685	($3,619,018)	$13,660,666	$406,368	($65,510)	($177,083)	$139,949		Calculated

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

RATE BASE SUMMARY

		GSS/ECTS Details		RATE SCHEDULES						
Item	SYSTEM TOTAL	Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage	#	Allocation Basis
TOTAL GAS PLANT IN SERVICE	$1,916,133,980	$1,213,738,249	$246,424,884	$1,460,163,133	$56,579,516	$226,572,062	$134,457,811	$38,351,438		See page13
TOTAL DEPRECIATION RESERVE	-$849,347,745	-$544,798,097	-$107,014,370	-$651,812,467	-$24,203,083	-$98,410,031	-$56,245,191	-$20,676,973		See page 14
TOTAL NET CWIP	$0	$0	$0	$0	$0	$0	$0	$0		N/A
TOTAL WORKING CAPITAL	$131,888,175	$98,183,254	$22,567,837	$120,751,091	$6,268,790	$6,687,805	-$1,431,460	-$388,052		See page 16
LESS: RATE BASE DEDUCTIONS	$206,059,899	$130,524,683	$26,500,384	$157,025,068	$6,084,527	$24,365,426	$14,459,512	$4,125,366	32	Gross Plant
TOTAL RATE BASE	$1,404,734,309	$897,648,090	$188,478,735	$1,086,126,825	$44,729,750	$161,215,282	$91,240,673	$21,421,780		

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

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Type of Filing: Revised
Work Paper Reference Nos.:

