

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East) Case No. 09-1875-GA-UNC
Ohio to Adjust its Automated Meter)
Reading Cost Recovery Charge and Related)
Matters**

APPLICATION

The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") respectfully requests, pursuant to R.C. 4905.04, 4929.11 and the Commission's October 15, 2008 Opinion and Order in Case No. 07-829-GA-AIR *et al.* ("Distribution Rate Case"), that the Commission approve an adjustment of DEO's Automated Meter Reading ("AMR") Cost Recovery Charge to \$0.49 per month per customer, to reflect costs associated with capital investments made during the period January 1, 2009 through December 31, 2009. In support of its Application, DEO states:

1. DEO is an Ohio corporation engaged in the business of providing natural gas service to approximately 1.2 million customers in northeast, western and southeast Ohio. As such, DEO is a natural gas company as defined by R.C. 4905.03(A)(6), and a public utility as defined by R.C. 4905.02.
2. On December 13, 2006, in Case No. 06-1453-GA-UNC, DEO filed an application to establish an AMR Cost Recovery Charge, via an automatic adjustment mechanism. The application was later consolidated with the Distribution Rate Case. As described in DEO's application, AMR technology: (i) provides a cost-effective way for DEO to read customers' meters as required under the minimum gas service standards; (ii) lessens the need for estimated bills, which in turn results in a better match between the amount billed and actual gas consumption; (iii) facilitates more frequent actual meter reads, which improves accuracy in

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transferring service; and (iv) eliminates the need for DEO to schedule appointments to read meters inside customers' premises, further enhancing convenience for customers.

3. In order to implement AMR technology in a timely way, DEO proposed the use of an AMR Cost Recovery Charge applicable to all customer class rate schedules on which AMR equipment is being installed. By recovering its incremental program costs through a separate charge, DEO is able to secure the capital funds needed to complete AMR installation on a five-year timetable. Absent this charge, DEO would fund the program through its normal capital budgeting process, which would accommodate a fifteen-to-twenty year systemwide deployment.

4. On May 23, 2008, Staff filed its report in the Distribution Rate Case. The Staff Report concludes that "AMR technology is a cost effective way to achieve more frequent actual meter readings and avoid inconveniencing these customers." (Staff Report at 42.) Staff also agreed that a five-year AMR deployment period "is preferable to spreading deployment over a 15 to 20 year time span...." (*Id.* at 42-43.) Staff recommended approval of an AMR Cost Recovery Charge, subject to certain modifications.

5. On August 22, 2008, the parties in the Distribution Rate Case stipulated to the adoption of Staff's recommendations with respect to AMR. On October 15, 2008 the Commission approved the Stipulation.

6. The Stipulation and Opinion and Order in the Distribution Rate Case contemplate an annual adjustment of the AMR Cost Recovery Charge. The current AMR Cost Recovery Charge of \$0.30 per customer per month was approved in the May 6, 2009 Opinion and Order in Case No. 09-38-GA-UNC.

7. DEO is continuing the process of installing AMR equipment on each of the nearly 1.3 million meters in its system. In most cases, this is accomplished by attaching an AMR device to

the customer's existing meter. In other instances, DEO is replacing remote meter index equipment with the AMR devices. In order to fully implement AMR technology - and to realize the corresponding cost savings more quickly - DEO intends to substantially complete its AMR installations by 2011. As of the date of this filing, DEO remains on target to achieve this deadline, having installed over 757,000, or nearly sixty percent of the AMR devices through January 2010.

8. On November 30, 2009, DEO submitted a pre-filing notice, including schedules reflecting estimated figures supporting the updated AMR Cost Recovery Charge. Additionally, on January 28, 2010, pursuant to R.C. 4909.18 and R.C. 4909.43, DEO provided notice, in writing, to the mayor and legislative authority of each municipality served by DEO of DEO's intent to file this Application.

