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# BEFORE RECEIVED-DOCKETING DIV THE PUBLIC UTILITIES COMMISSION OF OPHPJUN 15 PM 3: 34

In the Matter of the Application of	)	PUCO
Suburban Natural Gas Company for an	)	Case No. 10-0763-GA-RDR
Adjustment to the Infrastructure	)	
Replacement Program Rider	)	

# PRE-FILING NOTICE OF SUBURBAN NATURAL GAS COMPANY

Pursuant to the Finding and Order in Case No. 09-0573-GA-UNC, the Suburban Natural Gas Company ("Suburban") hereby gives notice that Suburban intends to file an application for approval of an adjustment to Suburban's Infrastructure Replacement Program Rider ("Rider IRP") at the Public Utilities Commission of Ohio ("Commission"). Enclosed in this Pre-filing Notice are the following Exhibits:

- Exhibit 1: A statement of Notice of Intent to file an adjustment to Rider IRP, which includes the service area to be included in the application and dates of the proposed test year.
- Exhibit 2: A listing of municipalities included in the application along with the names and addresses to the mayors and legislative authorities to whom notices of intent to file were sent.
- Exhibit 3: The proposed tariff schedules that are intended to replace or add to current tariff schedules.
- Exhibit 4: A copy of the letter sent to mayors and legislative authorities of municipalities listed in Exhibit 2 of the Pre-filing Notice.
- Exhibit 5: Schedules to the Rider IRP Pre-filing Notice.

  This is to certify that the images appearing are an accurate and formulate proposition of a case file.

accurate and complete reproduction of a case file document delivered in the regular course of business.

Technician Date Processed 6 5 000

Suburban has not included in this Pre-filing Notice a list of intervenors and interested parties in its last rate case because there were no intervenors or interested parties in Suburban's last rate case, PUCO Case No. 07-0689-GA-AIR.

Respectfully submitted,

John W. Bentine, Esq. (0016388)

E-Mail: jbentine@cwslaw.com Direct Dial: (614) 334-6121

Matthew S. White, Esq. (0082859) E-Mail: mwhite@cwslaw.com

Direct Dial: (614) 334-6172

Chester, Willcox & Saxbe, LLP 65 East State Street, Suite 1000

Columbus, Ohio 43215-4213

(614) 221-4000 (Main Number)

(614) 221-4012 (Facsimile)

Attorneys for Suburban Natural Gas Company

# **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing *Pre-filing Notice* was served upon the following parties of record or as a courtesy, via U.S. Mail postage prepaid, on June 15, 2010.

Thomas Lindgren
Werner Margard
Attorney General
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Doris McCarter, Division Chief Capital Recovery and Financial Analysis Utilities Department Public Utilities Commission of Ohio 180 East Broad Street, 3<sup>rd</sup> Street Columbus, Ohio 43215

Matthew S. White

ND: 4835-8401-7414, v. 1

# NOTICE OF INTENT TO FILE

This document constitutes Suburban Natural Gas Company's ("Suburban") Notice of Intent to file an adjustment to its Rider IRP rates

# SERVICE AREA INCLUDED

The entire gas service area of Suburban will be included in the application for an adjustment of Rider IRP

# **TEST YEAR**

Test Year-Twelve Months Ended June 30, 2010

# LISTING OF MUNICIPALITIES INCLUDED IN THE APPLICATION

# 2010 Village Clerks & Fiscal Officers

### CYGNET

Karen Hannah, Clerk/Treasurer P.O. Box 190 Cygnet, Ohio 43413 H-419-655-3171/Bus-419-655-2715

### **JERRY CITY**

Tammy Stubbins, Fiscal Officer P.O. Box 298 Jerry City, Ohio 43437 Bus-419-655-3811

# **DUNBRIDGE**

Laurie Limes, Fiscal Officer
P.O. Box 206
Haskins, Ohio 43525
H-419-823-1823 Bus-419-823-1480
middletonclerk@midohio.twcbc.com

#### **HASKINS**

Lisa Heft, Clerk/Treasurer
P.O. Box 182
Haskins, Ohio 43525
H-419-823-1007 Bus-419-823-1911
lisaheft@haskinsvillage.org