GAS PLANT IN SERVICE

Item	SYSTEM TOTAL	GSS/ECTS Details Residential	GSS/ECTS Details Non-residential	RATE SCHEDULES GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage	Allocation Basis
PRODUCTION									
TOTAL PRODUCTION PLANT	$80,787,404	$20,187,642	$5,703,074	$25,890,716	$1,625,007	$49,090,132	$14,181,550	$0	9 Gathering Throughput
STORAGE									
Commodity Related (33.113%)	$37,909,005	$18,685,465	$5,330,153	$24,015,618	$1,414,067	$714,990	$0	$11,764,339	7 Winter Storage Requirements
Capacity Related (66.887%)	$76,576,190	$37,423,632	$10,705,951	$48,129,783	$2,814,378	$1,108,556	$0	$24,523,471	8 Excess Peak Storage Requirement
TOTAL STORAGE PLANT	$114,485,196	$56,109,297	$16,036,104	$72,145,401	$4,228,435	$1,823,546	$0	$36,287,811	
GAS STORED UNDERGROUND									
Commodity Related (33.113%)	$0	$0	$0	$0	$0	$0	$0	$0	7 Winter Storage Requirements
Capacity Related (66.887%)	$0	$0	$0	$0	$0	$0	$0	$0	8 Excess Peak Storage Requirements
TOTAL GAS STORED UNDERGROUND	$0	$0	$0	$0	$0	$0	$0	$0	
TRANSMISSION									
Commodity Related (33.185%)	$69,353,555	$30,435,686	$8,898,179	$39,033,865	$2,449,923	$14,150,516	$13,719,251	$0	1 Total Throughput
Capacity Related (66.815%)	$139,837,117	$85,292,270	$24,459,098	$109,751,369	$6,299,273	$15,926,628	$7,555,848	$0	6 Excess Peak Day Requirements
TOTAL TRANSMISSION PLANT	$209,190,672	$115,727,956	$33,057,277	$148,785,234	$8,749,196	$30,077,144	$21,379,098	$0	
DISTRIBUTION									
Customer: Services, All Pressures	$13,734,541	$12,764,094	$911,162	$13,675,257	$25,453	$32,948	$883	$0	10 # of Customers
Customer: Services, Low Pressure	$134,429,088	$125,888,223	$8,141,390	$134,029,613	$268,874	$130,601	$0	$0	13 # of Customers, Low Pressure
Customer: Services, Regulated Pres.	$153,014,852	$139,739,721	$12,149,388	$151,889,109	$232,758	$860,709	$32,076	$0	14 # of Customers, Regulated Pressure
Customer: Meters & Regulators	$129,746,737	$120,579,174	$8,607,519	$129,186,693	$240,447	$311,254	$8,343	$0	10 # of Customers
Customer Related, Industrial	$7,206,172	$0	$2,845,606	$2,845,606	$865,323	$3,403,039	$292,203	$0	12 Industrial Customers
Commodity Related (33.185%)	$296,147,572	$129,963,843	$36,715,204	$166,679,047	$10,461,451	$60,424,313	$58,582,762	$0	1 Total Throughput
Capacity Related (66.815%)	$596,266,387	$364,207,704	$104,443,134	$468,650,838	$26,896,614	$68,008,514	$32,708,422	$0	6 Excess Peak Day Requirements
TOTAL DISTRIBUTION PLANT	$1,330,545,150	$893,142,759	$173,813,404	$1,066,956,163	$38,792,919	$133,171,379	$91,624,689	$0	
TOTAL P, S, T & D PLANT	$1,744,808,421	$1,065,167,654	$228,609,859	$1,313,777,513	$53,395,557	$214,162,202	$127,185,337	$36,287,811	
GENERAL PLANT									
Customer Related General Plant	$71,620,369	$66,559,863	$4,751,352	$71,311,224	$132,727	$171,813	$4,805	$0	10 # of Customers
Other General Plant:									Allocated on % of Functional Plant
Production Related	$2,848,361	$633,366	$178,928	$812,294	$50,983	$1,540,152	$444,931	$0	Production Share of Plant
Storage Related	$3,591,854	$1,760,371	$503,116	$2,263,487	$132,663	$57,212	$0	$1,138,492	Storage Share of Plant
Storage Gas Related	$0	$0	$0	$0	$0	$0	$0	$0	Storage Gas Share of Plant
Transmission Related	$6,555,865	$3,630,845	$1,037,138	$4,667,982	$274,497	$943,639	$670,747	$0	Transmission Share of Plant
Distribution Related	$41,744,473	$26,021,427	$5,453,215	$33,474,642	$1,217,088	$4,178,114	$2,874,830	$0	Dist.,Customer/Info/Sales Share of Plant
Sub-Total Other General Plant	$54,741,554	$34,046,009	$7,172,397	$41,218,406	$1,675,230	$6,719,117	$3,990,308	$1,138,492	
TOTAL GENERAL PLANT	$126,361,923	$100,605,872	$11,923,759	$112,529,631	$1,807,957	$6,890,930	$3,994,913	$1,138,492	
CUSTOMER SOFTWARE/INTANG PLANT	$44,963,636	$27,964,723	$5,891,266	$33,855,989	$1,376,001	$5,518,951	$3,277,561	$935,135	33 Other General Plant
TOTAL PLANT	$1,916,133,980	$1,213,738,249	$246,424,884	$1,460,163,133	$56,579,516	$226,572,082	$134,457,811	$38,361,438	

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference No.s:

DEPRECIATION RESERVE

Item	SYSTEM TOTAL	GSS/ECTS Details Residential	GSS/ECTS Details Non-residential	RATE SCHEDULES GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage	#	Allocation Basis
PRODUCTION										
TOTAL PRODUCTION RESERVE	$36,285,888	$30,008,392	$2,279,403	$10,347,995	$649,482	$19,620,332	$5,668,079	$0	9	Gathering Throughput
STORAGE										
Commodity Related (33.113%)	$18,580,302	$9,158,288	$2,612,462	$11,770,750	$693,070	$350,437	$0	$5,766,044	7	Winter Storage Requirements
Capacity Related (66.887%)	$37,532,209	$18,342,504	$5,247,297	$23,589,801	$1,379,408	$543,336	$0	$12,019,664	8	Excess Peak Storage Requirements
TOTAL STORAGE PLANT	$56,112,511	$27,500,792	$7,859,759	$35,360,551	$2,072,479	$893,774	$0	$17,785,707		
GAS STORED UNDERGROUND										
Commodity Related (33.113%)	$0	$0	$0	$0	$0	$0	$0	$0		N/A
Capacity Related (66.887%)	$0	$0	$0	$0	$0	$0	$0	$0		N/A
TOTAL GAS STORED UNDERGROUND	$0	$0	$0	$0	$0	$0	$0	$0		
TRANSMISSION										
Commodity Related (33.185%)	$33,765,050	$14,817,733	$4,186,057	$19,003,790	$1,192,755	$6,889,234	$6,679,271	$0	1	Total Throughput
Capacity Related (66.815%)	$67,982,878	$41,524,876	$11,908,008	$53,432,884	$3,066,826	$7,753,941	$3,729,227	$0	8	Excess Peak Day Requirements
TOTAL TRANSMISSION PLANT	$101,747,928	$56,342,609	$16,094,065	$72,436,674	$4,259,581	$14,643,175	$10,408,498	$0		
DISTRIBUTION										
Customer: Services, All Pressures	$10,884,630	$10,115,551	$722,096	$10,837,847	$20,171	$26,112	$700	$0	10	# of Customers
Customer: Services, Low Pressure	$82,370,541	$77,137,182	$4,968,583	$82,125,765	$164,751	$80,025	$0	$0	13	# of Customers, Low Pressure
Customer: Services, Regulated Pres.	$80,198,835	$54,976,228	$4,779,797	$59,756,026	$91,571	$336,619	$12,619	$0	14	# of Customers, Regulated Pressure
Customer: Meters & Regulators	$25,301,415	$23,513,684	$1,678,519	$25,192,203	$46,889	$60,697	$1,627	$0	10	# of Customers
Customer Related, Industrial	$3,522,186	$0	$1,390,857	$1,390,857	$925,192	$1,663,316	$142,821	$0	12	Industrial Customers
Commodity Related (33.185%)	$66,942,890	$43,420,914	$12,266,648	$55,687,462	$3,495,170	$20,187,760	$19,572,488	$0	1	Total Throughput
Capacity Related (66.815%)	$199,212,573	$121,681,777	$34,894,446	$156,576,223	$8,986,826	$22,721,641	$10,927,882	$0	6	Excess Peak Day Requirements
TOTAL DISTRIBUTION PLANT	$480,433,071	$330,845,336	$60,720,546	$391,566,164	$13,130,571	$45,076,169	$30,658,147	$0		
TOTAL PROD, STO, TRANS, & DIST	$674,579,398	$422,757,329	$86,954,075	$509,711,404	$20,112,112	$80,235,450	$46,734,724	$17,785,707		
GENERAL PLANT										
Customer Related General Plant	$42,994,110	$39,856,259	$2,852,369	$42,808,529	$79,677	$103,140	$2,765	$0	10	# of Customers
Other General Plant:										Allocated on % of Functional Reserve
Production Related	$1,455,642	$323,679	$91,440	$415,119	$26,055	$787,066	$227,380	$0		Production Share of Reserve
Storage Related	$2,251,005	$1,103,220	$315,301	$1,418,521	$83,139	$35,855	$0	$713,490		Storage Share of Reserve
Storage Gas Related	$0	$0	$0	$0	$0	$0	$0	$0		Storage Gas Share of Reserve
Transmission Related	$4,061,712	$2,260,236	$645,628	$2,905,864	$170,877	$587,424	$417,546	$0		Transmission Share of Reserve
Distribution Related	$19,273,015	$13,272,165	$2,436,873	$15,708,038	$526,745	$1,808,352	$1,229,880	$0		Dist.,Customer/Info/Sales Share of Res
Sub-Total Other General Plant	$27,061,373	$16,959,299	$3,488,243	$20,447,542	$806,816	$3,218,719	$1,874,806	$713,490		
TOTAL GENERAL PLANT	$70,055,483	$56,815,558	$6,340,612	$63,256,070	$886,493	$3,321,859	$1,877,571	$713,490		
INTANGIBLE PLANT	$28,100,470	$17,478,830	$3,681,805	$21,158,635	$859,946	$3,449,129	$2,048,344	$584,422	33	Other General Plant
OTHER RESERVES	$76,612,394	$47,646,378	$10,037,978	$57,686,356	$2,344,533	$9,403,599	$5,584,552	$1,593,353	33	Other General Plant
TOTAL DEPRECIATION RESERVE	$849,347,745	$544,798,097	$107,014,370	$651,812,487	$24,203,083	$96,410,031	$56,245,191	$20,676,973		