9. In accordance with the Stipulation and Opinion and Order in the Distribution Rate Case, DEO hereby submits the following schedules supporting its revised AMR Cost Recovery Charge, which are attached collectively as Exhibit A:

- a. Schedules 1 and 1A, which summarize the proposed AMR Cost Recovery Charge;
- b. Schedule 2, which reflects the cumulative and incremental monthly capital additions resulting from installations, system integration, and purchases of ERT devices and related computer hardware and software;
- c. Schedule 3, which reflects cumulative and incremental monthly depreciation of the capital additions;
- d. Schedule 4, which reflects cumulative and incremental post in-service carrying costs;

- e. Schedule 5, which reflects the cumulative and incremental net deferred tax balance related to post in-service carrying costs;
- f. Schedule 6, which reflects deferred taxes on liberalized depreciation;
- g. Schedule 7, which reflects annual amortization of post in-service carrying costs;
- h. Schedule 8, which reflects incremental property tax expense associated with capital additions through December 31, 2009;
- i. Schedule 9, which reflects the approved rate of return on rate base on a pre-tax basis;
- j. Schedule 10, which reflects the number of bills issued to customers on applicable rate schedules between December 31, 2008 and December 31, 2009; and
- k. Schedule 11, which reflects the change in call-center and meter-reading expense from the 2007 approved baseline to the 2009 actual expense.

10. As reflected in Schedule 1:

- a. The total net rate base through December 31, 2009 is \$51,161,604.08;
- b. The annualized pre-tax return on rate base is 11.36%;
- c. Meter-reading savings are \$680,658.76;
- d. The annualized AMR-related revenue requirement is \$7,194,450.15;
- e. The number of bills issued to customers on applicable rate schedules between December 31, 2008 and December 31, 2009 is 14,483,362; and
- f. The resulting AMR Cost Recovery Charge is \$0.49 per month per customer.

11. In the May 6, 2009 Order in Case No. 09-38-GA-UNC, the Commission approved DEO's current AMR tariff sheet. Clean and scored versions of this tariff sheet, which reflect the adjusted AMR Cost Recovery Charge, are attached collectively as Exhibit B.

WHEREFORE, DEO respectfully requests that the Commission, pursuant to R.C. 4905.04, 4929.11 and the Commission's October 15, 2008 Opinion and Order in the Distribution Rate Case, approve DEO's Application to adjust its AMR Cost Recovery Charge to \$0.49, as reflected in the revised AMR Cost Recovery Charge tariff attached as Exhibit B, and grant DEO all other necessary and proper relief.

Dated: March 1, 2010

Respectfully submitted,



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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Application and exhibits were delivered to the following persons by electronic mail this 1st day of March, 2010.



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THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-UNC
REVENUE REQUIREMENT

Schedule 1

Line No.		As Approved 12/31/08	2009 Activity	Cumulative Through 12/31/09	2008 Revenue Requirement Adjustment (Schedule 1A)	Adjusted 2009 Revenue Requirement	Reference
1	Return on Investment						
2	Plant in Service						
3	Additions	\$32,891,588.51	\$20,717,211.50	\$53,608,800.01			Schedule 2, Lines 22 & 29
4	Retirements	\$0.00	\$0.00	\$0.00			
5	Total Plant in Service	\$32,891,588.51	\$20,717,211.50	\$53,608,800.01			
6	Less: Accumulated Provision for Depreciation						
7	Depreciation Expense	\$882,775.40	\$1,362,545.57	\$2,245,320.97			Schedule 3, Lines 17 & 18
8	Cost of Removal	\$0.00	\$0.00	\$0.00			
9	Original Cost Retired	\$0.00	\$0.00	\$0.00			
10	Total Accumulated Provision for Depreciation	\$882,775.40	\$1,362,545.57	\$2,245,320.97			
11	Net Regulatory Asset - Post-In-Service Carrying Cost	\$1,607,909.09	\$1,477,174.81	\$3,085,083.90			Schedule 4, Lines 34 & 42
12	Net Deferred Tax Balance - PISCC	(\$562,768.18)	(\$517,011.18)	(\$1,079,779.36)			Schedule 5, Lines 10 & 11
13	Deferred Taxes on Liberalized Depreciation	(\$1,057,425.87)	(\$1,149,753.63)	(\$2,207,179.50)			Schedule 6, Lines 39 & 40
14	Net Rate Base	\$31,996,528.15	\$19,165,075.93	\$51,161,604.08			
15	Approved Pre-Tax Rate of Return (ROR)			11.36%			Schedule 9, Line 8
16	Annualized Return on Rate Base		\$5,811,958.22		(\$71,875.46)	\$5,740,082.76	Net Rate Base * ROR
17	Operating Expense						
18	Incremental Annual Depreciation Expense			1,393,871.57	(\$31,326.00)	\$1,362,545.57	Schedule 3, Lines 16 & 17
19	Annualized Amortization of PISCC			\$100,077.17	(\$1,672.58)	\$98,404.59	Schedule 7, Lines 16 & 17
20	Incremental Annual Property Tax Expense			\$674,075.99	\$0.00	\$674,075.99	Schedule 8, Line 4
21	Reduction in Call Center Expense			\$0.00	\$0.00	\$0.00	Schedule 11, Line 2
22	Reduction in Meter Reading Expense			(\$680,658.76)	\$0.00	(\$680,658.76)	Schedule 11, Line 1
23	Annualized Revenue Requirement			\$7,299,324.19	(\$104,874.04)	\$7,194,450.15	
24	Number of Bills			14,483,362	14,483,362	14,483,362	Schedule 10, Line 4
25	AMR Cost Recovery Charge			\$0.50	-\$0.01	\$0.49	Per Month

