

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio)
Gas Company for Approval of an) Case No. 09-399-GA-UEx
Adjustment to its Uncollectible Expense)
Rider Rate.)

ENTRY

The Commission finds:

- (1) By Finding and Order dated December 17, 2003, in Case No. 03-1127-GA-UNC (Order), the Commission approved, in concept, an application brought jointly by five natural gas companies that proposed to alter the method by which the five recover uncollectible accounts expense. The Order provided discussion on several tangential issues and guidance as to implementation and reporting.
- (2) Ohio Gas Company (Ohio or Company) subsequently filed a similar application which was approved by Commission entry on January 25, 2006, in Case No. 05-1439-GA-UEx and established its initial rider rate. In three subsequent applications, Ohio Gas has filed for and received Commission approval to adjust its uncollectible expense rider rate.
- (3) On May 7, 2009, Ohio Gas filed the instant application to revise its current uncollectible expense rider rate. This application proposes to increase the rider rate to \$0.0910 per Mcf or an increase of approximately eight cents. Staff has reviewed the application and, on May 29, 2009, filed its comments. In its comments Staff recommended a rider rate of \$0.0744, instead of the Company proposed rate of \$0.0910 per Mcf rate. The Staff recommended rate would be a decrease of \$0.0166 per Mcf from the Company proposed rate and an increase of six and a half cents from Ohio Gas' current rate. Staff based upon its recommended rider rate on its calculations of the 2008 annual write-offs, recoveries and the recognition of audit recommendations in Case No. 08-212-GA-GCR.

- (4) On June 1, 2009, Ohio Gas filed a letter stating that it concurs with the recommendations made in Staff's filed comments.
- (5) The Commission has reviewed the application and the Staff's filed comments and finds Staff's recommended rider rate of \$0.0744 per Mcf to be the appropriate rate to be implemented by Ohio Gas. Staff's calculated rider rate is reasonable and in the public interest and should be approved.
- (6) The Staff's comments also recommend that, in the next gas cost recovery financial audit for Ohio Gas in 2010, Staff should examine the monthly uncollectible expense balances and write-offs and recoveries for 2008 and 2009 and that any required adjustments or corrections be considered in Ohio Gas' 2011 UEX rider application. The Commission finds that these recommendations are reasonable and should be adopted.

It is, therefore,

ORDERED, That Ohio Gas is authorized to revise the rate for its uncollectible expense rider to \$0.0744 per Mcf. It is, further,

ORDERED, That Ohio Gas is authorized to file complete copies of tariffs in final form, consistent with this Entry. Ohio Gas shall file one copy in its TRF docket (or may make such filing electronically as directed in Case No. 06-900-AU-WVR), and one copy in this case docket. It is, further,

ORDERED, That the effective date of the new tariffs shall be a date not earlier than both the date of this Entry and the date upon which final tariffs are filed with the Commission. The new tariffs shall be effective for services rendered on or after such effective date. It is, further,

ORDERED, That, in Ohio Gas' next gas cost recovery audit and next uncollectible expense rider application, staff shall perform the reviews described in this Entry. It is, further,

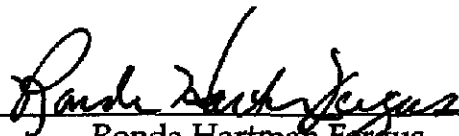
ORDERED, That a copy of this Entry be served upon all parties of record in these proceedings.

THE PUBLIC UTILITIES COMMISSION OF OHIO



Alan R. Schriber, Chairman

Paul A. Centolella



Ronda Hartman Fergus



Valerie A. Lemmie

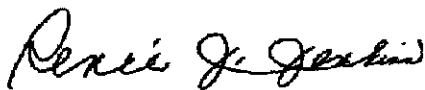


Cheryl L. Roberto

RS:sm

Entered in the Journal

JUN 24 2009



Renee J. Jenkins
Secretary