

**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 Consent and Authority to Issue a)
Long-Term Note.)**

1067
Case No. 09-___-GA-AIS

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**APPLICATION OF
THE EAST OHIO GAS COMPANY D/B/A DOMINION EAST OHIO**

Pursuant to Sections 4905.40 and 4905.41, Ohio Revised Code, The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO" or "Company") respectfully requests the Commission's authorization to issue a long-term note as set forth below:

1. DEO is an Ohio Corporation providing natural gas service to consumers in various municipalities and communities in northern and eastern Ohio and is a public utility subject to the jurisdiction of this Commission pursuant to Sections 4905.02 and 4905.03 (A) (6), Ohio Revised Code. East Ohio is a wholly-owned subsidiary of Dominion Resources, Inc. ("DRI"), which is subject to regulation by the Securities and Exchange Commission ("SEC").
2. DEO requests Commission authority to issue and sell to DRI a long-term note of the Company in the aggregate amount up to \$250 million.
3. The purpose of the issuance of the long-term note is to finance the acquisition of property, the construction, completion, extension, renewal and improvement of DEO's facilities, and the improvement of the Company's service to its customers. These funds are reasonably required by DEO to meet its present and prospective obligations to provide utility service to its customers.
4. The proposed note will have a principal amount not to exceed \$250 million. The full amount will become due at maturity, which will be 10 years from the issuance date. Interest

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will be payable semi-annually beginning 6 months from the issuance date at an annual rate of 5.17%. The proposed interest rate of 5.17% on the note is based on the effective cost of money to Consolidated Natural Gas through a prior sale of notes.¹

5. Pursuant to Section 4905.41, Ohio Revised Code, DEO submits the following as part of this Application:

- (i) A balance sheet as of September 30, 2009, is attached as "Exhibit A";
- (ii) An income statement for the twelve-month period ended September 30, 2009 is attached as "Exhibit B"; and
- (iii) A projected capital expenditures schedule by category for 2010 is attached as "Exhibit C."

6. In order for DEO to reflect this transaction on its year-end balance sheet, DEO also respectfully requests that the Commission approve this Application on or before December 30, 2009.

WHEREFORE, DEO respectfully requests that the Commission approve this Application pursuant to the terms requested herein.

¹ The referenced securities were originally issued by Consolidated Natural Gas Company prior to its merger with Dominion Resources, Inc. in June 2007. Upon merger, the outstanding securities became obligations of Dominion Resources, Inc.

Dated: November 6, 2009

Respectfully submitted,

THE EAST OHIO GAS COMPANY

By Bruce C. Klein
President

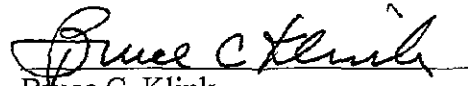
By Lessie M. G.
Assistant Secretary

Of Counsel:

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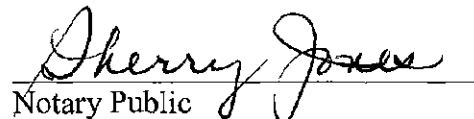
VERIFICATION

Bruce C. Klink, first duly sworn, deposes and states that he is President of the Applicant, Dominion East Ohio; that he has read the foregoing Application; and that the facts stated therein are true to the best of his knowledge, information and belief.

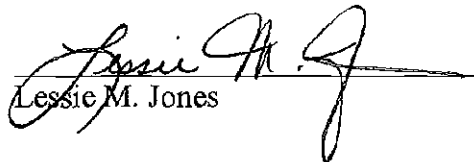

Bruce C. Klink

Subscribed and sworn to before me, a notary public, this 5TH day of November, 2009.

SHERRY JONES
NOTARY PUBLIC • STATE OF OHIO
Recorded in Cuyahoga County
My commission expires Jan. 22, 2013

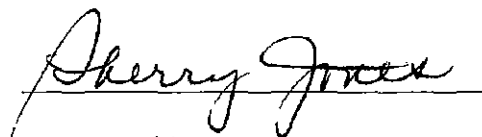

Notary Public

Lessie M. Jones, first duly sworn, deposes and states that she is the Assistant Secretary of the Applicant, Dominion East Ohio; that she has read the foregoing Application; and that the facts stated therein are true to the best of her knowledge, information and belief.


Lessie M. Jones

Subscribed and sworn to before me, a notary public, this 5TH day of November, 2009.