EXHIBIT

A

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-UNC
2008 REVENUE REQUIREMENT ADJUSTMENT

Schedule 1A

Line No.	As Approved 12/31/08 (a)	2008 Adjusted* (b)	Variance From Approved (b) - (a)	Reference
1	Return on Investment			
2	Plant in Service			
3	Additions	\$31,911,944.07	(\$979,644.44)	Schedule 2, Line 7
4	Retirements	\$0.00	\$0.00	
5	Total Plant in Service	\$31,911,944.07	(\$979,644.44)	
6	Less: Accumulated Provision for Depreciation			
7	Depreciation Expense	\$882,775.40	(\$31,326.00)	Schedule 3, Lines 8 & 9
8	Cost of Removal	\$0.00	\$0.00	
9	Original Cost Retired	\$0.00	\$0.00	
10	Total Accumulated Provision for Depreciation	\$882,775.40	(\$31,326.00)	
11	Net Regulatory Asset - Post-In-Service Carrying Cost	\$1,607,909.09	(\$25,076.19)	Schedule 4, Lines 34 & 42
12	Net Deferred Tax Balance - PISCC	(\$562,768.18)	(\$553,991.51)	Schedule 5, Lines 4 & 5
13	Deferred Taxes on Liberalized Depreciation	(\$1,057,425.87)	(\$725,514.42)	(Variance Line 3 less Line 7) * 35%
14	Net Rate Base	\$31,363,821.64	(\$632,706.51)	Rate Base adjustments are included in 2009 Activity
15	Approved Pre -Tax Rate of Return (ROR)	11.36%	11.36%	Schedule 9, Line 8
16	Annualized Return on Rate Base	\$3,634,805.60	\$3,562,930.14	Net Rate Base * ROR
17	Operating Expense			
18	Incremental Annual Depreciation Expense	\$882,775.40	(\$31,326.00)	Schedule 3, Lines 8 & 9
19	Annualized Amortization of PISCC	\$54,762.00	(\$1,672.58)	Schedule 7, Line 16
20	Incremental Annual Property Tax Expense	\$75,571.02	\$0.00	
21	Reduction in Call Center Expense	\$0.00	\$0.00	
22	Reduction in Meter Reading Expense	(\$275,928.62)	(\$275,928.62)	
23	Annualized Revenue Requirement	\$4,371,985.40	(\$104,874.04)	
24	Number of Bills	14,769,345	14,769,345	
25	AMR Cost Recovery Charge	\$0.30	\$0.29	

*Removal of certain capital charges included in the 2008 AMR rate base.