# **DESHLER**

Karen Diem, Clerk/Treasurer 101 E. Main Street Deshler, Ohio 43516 419-278-2955-work 419-278-3882-home deshclerk@embarqmail.com

#### HOYTVILLE

Jane Schaffner, Clerk/Treasurer 19901 E. Church Street Hoytville, Ohio 43529 H-419-278- Bus-419-278-6630

#### WESTON

Sarah Schroeder, Fiscal Officer P.O. Box 354 Weston, Ohio 43569 Bus-419-669-3224 sschroeder@westonohio.org

### **GRAND RAPIDS**

Karen Traister Rader, Fiscal Officer P.O. Box 309
Grand Rapids, Ohio 43522
419-832-5305-office information@grandrapidsohio.com

#### MALINTA

Debra Wulff, Clerk/Treasurer P.O. Box 69 Malinta, Ohio 43535 H-419-256-6168 Bus-419-256-7961

# **McCLURE**

Connie Ehlers, Clerk/Treasurer P.O. Box 340 McClure, Ohio 43534 H-419-748-8478 Bus-419-748-8592 cehlers@wcnet.org

#### TONTOGANY

Sheryl Wallace, Fiscal Officer P.O. Box 238
Tontogany, Ohio 43565
419-823-7703
s.wallace@tontoganyohio.org

#### <u>HOLGATE</u>

Sally Nelson, Clerk/Treasurer P.O. Box 217 327 Railway Avenue Holgate, Ohio 43527 H-419-264-7185 Bus-419-264-3612

#### HAMLER

Shelly Grant, Fiscal Officer 916 Woodlawn Court Napoleon, Ohio 43545 419-592-0915

#### **BOWLING GREEN**

Kay Scherreik, Clerk 304 North Church Street Bowling Green, Ohio 43402 419-354-6204-office 419-354-1262-fax k.scherreik@bgohio.org

Note: When a village clerk lives outside the village limits, his/her title is changed to Fiscal Officer.

# **MAYORS FOR 2010**

# **VILLAGE OF CYGNET**

Mayor Nancy Myers 225 Union Street P.O. Box 190 Cygnet, Ohio 43413 H-419-655-2483 Bus-419-655-2715 nmyers@wcnet.org

# **VILLAGE OF JERRY CITY**

Mayor Rick Tolbert P.O. Box 173 Jerry City, Ohio 43437 419-655-3662 Work 419-343-6824

# **VILLAGE OF DUNBRIDGE**

Fred E. Vetter, Chairman Middletown Township Trustee 11440 Devils Hole Road Bowling Green, Ohio 43402 H-419-353-7144 Bus-419-823-1480

# **VILLAGE OF HASKINS**

Mayor Randy Varner P.O. Box 182 Haskins, Ohio 44352 Bus-419-823-4406 mayor@haskinsvillage.org

# **VILLAGE OF DESHLER**

Mayor Steve Gibson 542 W. Main Street Deshler, Ohio 43516 H-419-278-0198 Bus-419-278-2955 www.villageofdeshler.com

# VILLAGE OF HOYTVILLE

Mayor Edna Johnson 2429 S. Maple Street Hoytville, Ohio 43529 H-419-278-1930 Bus-419-278-6630

# **VILLAGE OF HOLGATE**

Mayor Wallace Snyder P.O. Box 217 Holgate, Ohio 43527 H-419-264-8271 Bus-419-264-3612

# **VILLAGE OF WESTON**

Mayor Howard D. Lashuay 13330 Main Street P.O. Box 354 Weston, Ohio 43569 H-419-669-4241 Bus-419-308-9060

# **VILLAGE OF HAMLER**

Mayor Larry Dirr P.O. Box 435 Hamler, Ohio 43524 H-419-274-4884 Bus-419-274-7651

# **VILLAGE OF MALINTA**

Mayor Terry Wulff P.O. Box 49 Malinta, Ohio 43535 H-419-256-6168

# **VILLAGE OF MCCLURE**

Mayor Dean Dawson P.O. Box 340 McClure, Ohio 43534 H-419-748-8285 Bus-419-748-8592

# **VILLAGE OF TONTOGANY**

Mayor Nathan C. Wallace P.O. Box 107 Tontogany, Ohio 43565 H-419-823-7703 n.wallace@tontoganyohio.org

### **VILLAGE OF GRAND RAPIDS**

Mayor Judy Keifer
P.O. Box 309
Grand Rapids, Ohio 43522
H-419-832-6453 Bus-419-832-5305
gr.mayor@verizon.net

#### CITY OF BOWLING GREEN

Mayor John Quinn 304 N. Church Street Bowling Green, Ohio 43402 H-419-354-1833 Bus-419-354-6204 mayor@bgohio.org

# **PROPOSED TARIFF SHEET**

# INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

AP	PU	ICA	BIL	.IT	1:
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Applicable to all customers.