SHERRY JONES
NOTARY PUBLIC • STATE OF OHIO
Recorded in Cuyahoga County
My commission expires Jan. 22, 2013


Notary Public

DOMINION EAST OHIO
Balance Sheet
As of September 30, 2009
\$(000) Omitted

<u>ASSETS</u>	FERC Account	
Property, Plant & Equipment:		
Property Plant & Equipment	101-107,117	2,330,272
Accumulated Depreciation, Depletion, and Amortization	108-111	<u>(786,949)</u>
Total Property, Plant and Equipment (net)		1,543,323
Other Property and Investments		
Nonutility Property	121	2,568
Other Investments	124	<u>757</u>
Total Other Property and Investments		3,325
Current Assets		
Cash and cash equivalents	131	5,205
Customer Accounts Receivable, Net	142,144	249,177
Accounts Receivable, Other	143	1,241
Receivables From Affiliates	146	233
Gas Stored Underground-Current	164	20,214
Regulatory Assets - Current	182-191	70,727
Prepayments	165	10,044
Accumulated Deferred Taxes - Current	190	22,059
Other Current Assets	134,154,155,174	<u>14,178</u>
Total Current Assets		393,078
Deferred Charges & Other Assets:		
Other Regulatory Assets	182	310,299
Prepaid Pension Costs	165	595,070
Other Miscellaneous Non-Current Assets	186	<u>25,603</u>
Total Deferred Charges and Other Assets		<u>930,972</u>
TOTAL ASSETS		<u><u>2,870,698</u></u>

DOMINION EAST OHIO
Balance Sheet
As of September 30, 2009
\$(000) Omitted

TOTAL LIABILITIES, CAPITAL AND OTHER CREDITS	FERC Account	
Proprietary Capital		
Common Stock, No Par	201	584,968
Other Paid-In Capital	211	26,658
Retained Earnings	216, 219	<u>330,750</u>
Total Shareholders' Equity		<u>942,376</u>
Current Liabilities:		
Accounts Payable	232	172,617
Affiliated Accounts Payable	234	32,605
Notes Payable to Associated Companies	233	209,654
Advances from Associated Companies - Current	233	83,565
Accrued Liabilities	242	14,345
Customer Deposits	235	18,498
Accumulated Deferred Income Taxes - Current	281-283	44,229
Other Current Liabilities	242	<u>19,475</u>
Total Current Liabilities		594,988
Long - Term Debt		
Advances from Associated Companies	223	583,066
Deferred Credits and Other Liabilities		
Accumulated Deferred Income Taxes	281-283	529,621
Accumulated Deferred Investment Tax Credits	255	1,266
Regulatory Liabilities	254	105,367
Asset Retirement Obligations	230	65,764
Other Deferred Credits and Liabilities	254	<u>48,250</u>
Total Deferred Credits and Other Liabilities		750,268
Total Liabilities		<u>1,928,322</u>
TOTAL LIABILITIES, PROPRIETARY CAPITAL AND OTHER CREDITS		<u><u>2,870,698</u></u>

EXHIBIT B

DOMINION EAST OHIO
Statement of Income
For the Twelve Months Ended September 30, 2009
\$(000) Omitted

Operating Revenues		
Gas	587,669	
Transportation and Storage	549,962	
Other Operating Revenues	64,351	
Total Operating Revenues		1,201,982
Operating Expenses		
Purchased Gas	531,482	
Operation and Maintenance	360,447	
Depreciation and Amortization	52,939	
Other Taxes	101,953	
Total Operating Expenses		1,046,821
Operating Income (Loss)		155,161
Other Income (Deductions)		
Other Income (Net)	9,015	
Interest Expense (Net)	(44,835)	
Total Other Income (Deductions)		(35,820)
Income (Loss) Before Income Taxes		119,341
Income Taxes		41,686
Net Income (Loss)		77,655

DOMINION EAST OHIO
Estimated Capital Expenditures for 2010
\$(000) Omitted

Description

Storage Infrastructure	9,108
Automated Meter Reading Program	24,720
Distribution Metering Measurement and Regulation Infrastructure	18,001
Distribution Pipeline Infrastructure	99,244
Gathering Infrastructure	16,380
Information Technology / Telecommunications	9,810
Other General Plant Investments	3,759
Transmission Infrastructure	<u>5,987</u>
Total	<u>187,009</u>