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-JNC
Plant Additions by Month

Schedule 2

Line No.	FERC	As Approved 12/31/08	2008 Adjustments	01/31/09	02/28/09	03/31/09	04/30/09	05/31/09	06/30/09	07/31/09	08/31/09	09/30/09	Actual Through 09/30/09
Cumulative													
1	3820	11,348,431.25	-	12,434,699.31	13,402,968.59	14,599,601.17	15,590,781.37	16,457,581.96	17,404,784.81	17,889,729.25	18,543,763.34	19,293,571.86	19,293,571.86
2	3810	19,294,612.51	-	20,066,088.79	21,100,818.54	22,308,575.06	23,277,453.77	24,190,634.64	24,966,664.38	25,653,310.05	26,415,357.61	27,229,539.30	27,229,539.30
3	3812	508,314.64	-	806,564.44	806,909.53	801,865.77	850,211.27	850,211.27	850,211.27	850,515.13	887,629.62	789,284.12	789,284.12
4	3990	966,250.44	(966,250.44)	-	-	-	-	-	-	-	-	-	-
5	3030	423,989.46	(13,394.00)	410,575.46	410,575.46	410,575.46	410,575.46	410,575.46	410,575.46	410,575.46	410,575.46	410,575.46	410,575.46
6	3030	350,000.21	-	350,000.21	350,000.21	350,000.21	350,000.21	350,000.21	350,000.21	350,000.21	350,000.21	350,000.21	350,000.21
7	Total	32,891,588.51	(979,644.44)	34,067,923.21	36,071,267.13	38,470,617.77	40,479,022.08	42,259,003.54	43,982,236.13	45,154,180.10	46,557,326.24	48,072,970.95	48,072,970.95
Incremental													
8	ERT Installation	-	-	1,086,248.06	968,269.28	1,196,632.68	991,180.10	866,800.59	947,202.85	484,944.44	654,034.09	749,808.52	7,945,140.61
9	ERT Purchases	-	-	771,461.28	1,094,719.55	1,207,761.72	968,878.71	913,180.87	776,029.74	686,645.67	762,047.56	814,181.69	7,934,916.79
10	Computer Hardware	-	-	298,249.80	345.09	(5,043.76)	48,345.50	-	-	303.86	(12,885.51)	(48,345.50)	280,969.48
11	In House Labor - CCS IT	-	(966,250.44)	-	-	-	-	-	-	-	-	-	(966,250.44)
12	In House Labor - IT	-	(13,394.00)	-	-	-	-	-	-	-	-	-	(13,394.00)
13	Computer Software - Purchased	-	-	-	-	-	-	-	-	-	-	-	-
14	Total	-	(979,644.44)	2,155,929.14	2,003,343.92	2,399,350.64	2,008,404.31	1,779,981.46	1,723,232.59	1,171,893.97	1,403,196.14	1,515,644.71	15,181,382.44
15	Cumulative 2009 Additions (Unadjusted)			2,155,929.14	4,159,323.06	6,558,673.70	8,567,078.01	10,347,059.47	12,070,292.06	13,242,186.03	14,645,382.17	16,161,026.88	

	10/31/09	11/30/09	12/31/09	Actual Oct-Dec09	2009 Total Year
Cumulative					
16	ERT Installation	20,348,760.11	20,840,433.48	1,546,861.62	9,492,002.23
17	ERT Purchases	27,979,104.76	28,695,484.36	2,269,187.58	10,204,104.37
18	Computer Hardware	789,284.12	1,089,284.12	300,000.00	580,969.48
19	In House Labor - CCS IT	-	1,419,779.86	1,419,779.86	453,529.42
20	In House Labor - IT	410,575.46	410,575.46	-	(13,394.00)
21	Computer Software - Purchased	350,000.21	350,000.21	-	-
22	Total	49,335,792.43	50,894,104.26	5,535,829.06	20,717,211.50
Incremental					
23	ERT Installation	513,256.02	541,932.23	1,546,861.62	9,492,002.23
24	ERT Purchases	749,565.46	716,379.60	2,269,187.58	10,204,104.37
25	Computer Hardware	-	300,000.00	300,000.00	580,969.48
26	In House Labor - CCS IT	-	-	1,419,779.86	453,529.42
27	In House Labor - IT	-	-	-	(13,394.00)
28	Computer Software - Purchased	-	-	-	-
29	Total	1,262,821.48	1,558,311.83	5,535,829.06	20,717,211.50
30	Cumulative 2009 Additions (Unadjusted)	17,423,846.36	18,982,160.19	21,696,855.94	