# **DESCRIPTION:**

An additional charge per month per account, regardless of gas consumed, to recover costs associated with Suburban's riser inventory and identification process; customer notification and education; the replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure and repair or replacement of service lines as specified in the Company's IRP Plan filed with the Public Utilities Commission of Ohio. This Rider shall be calculated annually pursuant to a Notice filed no later than May 31 of each year based on nine months of actual data and three months of estimated data for the reporting year. The filing shall be updated by no later than August 31 of the same year to reflect the use of actual reporting year data. Such adjustments to the Rider will become effective with bills rendered on November 1 of each year.

# RATE:

\$0.39 per Month

ISSUED: \_\_\_\_\_, 2010 EFFECTIVE: November 1, 2010

Filed pursuant to the Opinion and Order of the Public Utilities

Commission of Ohio in Case No. 10-0763-GA-RDR dated \_\_\_\_\_\_\_\_, 2010

ISSUED BY DAVID L. PEMBERTON, JR., PRESIDENT

# **CHANGES TO CURRENT TARIFF SHEET**

# INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

# APPLICABILITY:

Applicable to all customers.

# **DESCRIPTION:**

An additional charge per month per account, regardless of gas consumed, to recover costs associated with Suburban's riser inventory and identification process; customer notification and education; the replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure and repair or replacement of service lines as specified in the Company's IRP Plan filed with the Public Utilities Commission of Ohio. This Rider shall be calculated annually pursuant to a Notice filed no later than May 31 of each year based on nine months of actual data and three months of estimated data for the reporting year. The filing shall be updated by no later than August 31 of the same year to reflect the use of actual reporting year data. Such adjustments to the Rider will become effective with bills rendered on November 1 of each year.

RATE:

\$0.<del>29</del>-39 per Month

ISSUED: September 24, 2009

EFFECTIVE: September 24, 2009

Filed pursuant to the Opinion and Order of the Public Utilities
Commission of Ohio in Case No. 07-689-GA-AIR dated March 19, 2008

# **CURRENT TARIFF SHEET**

# INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

# APPLICABILITY:

Applicable to all customers.

# DESCRIPTION:

An additional charge per month per account, regardless of gas consumed, to recover costs associated with Suburban's riser inventory and identification process; customer notification and education; the replacement of customer-owned Natural Gas Risers identified in the November 24, 2006 Report by the Staff of the Public Utilities Commission of Ohio in Case No. 05-463-GA-COI as prone to failure and repair or replacement of service lines as specified in the Company's IRP Plan filed with the Public Utilities Commission of Ohio. This Rider shall be calculated annually pursuant to a Notice filed no later than May 31 of each year based on nine months of actual data and three months of estimated data for the reporting year. The filing shall be updated by no later than August 31 of the same year to reflect the use of actual reporting year data. Such adjustments to the Rider will become effective with bills rendered on November 1 of each year.

#### RATE:

\$0.29 per Month

4827-6868-4294, v. 1

ISSUED: September 24, 2009

EFFECTIVE: September 24, 2009

Filed pursuant to the Opinion and Order of the Public Utilities
Commission of Ohio in Case No. 07-689-GA-AIR dated March 19, 2008

# EXHIBIT 4- SAMPLE OF THE LETTERS SENT TO MAYORS AND LEGISLATIVE AUTHORITIES LISTED IN EXHIBIT 2

# SUBURBAN NATURAL GAS COMPANY ESTABLISHED 1888



274 E. FRONT STREET, P.O. BOX 130 CYGNET, OHIO 48413-0130 (418) 855-2845

DAVID L. PEMBERTON, JR. PRESIDENT June 15, 2010

2626 Lewis Center Road Lewis Center, Oxio 43035-9206 (740) 548-2450

Honorable Nancy Myers Mayor of Village of Cygnet 225 Union Street P. O. Box 190 Cygnet, OH 43413

Re: Application of the Suburban Natural Gas Company for an Adjustment to Rider IRP

# Dear Mayor Myers:

This letter is to inform you that Suburban Natural Gas Company ("Suburban") intends to file an application for an adjustment to its Infrastructure Replacement Program Rider ("Rider IRP") with the Public Utilities Commission of Ohlo ("PUCO"). The application will propose to increase Suburban's Rider IRP from \$0.29 per month to \$0.39 per month.