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

NET PLANT IN SERVICE

Account	Item	SYSTEM TOTAL	GSS/ECTS Details Residential	GSS/ECTS Details Non-residential	RATE SCHEDULES GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage
325-339	PRODUCTION								
	NET PRODUCTION PLANT	$54,501,516	$12,119,050	$3,423,671	$15,542,721	$975,524	$29,469,799	$8,513,472	$0
350-358	STORAGE								
	Commodity Related (33.113%)	$19,328,703	$9,527,177	$2,717,691	$12,244,868	$720,987	$364,553	$0	$5,998,296
	Capacity Related (66.887%)	$39,043,981	$19,081,327	$5,458,654	$24,539,982	$1,434,970	$565,222	$0	$12,503,808
	TOTAL STORAGE PLANT	$58,372,684	$28,608,505	$8,176,345	$36,784,850	$2,155,957	$929,774	$0	$18,502,103
117	GAS STORED UNDERGROUND								
	Commodity Related (33.113%)	$0	$0	$0	$0	$0	$0	$0	$0
	Capacity Related (66.887%)	$0	$0	$0	$0	$0	$0	$0	$0
	TOTAL GAS STORED UNDERGROUND	$0	$0	$0	$0	$0	$0	$0	$0
365-372	TRANSMISSION								
	Commodity Related (33.185%)	$35,588,505	$15,617,953	$4,412,122	$20,030,075	$1,267,168	$7,261,282	$7,039,980	$0
	Capacity Related (66.815%)	$71,654,239	$43,767,394	$12,551,090	$56,318,485	$3,232,447	$9,172,687	$3,930,621	$0
	TOTAL TRANSMISSION PLANT	$107,242,744	$59,385,347	$16,963,212	$76,348,559	$4,489,616	$15,433,968	$10,970,601	$0
374-388	DISTRIBUTION								
	Customer: Services, All Pressures	$2,849,911	$2,648,544	$189,066	$2,837,610	$5,281	$8,837	$183	$0
	Customer: Services, Low Pressure	$52,056,547	$48,751,041	$3,152,807	$51,903,848	$104,123	$50,576	$0	$0
	Customer: Services, Regulated Pres.	$92,815,817	$84,763,493	$7,369,591	$92,133,084	$141,186	$522,090	$19,457	$0
	Customer: Meters & Regulators	$104,445,322	$97,065,490	$6,929,000	$103,994,490	$193,558	$250,558	$6,716	$0
	Customer Related, Industrial	$3,683,986	$0	$1,454,749	$1,454,749	$340,131	$1,739,724	$149,382	$0
	Commodity Related (33.185%)	$197,204,682	$86,542,929	$24,448,656	$110,991,585	$6,966,280	$40,236,563	$39,010,264	$0
	Capacity Related (66.815%)	$397,053,814	$242,525,926	$69,548,688	$312,074,614	$17,911,788	$45,286,873	$21,780,539	$0
	TOTAL DISTRIBUTION PLANT	$850,112,079	$562,297,423	$113,092,556	$675,389,979	$25,662,349	$88,093,210	$60,966,541	$0
	NET P, S, T & D PLANT	$1,070,229,023	$662,410,325	$141,655,784	$804,066,109	$33,283,446	$133,926,752	$80,450,613	$18,502,103
389-399	GENERAL PLANT								
	Customer Related General Plant	$28,626,259	$26,603,603	$1,898,093	$28,502,696	$53,050	$68,673	$1,841	$0
	Other General Plant:								
	Production Related	$1,392,719	$309,687	$87,488	$397,175	$24,928	$753,064	$217,551	$0
	Storage Related	$1,340,849	$657,151	$187,815	$844,966	$49,523	$21,357	$0	$425,002
	Storage Gas Related	$0	$0	$0	$0	$0	$0	$0	$0
	Transmission Related	$2,475,154	$1,370,609	$391,510	$1,762,118	$103,620	$356,215	$253,201	$0
	Distribution Related	$22,471,459	$14,749,262	$3,017,343	$17,766,605	$690,343	$2,369,762	$1,644,750	$0
	Sub-Total Other General Plant	$27,680,181	$17,086,710	$3,684,154	$20,770,864	$868,414	$3,500,398	$2,115,502	$425,002
	TOTAL GENERAL PLANT	$56,306,440	$43,690,313	$5,583,247	$49,273,560	$921,465	$3,569,071	$2,117,342	$425,002
303	NET INTANGIBLE PLANT	$16,883,167	$10,487,892	$2,209,461	$12,697,363	$616,056	$2,069,828	$1,229,217	$350,713
108	OTHER RESERVES	-$76,612,394	-$47,648,378	-$10,037,978	-$57,686,356	-$2,344,533	-$9,403,599	-$5,584,552	-$1,593,353
	NET PLANT	$1,066,786,235	$668,940,152	$139,410,514	$808,350,666	$32,376,432	$130,162,051	$78,212,620	$17,684,466