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-UNC
Provision for Depreciation

Line No.	12/31/08	2008 Adj	01/31/09	02/28/09	03/31/09	04/30/09	05/31/09	06/30/09	07/31/09	08/31/09	09/30/09	Sept YTD
1 ERT Installation			23,004.19	24,795.49	27,009.26	28,842.95	30,446.53	31,198.85	33,096.00	34,305.96	35,693.11	269,392.34
2 ERT Purchases			45,148.69	47,476.83	50,194.29	52,374.27	54,428.93	56,174.99	57,719.95	59,434.55	61,266.46	484,218.96
3 Computer Hardware			13,442.74	13,448.49	13,364.43	14,170.19	14,170.19	14,170.19	14,175.25	13,960.49	13,154.74	124,056.71
4 In House Labor - CCS IT												
5 In House Labor - IT			6,842.92	6,842.92	6,842.92	6,842.92	6,842.92	6,842.92	6,842.92	6,842.92	6,842.92	61,586.28
6 Computer Software - Purchased			5,833.34	5,833.34	5,833.34	5,833.34	5,833.34	5,833.34	5,833.34	5,833.34	5,833.34	52,500.06
7 Total			\$94,771.88	\$98,397.07	\$103,244.24	\$108,063.67	\$111,721.91	\$115,220.29	\$117,667.46	\$120,377.26	\$122,790.57	\$991,754.35
8 Depreciation with Prior Yr Adjustment												
			(\$31,326.00)									
9 Cumulative Provision for Depreciation	\$882,775.40	\$851,449.40	\$945,721.28	\$1,044,118.35	\$1,147,362.59	\$1,255,426.26	\$1,367,148.17	\$1,482,368.46	\$1,600,035.92	\$1,720,413.18	\$1,843,203.75	

Line No.	10/31/09	11/30/09	12/31/09	Oct - Dec 09	Balance at 12/31/09
10 ERT Installation	36,642.63	37,645.21	38,554.80	112,842.64	382,234.98
11 ERT Purchases	62,952.99	64,564.84	66,372.14	193,889.97	678,108.93
12 Computer Hardware	13,154.74	18,154.74	18,154.74	49,464.22	173,520.93
13 In House Labor - CCS IT			7,891.61	7,891.61	7,891.61
14 In House Labor - IT	6,842.92	6,842.92	6,842.92	20,528.76	82,115.04
15 Computer Software - Purchased	5,833.34	5,833.34	5,833.34	17,500.02	70,000.08
16 Total	125,426.62	133,041.05	143,649.55	402,117.22	1,393,871.57
17 Depreciation with Prior Yr Adjustment					
	125,426.62	133,041.05	143,649.55	402,117.22	1,362,545.57
18 Cumulative Provision for Depreciation	1,968,630.37	2,101,671.42	2,245,320.97		

Depreciation Rate	
ERT Installation	2.22%
ERT Purchases	2.70%
Computer Hardware	20.00%
Computer Software - Purchases	20.00%
Computer Software Project	20.00%
Computer Software Project - CCS	6.67%

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 08-1875-GA-JNC
Net Regulatory Asset - Post In-Service Carrying Costs (PISCC)