Under its Infrastructure Replacement Program, Suburban is replacing prone to fail risers in Suburban's service territory over an accelerated time period. Suburban is also assuming the responsibility associated with the repair, replacement, and maintenance of customer service lines. In an Opinion and Order dated March 19, 2008 in In the Matter of the Application of Suburban Natural Gas Company for Authority to Increase its Rates and Charges in Certain Areas of its Service Territory, Case No. 07-689-GA-AIR, the PUCO approved a rider for the recovery of costs associated with the Infrastructure Replacement Program.

The proposed Rider IRP is subject to change by the PUCO. Although this letter is a formal notice to you, we also have representatives available to discuss our Rider IRP proposal. If you have any questions about our Rider IRP proposal, please call us at 419-655-2345 and we will respond to your inquiries.

As always, we value you as customers and as the elected representatives of the communities we serve.

Cordially,

David L. Pemberton, Jr.

President

# Exhibit 5

Schedules to Rider IRP Pre-Filing Notice

Suburban Natural Gas Company
Inflastructure Replacement Program and Rider
Replacement of Service Lines and Riters - Combined Effect
For the period July 2008 to June 2010 (9 no actual 3 no projected)

											36,616.68	(31,510.80)	106,386,00	74,877.20	16,000,00	
Entimated June 2010 Month 8	2,089	27,214	29,303	Estimated June 2010 Nonth 9	26.58 7.84 100.00 24 11 27.8 27.8 22.9	1,095,84	166.16	3.62 0.66 0.87 2.13 2.08 25.38 27.13	361.72	1,749.90	4,586.64	(2,836.74) (3	5	~	٦	
Entimated May 2010 Month 8	2,069	19,905	21,083	Estimated May 2810 . Month 8	39.58 7.31 7.31 9.4 2.4 2.58	790.40	110.81	2.62 0.08 0.37 0.06 35.33 26.38	282.73	1,263.20	4,596.64	(3,323.44)				
Estimated Apr 2010 Month 7	2,089	33,905	36,963	Estimated Apr 2010 Month 7	83.82 7.87. 92.42 24.23 24.23 24.23 24.23	561.31	85.68	3.55 0.34 0.34 0.35 3.33 3.33	200.80	887,78	4,591,57	(5,093.79)				
Actual Mar 2010 Month 6	671	871	1,042	Actual Nar 2010 Month 6	82.88 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7000 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.700 76.7	186.38	27,42	23.52 8.88 9.37 2.17 9.86 9.86	96,30	296.86	4,597.96	(4,301.09)				
Actual Feb 2040 Month 5	900	1,800	2,300	Actual Feb 20 to Moritis 5	38.58 7.81 100.00 4 24	175.52	28.29	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	82.73	280,14	4,577.65	(4,297.51) (4,301.09)				
Actual Jan 2010 Month 4		6	400	Actual Jan 2610 Month 4	39.58 7.81 100.00 4	151.58	25.03	3.872 0.849 0.37	54.22	242.29	4,577,86	(4,335,36)				
Actual Dec 2009 Month 3	200	9,100	9,600	Actual Dec 2009 Month 3	26.58 7.81 700.00	147.40	22.86	25 88 88 # C 8	52,83	236.18	4,560,83	(4,324.66)				
Actual Nev 2009 Month 2		052	760	Actual Nov 2009 Month 2	86.5 F8.5	47.40	121	23.52 23.53 54.53	18.98	75.90	4,537.53	(4,461.73)				
Actual Oct 2009 Menth 1	1,500	2,300	3,800	Actual Oct 2009 Rordh 1	<b>8</b> 8	39,58	6,21	aut of rate 1	14.20	63,52		63.52				
Account Account Description	38080 IRP Service Lines	38070 IRP Risers	Total		60% of Replacement Cost Financed (taken out of rate base) (recovered over 4 years (cost 60% 4 years) First Morel Expenditus First Morel Expenditus Fourth Morel Expenditus Fourth Morel Expenditus Fourth Morel Expenditus Fath Morel Expenditus Fath Morel Expenditus Severith Morel Expenditus Severith Morel Expenditus Severith Morel Expenditus Kith Morel Expenditus Kith Morel Expenditus	Total	Cost of Debit to be Recovered	56% recovered over 46 years (cost * 50% / 45 years) (not taken out of rafa base) First Morth Expenditure That Morth Expenditure Fourth Morth Expenditure Fith Morth Expenditure Seventh Morth Expenditure Seventh Morth Expenditure Seventh Morth Expenditure Eight Morth Expenditure	Refull on Equity (based upon approved 8.97% from rate case)	Total Amount to Be Recovered through Rides	Total Amount that Was Gilled through Rider to Customers	Net OvertUnder recovered at 8/20/10	Year 2 Total Amount to Be Recovered through Rider	Revised Amount to Be Recovered through Rider	Estimated Number of Customers	Projected Revised Rate