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

WORKING CAPITAL ALLOWANCE

Item	SYSTEM TOTAL	GSS/ECTS Details		RATE SCHEDULES					#	Allocation Basis
		Residential	Non-residential	GSS/ECTS	LVGSS/LVECTS	GTS/TSS/FRTS	DTS/Off-System	Storage		
CASH COMPONENTS										
Operating Revenues	$135,196,975	$92,854,792	$24,346,828	$117,001,620	$4,952,854	$9,185,608	$2,621,427	$1,435,467	15	Revenue @ Current Rates
Purchased Gas Cost Expense	($47,737,114)	($35,630,046)	($10,401,012)	($48,031,058)	($1,706,056)	$0	$0	$0	20	PGC Expense
Uncollectible Expense	($6,921,175)	($4,706,155)	($1,329,500)	($6,035,655)	($378,823)	($506,697)	$0	$0	22	Uncollectible Expense
Other O& M Expenses	($26,274,371)	($17,945,224)	($3,251,388)	($21,196,611)	($687,033)	($2,351,182)	($1,357,345)	($682,200)	25	Total O&M
Federal Income Taxes	($4,159,766)	($1,521,053)	($607,045)	($2,128,098)	($164,346)	($1,413,727)	($158,485)	($295,110)		Total FIT, p. 11 (line 41)
Other Taxes	($35,181,164)	($22,569,822)	($4,936,447)	($27,526,268)	($1,157,571)	($4,008,134)	($1,803,971)	($685,220)		Total Other Taxes, P. 11 (line 17)
Capital Structure Items	($11,097,401)	($6,958,749)	($1,450,238)	($8,408,987)	($338,801)	($1,354,030)	($813,618)	($183,965)	29	Net Plant
Supplier Billings	$8,111,435	$6,961,170	$1,691,225	$7,632,395	$479,040	$0	$0	$0		GSS/ECTS, LVGSS/LVECTS
TOTAL CASH COMPONENT	$11,937,420	$9,254,914	$4,052,423	$13,307,337	$1,001,266	($448,162)	($1,511,993)	($411,029)		
AVERAGE MONTHLY BALANCES										
Materials & Supplies	$1,147,663	$725,965	$147,585	$874,561	$33,868	$135,705	$80,633	$22,976	27	Gross Plant
Gas Stored Underground	$23,183,289	$23,183,289	$0	$23,183,289	$0	$0	$0	$0		Res. Customer Revenue
PIPP WORKING CAPITAL COMPONENT	$95,619,803	$65,018,086	$18,367,818	$83,385,904	$5,233,638	$7,000,263	$0	$0	23	PIPP Rider Revenue
TOTAL AVERAGE MONTHLY BALANES:	$119,950,755	$88,928,340	$18,515,414	$107,443,754	$5,267,524	$7,135,967	$80,533	$22,976		
TOTAL WORKING CAPITAL	$131,888,175	$98,183,254	$22,567,837	$120,751,091	$6,268,790	$6,687,805	($1,431,460)	($388,052)		

Dominion East Ohio *1/13/2009*

ATTACHMENT 1: SUMMARY OF UPDATED COST OF SERVICE STUDY RESULTS

Table 1 Return on Rate Base Comparison	Test Year	Post Rate Case		
		Year 1 Rates	Year 2 Rates	Year 3 Rates*
DEO: System Total	6.63%	8.48%	8.48%	8.48%
GSS: Residential	5.16%	8.13%	8.74%	9.60%
GSS: Non-Residential	6.79%	6.13%	3.23%	-0.84%
GSS: Combined	5.45%	7.785%	7.785%	7.785%
LVGSS	7.21%	8.89%	8.89%	8.89%
GTS	13.32%	13.25%	13.25%	13.25%
DTS	5.51%	5.15%	5.15%	5.15%