Line No.	2008 Adjustments	2008 Adjusted	01/23/09	02/28/09	03/31/09	04/30/09	05/31/09	06/30/09	07/31/09	08/31/09	09/30/09	10/31/09	11/30/09	12/31/09	Balance at 12/31/09
1			11,348,431.25	12,434,689.31	14,590,601.27	15,590,761.37	5,100,150.71	6,056,353.56	6,541,290.00	7,185,332.09	7,945,140.61	8,658,396.63	9,000,326.66	9,492,002.23	
2			19,294,622.51	20,096,083.79	22,308,575.06	23,277,453.77	4,896,012.11	5,672,041.87	6,158,487.54	7,120,735.10	7,934,916.79	8,694,182.25	9,400,862.45	10,204,104.37	
3			508,314.64	808,905.53	801,865.77	850,211.77	343,896.63	341,895.63	342,200.49	339,314.98	280,969.48	280,969.48	580,969.48	580,969.48	
4			896,250.40	430,575.46	430,575.46	430,575.46	-	-	-	-	-	-	-	1,419,775.86	
5			113,134.00	350,000.21	350,000.21	350,000.21	-	-	-	-	-	-	-	-	
6			435,988.44	350,000.21	350,000.21	350,000.21	-	-	-	-	-	-	-	-	
7			350,000.21	350,000.21	350,000.21	350,000.21	-	-	-	-	-	-	-	-	
8			332,801,548.51	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	581,911,944.07	
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(a) Prior year cumulative assets are included in the calculation of PISCC up to the month in which the associated AMR Cost Recovery charge was put into effect.

Schedule 5

Line No.	2008	12/31/08	Adjustments	01/31/09	02/28/09	03/31/09	04/30/09	05/31/09	06/30/09	07/31/09	08/31/09	09/30/09
1	Net Deferred Tax Balance - PISCC											
2	Beginning Balance		\$562,768.18	\$553,991.51	\$614,491.24	\$679,078.34	\$747,463.45	\$820,397.33	\$895,590.37	\$913,658.23	\$934,993.05	\$958,549.59
3	Monthly Activity		(8,776.67)	60,495.73	64,587.10	68,385.11	72,933.88	75,193.04	18,067.86	21,334.82	23,555.54	26,216.76
4	Ending Balance		<u>\$562,768.18</u>	<u>\$553,991.51</u>	<u>\$614,491.24</u>	<u>\$679,078.34</u>	<u>\$747,463.45</u>	<u>\$820,397.33</u>	<u>\$895,590.37</u>	<u>\$913,658.23</u>	<u>\$934,993.05</u>	<u>\$958,549.59</u>
5	Cumulative 2009 Activity		<u>(\$8,776.67)</u>	<u>\$51,723.06</u>	<u>\$116,310.16</u>	<u>\$184,695.27</u>	<u>\$257,629.15</u>	<u>\$332,872.19</u>	<u>\$350,890.05</u>	<u>\$372,274.87</u>	<u>\$395,781.41</u>	<u>\$421,998.17</u>
6	Tax Rate	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
				10/31/09	11/30/09	Balance at 12/31/09						
7	Net Deferred Tax Balance - PISCC											
8	Beginning Balance			\$984,766.35	\$1,013,856.52	\$1,045,340.79						
9	Monthly Activity			29,090.17	31,484.27	34,438.57						
10	Ending Balance			<u>\$1,013,856.52</u>	<u>\$1,045,340.79</u>	<u>\$1,079,779.36</u>						
11	Cumulative 2009 Activity			<u>\$451,088.34</u>	<u>\$482,572.61</u>	<u>\$517,011.18</u>						
12	Tax Rate			35.00%	35.00%	35.00%						