Suburban Natural Gas Company Infrastructure Replacement Program and Rider Cost of Debt Calculation For the period July 2009 to June 2010 (9 mo actual 3 mo projected)

	Actual Oct 2069 Month 1	Actual Nov 2009 E	Actual Dec 2009 Month 3	Actual Actual Actual Nov 2009 Dec 2009 Jan 2010 F Month 2 Month 3 Month 4	Actual Feb 2010	Actual Mar 2010 Month 6	Estimated Apr 2010 Month 7	Estimated Estimated Apr 2010 May 2010 Month 7 Month 8	Estimated June 2010 Month 9
Beginning Balance	•	1,900.00	1,900.00 2,235.42	6,988.02		8,039.06	8,384.54	26,194.84	36,630.20
Amount Borrowed	1,900.00	375.00	375.00 4,800.00	200.00	200.00 1,150.00	521.00	17,996,67	521.00 17,996.67 10,996.67 14,651.28	14,651,28
Amount Repaid (collected through rider - 1 mo. kg)		39.58	- 1	47.40 147.40 151.56	151.56	175.52	186.38	561,31	790.40
Ending Balance	1,900.00		6,988.02	7,040.63	8,039.06	8,384.54	2,235.42 6,988.02 7,040.63 8,039.06 8,384.54 26,194.84 36,630.20	36,630.20	50,491.08
Cost of Debt Per LOC	3.925%	3.925%	3.925%	3.925%	3,925%	3.925%	3.925%	3.925%	3.925%
Interest to be Recovered	6.21	7.31	22.86	23,03	26.29	27.42	85.68	119.81	165.15

Suburban Natural Gas Company Infrastructure Replacement Program and Rider Rate of Return For the period July 2009 to June 2010 (9 mo actual 3 mo projected)

	Actual Oct 2009 Month 1	Actual Nov 2009 Month 2	Actual Actual Actual Nov 2009 Dec 2009 Jan 2010 Month 2 Month 3 Month 4	Actual Jan 2010 Month 4	Actual Actual Jan 2010 Feb 2010 Month 4 Month 5	Actual Mar 2010 Month 6	Estimated Apr 2010 Month 7	Estimated May 2010	Estimated June 2010 Month 8
Beginning Balance	1	1,900.00	2,271.48		7,254.17		8,896.09	26,876.20	
Amount Expended	1,900.00	375.00	375.00 4,800.00	200.00	200.00 1,150.00	521.00	17,996.67	17,996.67 10,996.67	14,651.28
Amount Repaid (collected through rider - 1 yr. lag)	•	3.52	4.21		13.10 13.47	15.60	16.57	49.89	70.26
Ending Balance	1,900.00	2,271.48	7,067.27	7,254.17	2,271.48 7,067.27 7,254.17 8,390.69	8,896.09	26,876.20	26,876,20 37,822,97	52,403.99
Allowable Rate of Return	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%
Return on Equity	14.20	16.98	52,83	64.22	62,72	66.50	200.90	282.73	391.72