** Proposed Year 3 rates with common 100% SFV rate for all Test Year GSS/ECTS customers (@ $19.46/customer/month)*

ATTACHMENT 2: Cost of Service Summary using Year 1 Rates

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0629-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

Schedule E-3.2
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OPERATING INCOME SUMMARY

		GSS/ECTS Details		Rate Schedule/Class				
AT NEW RATES (YEAR 1)	**System Total**	**Residential**	**Non-residential**	**GSS/ECTS**	**LVGSS/LVECTS**	**GTS/TSS**	**DTS/Off-System**	**Storage**
OPERATING REVENUE ($):								
Base Rate Revenues (Year 2 Rates)	$354,504,498	$241,482,927	$38,938,531	$280,421,457	$10,291,320	$39,467,045	$13,993,247	$10,331,429
Gas Cost Revenues (per Staff Report)	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Rider Revenue	$34,196,464	$21,998,530	$6,194,862	$28,193,392	$1,835,656	$3,736,268	$431,148	$0
Non-Tax Related Rider Revenue	$138,424,730	$94,123,924	$26,590,300	$120,714,224	$7,576,515	$10,133,991	$0	$0
Tax Related Rider Revenue	$73,700,230	$50,448,807	$12,256,061	$62,704,869	$2,607,831	$5,845,508	$2,040,490	$501,532
Other Revenue	$25,317,800	$8,488,645	$2,277,879	$10,766,524	$633,909	$10,317,147	$3,039,209	$561,012
TOTAL OPERATING REVENUE	$1,065,036,587	$744,123,867	$181,884,067	$926,007,934	$38,630,627	$69,499,959	$19,504,094	$11,393,972
OPERATING EXPENSES ($)								
Gas Cost	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Related Riders	$34,196,464	$21,998,530	$6,194,862	$28,193,392	$1,835,656	$3,736,268	$431,148	$0
Non-Tax Related Rider Expense	$138,424,730	$94,123,924	$26,590,300	$120,714,224	$7,576,515	$10,133,991	$0	$0
Other Operation and Maintenance Expense	$145,674,408	$99,658,438	$17,912,690	$117,571,128	$3,804,704	$13,002,833	$7,512,397	$3,783,346
Depreciation Expense	$48,908,074	$36,432,720	$5,222,306	$41,655,026	$948,000	$3,906,449	$2,303,403	$95,196
Tax-Related Rider Expense	$73,700,230	$50,448,807	$12,256,061	$62,704,869	$2,607,831	$5,845,508	$2,040,490	$501,532
Other Taxes (Excludes GRT)	$26,726,677	$17,246,569	$3,488,756	$20,735,325	$786,771	$2,935,604	$1,729,419	$539,558
Federal Income Taxes	$39,393,419	$23,632,364	$3,038,663	$26,671,027	$1,410,022	$8,576,657	$791,743	$1,943,970
TOTAL OPERATING EXPENSES	$945,916,866	$671,122,386	$170,330,073	$841,452,459	$34,654,896	$48,137,309	$14,808,600	$6,863,602
NET OPERATING INCOME	$119,119,720	$73,001,480	$11,553,995	$84,555,475	$3,975,732	$21,362,650	$4,695,494	$4,530,370
RATE BASE	$1,404,734,309	$897,648,090	$188,478,735	$1,086,126,825	$44,729,750	$161,215,282	$91,240,673	$21,421,780
RATE OF RETURN - AT PROPOSED RATES	8.48%	8.13%	6.13%	7.785%	8.89%	13.25%	5.15%	21.15%
GROSS RECEIPTS TAX RIDER RATE	**4.6044%**							

ATTACHMENT 3: Cost of Service Summary using Proposed Year 3 Rates (Common 100% SFV Rate for all GSS/ECTS customers)

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
COST OF SERVICE STUDY

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Revised
Work Paper Reference Nos.:

Schedule E-3.2
Page 5 of 16
Witness: C. Andrews

OPERATING INCOME SUMMARY

		GSS/ECTS Details		*Rate Schedule/Class*				
AT PROPOSED RATES (YEAR 3)	**System Total**	**Residential**	**Non-residential**	**GSS/ECTS**	**LVGSS/LVECTS**	**GTS/TSS**	**DTS/Off-System**	**Storage**
OPERATING REVENUE ($):								
Base Rate Revenues (Year 2 Rates)	$354,499,891	$261,978,365	$18,438,485	$280,416,850	$10,291,320	$39,467,045	$13,993,247	$10,331,429
Gas Cost Revenues (per Staff Report)	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Rider Revenue	$34,196,464	$21,998,530	$6,194,862	$28,193,392	$1,835,656	$3,736,268	$431,148	$0
Non-Tax Related Rider Revenue	$138,424,730	$94,123,924	$26,590,300	$120,714,224	$7,576,515	$10,133,991	$0	$0
Tax Related Rider Revenue	$73,700,018	$51,392,499	$11,312,157	$62,704,657	$2,607,831	$5,845,508	$2,040,490	$501,532
Other Revenue	$25,317,800	$8,488,645	$2,277,879	$10,766,524	$633,909	$10,317,147	$3,039,209	$561,012
TOTAL OPERATING REVENUE	$1,065,031,767	$765,562,997	$160,440,117	$926,003,114	$38,630,627	$69,499,959	$19,504,094	$11,393,972
OPERATING EXPENSES ($)								
Gas Cost	$438,892,865	$327,581,034	$95,626,434	$423,207,468	$15,685,397	$0	$0	$0
Gas Cost Related Riders	$34,196,464	$21,998,530	$6,194,862	$28,193,392	$1,835,656	$3,736,268	$431,148	$0
Non-Tax Related Rider Expense	$138,424,730	$94,123,924	$26,590,300	$120,714,224	$7,576,515	$10,133,991	$0	$0
Other Operation and Maintenance Expense	$145,674,408	$99,905,383	$17,665,738	$117,571,121	$3,804,706	$13,002,836	$7,512,398	$3,783,347
Depreciation Expense	$48,908,074	$36,432,720	$5,222,306	$41,655,026	$948,000	$3,906,449	$2,303,403	$95,196
Tax-Related Rider Expense	$73,700,018	$51,392,499	$11,312,157	$62,704,657	$2,607,831	$5,845,508	$2,040,490	$501,532
Other Taxes (Excludes GRT)	$26,726,677	$17,298,224	$3,439,100	$20,735,324	$786,772	$2,935,605	$1,729,419	$539,558
Federal Income Taxes	$39,391,807	$30,701,958	($4,032,540)	$26,669,418	$1,410,021	$8,576,855	$791,743	$1,943,970
TOTAL OPERATING EXPENSES	$945,915,042	$679,432,272	$162,018,357	$841,450,628	$34,654,897	$48,137,312	$14,808,601	$6,863,603
NET OPERATING INCOME	$119,116,725	$86,130,725	($1,578,240)	$84,552,486	$3,975,730	$21,362,647	$4,695,493	$4,530,370
RATE BASE	$1,404,734,309	$897,648,090	$188,478,735	$1,086,126,825	$44,729,750	$161,215,282	$91,240,673	$21,421,780
RATE OF RETURN - AT PROPOSED RATES	8.48%	9.60%	-0.84%	7.785%	8.89%	13.25%	5.15%	21.15%
GROSS RECEIPTS TAX RIDER RATE	**4.6044%**							

ATTACHMENT 4: Peak Day and Storage Utilization Information

The East Ohio Gas Company d/b/a Dominion East Ohio
Case No. 07-0829-GA-AIR
PEAK DAY AND STORAGE UTILIZATION INFORMATION FOR COST OF SERVICE STUDY WITH GSS/ECTS SPLIT: RESIDENTIAL/NON-RESIDENTIAL

1. EC/SSO STORAGE

		1	2	3	4	5
		Peak Day Throughput	Peak Day Storage Factor	Max Storage Deliverability	Storage Capacity multiplier	Storage Capacity
A	GSS	1,736,191	34.10%	592,041	51.9	30,726,935
B	LVGSS	101,758	34.10%	34,699	51.9	1,800,903