Deferred Taxes on Liberalized Depreciation

Line No.		FIRC Account	Tax Life	Tax Year 2009	
				Vintage 2007	Vintage 2008
				Total	Total
	Plant In-Service				
1	ERT Installation	3820	15/20	2,756,263.11	8,592,168.14
2	ERT Purchases	3810	15/20	4,523,047.88	14,771,574.63
3	Computer Hardware	3912	5	115,959.17	382,355.47
4	Computer Software - CQS IT	3990	1	0.00	966,250.44
5	Computer Software - IT	3930	1	226,155.37	197,774.09
6	Computer Software - Purchased	3030	3	278,945.51	71,054.70
7	Total Plant In-Service			\$7,900,411.04	\$24,991,177.47
	Book to Tax Basis Adjustments:				
8	MACRS - 5 Year Property			0.00	0.00
9	MACRS - 15 Year Property			0.00	0.00
10	MACRS - 20 Year Property			0.00	0.00
11	MACRS - 3 Year Property			0.00	0.00
12	MACRS - 1 Year Property			0.00	0.00
13	Total Book to Tax Basis Adjustments			0.00	0.00
	Tax Base In-Service subject to:				
14	MACRS - 5 Year Property			115,959.17	382,355.47
15	MACRS - 15 Year Property			7,279,310.99	23,965,742.77
16	MACRS - 20 Year Property			0.00	0.00
17	MACRS - 3 Year Property			278,945.51	71,054.70
18	MACRS - 1 Year Property			226,155.37	1,164,024.53
19	Total Tax Depreciation Base			\$7,900,411.04	\$24,991,177.47
	Tax Rates				
20	MACRS - 5 Year Property			19.2000%	32.0000%
21	MACRS - 15 Year Property			8.5500%	9.5000%
22	MACRS - 20 Year Property			6.6770%	7.2190%
23	MACRS - 3 Year Property			33.3333%	33.3333%
24	MACRS - 1 Year Property			0.0000%	0.0000%
	Tax Depreciation				
25	MACRS - 5 Year Property			22,364.16	125,553.75
26	MACRS - 15 Year Property			622,381.09	2,219,555.56
27	MACRS - 20 Year Property			0.00	0.00
28	MACRS - 3 Year Property			92,981.84	23,684.90
29	MACRS - 1 Year Property			0.00	0.00
30	Total Tax Depreciation			\$797,627.09	\$2,368,794.21
	Book Depreciation				
31	ERT - Installations				
32	ERT - Purchases				
33	ERT - Other				
34	Total Book Depreciation				
35	Less: Book Depr on AFUDC Equity				
36	Plus: Originating Dfr. Exclusive of AFUDC Equity				
37	Net Book Depreciation				
38	Tax Depreciation In Excess of Book Depreciation				
39	Federal Deferred Taxes @ 35.00%				
40	Accumulated Deferred Income Tax (ADIT)				
41	Federal Deferral Rate				

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-UNC
Annualized Amortization of PISCC

Schedule 7

Line No.	Description	Accumulated Balance at 12/31/08	2008 Adjustment	Adjusted Accumulated Balance	2009 Deferrals Net of Amortization	Accumulated Balance at 12/31/09
1	Regulatory Asset--Deferrals					
2	ERT Installation	484,140.14		484,140.14	630,281.51	1,114,421.65
3	ERT Purchases	1,025,594.22		1,025,594.22	827,143.28	1,852,737.50
4	Computer Hardware	26,349.10		26,349.10	30,460.59	56,809.69
5	In House Labor - CCS IT	25,076.19	(25,076.19)	0.00	0.00	0.00
6	In House Labor - IT	26,186.72		26,186.72	7,628.15	33,814.87
7	Computer Software - Purchased	20,562.72		20,562.72	6,737.47	27,300.19
8	Cumulative Total--PISCC	\$1,607,909.09	(\$25,076.19)	\$1,582,832.90	\$1,502,251.00	\$3,085,083.90

Schedule 4

Line No.	Description	Annualized Amortization of 2008 PISCC	2008 Adjustment	Adjusted Amortization of 2008 PISCC	Annualized Amortization of 2009 PISCC	Total Annual Amortization
9	Annualized Amortization of PISCC					
10	ERT Installation	10,747.91	0.00	10,747.91	13,992.25	24,740.16
11	ERT Purchases	27,721.81	0.00	27,721.81	22,357.68	50,079.49
12	Computer Hardware	5,269.82	0.00	5,269.82	6,092.12	11,361.94
13	In House Labor - CCS IT	1,672.58	(1,672.58)	0.00	0.00	0.00
14	In House Labor - IT	5,237.34	0.00	5,237.34	1,525.63	6,762.97
15	Computer Software - Purchased	4,112.54	0.00	4,112.54	1,347.49	5,460.03
16	Total -- Annualized PISCC Amortization	\$54,762.00	(\$1,672.58)	\$53,089.42	\$45,315.17	\$98,404.59
17	Annualized Amortization Before Adjustment	\$54,762.00			\$45,315.17	\$100,077.17
18	Monthly Amortization					
19	ERT Installation	895.66		895.66		
20	ERT Purchases	2,310.15		2,310.15		
21	Computer Hardware	439.15		439.15		
22	In House Labor - CCS IT	139.38		0.00		
23	In House Labor - IT	436.45		436.45		
24	Computer Software - Purchased	342.71		342.71		
25	Total -- Monthly PISCC Amortization	\$4,563.50		\$4,424.12		

Schedule 8

Line No.	Actual Through 12/31/08	2008 Adjustment	Adjusted Actual Through 12/31/08	Actual Through 12/31/09	Balance 12/31/09
				(Schedule 4 Line 8)	
1 Total Plant in Service	\$32,891,588.51	(\$979,644.44)	\$31,911,944.07	\$21,696,855.94	\$53,608,800.01 Schedule 2
2 2008 Effective Rate			2.1123%		
3 Ohio Property Tax - Accumulated					
4 Tax on Property Through 12/31/2008- Expensed in 2009					<u>\$674,075.99</u>

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-UNC

Approved Rate of Return on Rate Base

Schedule 9

Line No.		
1	Capital Structure	
2	Debt	48.66%
3	Equity	51.34%
4	Cost of Capital	
5	Debt	6.50%
6	Equity	10.38%
7	Return on Rate Base	<u>8.49%</u>
8	Return on Rate Base using Pre-Tax Equity	<u>11.36%</u>

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE

CASE NO. 09-1875-GA-UNC

Actual Bills Issued

Twelve Months Ended December 31, 2009

Schedule 10

Line No.	Customer Class	CCS	SBS	Total Bills
1	GSS / ECTS	14,401,957	9,406	14,411,363
2	GTS / TSS	13,396	18,555	31,951
3	LVGSS / LVECTS	31,711	8,337	40,048
4	Total	14,447,064	36,298	14,483,362

THE EAST OHIO GAS COMPANY d/b/a DOMINION EAST OHIO
AUTOMATED METER READING ESTIMATED COST RECOVERY CHARGE
CASE NO. 09-1875-GA-UNC
CALL CENTER AND METER READING EXPENSES

Line No.		2007 Baseline	2009 Actual	Variance		Reduction of AMR Revenue Requirement
				2009 Actual vs. 2007 Baseline	2007 Baseline	
1	Meter Reading	\$8,684,136.64	\$8,003,477.88	(\$680,658.76)		(\$680,658.76)
2	Call Center	19,031,482.22	20,982,257.75	1,950,775.53		-
3	Total	\$27,715,618.86	\$28,985,735.63	\$1,270,116.77		(\$680,658.76)

Schedule 11

AMR Cost Recovery Charge

A monthly charge of \$0.4930 shall be added to the otherwise applicable monthly service charge for all customers receiving service under the following rate schedules to recover the depreciation, incremental property taxes and post in-service carrying charges associated with the installation of automated meter reading (AMR) equipment throughout East Ohio's system:

- a) General Sales Service
- b) Large Volume General Sales Service
- c) Energy Choice Transportation Service
- d) Large Volume Energy Choice Transportation Service
- e) General Transportation Service
- f) Transportation Service for Schools

EXHIBIT

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B

Issued: May 15, 2009

Effective: With bills rendered on or after May 19, 2009

Filed under authority of The Public Utilities Commission of Ohio in Case No. 09-187538-GA-UNC

~~Bruce C. Klink, President~~ Anne E. Bomar, Senior Vice President

AMR Cost Recovery Charge

A monthly charge of \$0.49 shall be added to the otherwise applicable monthly service charge for all customers receiving service under the following rate schedules to recover the depreciation, incremental property taxes and post in-service carrying charges associated with the installation of automated meter reading (AMR) equipment throughout East Ohio's system:

- a) General Sales Service
- b) Large Volume General Sales Service
- c) Energy Choice Transportation Service
- d) Large Volume Energy Choice Transportation Service
- e) General Transportation Service
- f) Transportation Service for Schools

Issued:

Effective: With bills rendered on or after

Filed under authority of The Public Utilities Commission of Ohio in Case No. 09-1875-GA-UNC
Anne E. Bomar, Senior Vice President