GSS: Residential/Non-residential Split

	Peak Day Throughput	Peak Day Storage Factor	Max Storage Deliverability	Storage Capacity multiplier	Storage Capacity
Residential	1,350,279	34.10%	460,445	51.9	23,897,112
Non-Residential	385,912	34.10%	131,596	51.9	6,829,823
Total GSS	1,736,191		592,041		30,726,935
% Residential	77.7725%				

Rate Class	Test Year Throughput	Avg. Daily Usage	Excess Peak Day
GSS/ECTS Res.	111,741,482	306,141	1,044,138
GSS/ECTS NR	31,567,328	86,486	299,426
TOTAL GSS	143,308,810	392,627	1,343,564

2. FSS/EFSS/IN-OUT

		6 EFSS	7 In/Out	8 Total	
C	Storage Capacity	12,487,000	4,270,874	16,757,874	From DMG
D	Deliverability:	240,597	101,725	342,322	EFSS: 6C/51.9, In/Out per contract
		6C / 51.9	Per Contract		

3. OPERATIONAL BALANCING

		9	
E	Storage Capacity:	4,714,288	54 Bcf less items 5A,5B, and 8C above
F	Deliverability:	110,937	1.08 Bcf less items 3A, 3B, and 8D above

4. ALLOCATION OF OPERATIONAL BALANCING

Non-base Period Volumes (MMcf)		%	Share of OB: Capacity	Peak Day Requirements	%	Share of OB: Deliverability
GSS	123,713	73.9%	3,482,441	1,736,191	79.8%	88,545
LVGSS	7,580	4.5%	213,370	101,758	4.7%	5,190
GTS	36,181	21.6%	1,018,477	337,307	15.5%	17,203
TOTAL*	167,474	100.0%	4,714,288	2,175,256	100%	110,937

* Excludes DTS/Off-System

Non-base Period Volumes (MMcf)		%	Share of OB: Capacity	Peak Day Requirement	%	Share of OB: Deliverability
GSS-Res	96,615	57.7%	2,719,655	1,350,279	62.1%	68,864
GSS-Non Res	27,098	16.2%	762,786	385,912	17.7%	19,681
Total GSS	123,713	73.9%	3,482,441	1,736,191	79.8%	88,545

5. STORAGE ALLOCATION BY CLASS

Class	A Peak Deliverability	%	B COS Allocator 7 Winter Storage Requirement Capacity	%	Avg	COS Allocator 8 Excess Peak Day Calculation Excess	Excess %
GSS	680,586	63.0%	34,209,376	63.4%	226,552	454,034	62.9%
LVGSS	39,889	3.7%	2,014,273	3.7%	13,340	26,550	3.7%
GTS	17,203	1.6%	1,018,477	1.9%	6,745	10,458	1.4%
DTS	-	0.0%	-	0.0%	-	-	0.0%
FSS/EFSS	342,322	31.7%	16,757,874	31.0%	110,979	231,343	32.0%
TOTAL	1,080,000	100.0%	54,000,000	100%	357,616	722,384	100.0%
					5B/151	5A - Avg	

* Based on Non-base period volumes (October-April)

Class- GSS	C Pk Del	%	D COS Allocator 7 Winter Storage Requirement Capacity	%	Avg	COS Allocator 8 Excess Peak Day Calculation Excess	Excess %
Residential	529,309	49.01%	26,616,766	49.29%	176,270	353,039	48.9%
Non-Resid.	151,277	14.01%	7,592,609	14.06%	50,282	100,995	14.0%
Total GSS	680,586	63.0%	34,209,376	63.35%	226,552	454,034	62.9%
					5D/151	5C - Avg.	
% Residential:	77.773%		77.805%			77.756%	

6. CAPCITY vs. COMMODITY BREAKDOWN

Average	357,615.894	33.113%	Commodity	Average daily storage = 54 Bcf/151 days
Excess	722,384.106	66.887%	Capacity	Total Peak Day storage less average daily storage
Peak	1,080,000	100.0%	Total	(1,080,000 Mcf - 357,616 Mcf = 722,384 Mcf)