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August 8, 2011

Betty McCauley  
Secretary  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, Ohio 43215-3973

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89-8012-GA-TRF

**Re: Case No.11-3505-GA-UEx, In the Matter of the Uncollectible Expense Rider of  
Northeast Ohio Natural Gas Corporation**

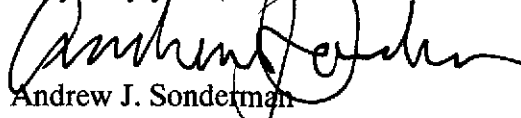
Dear Secretary:

Enclosed please find Revised Attachment 1, Pages 2 of 3 and 3 of 3, Revised Attachment 2 and Revised Attachment 3 to be substituted for the corresponding pages of Attachments 1, 2 and 3 submitted with the Application filed on June 9, 2011. Revised Page 2 of Attachment 1 updates actual uncollectible balances through July 31, 2011 in the amount of (\$103,734.24) and estimated balances through year end. Revised Page 3 of Attachment 1 reflects estimated uncollectibles balances through May, 2012 in the amount of (\$7,121.80).

Based on these updated attachments and in consultation with Staff, the Company is revising its proposed decrease from its currently effective Uncollectible Expense Rider rate of \$0.081 per Mcf to (\$0.00) per Mcf.

Revised Attachment 3 includes redlined and clean proposed revisions to Northeast's tariff reflecting the revised decreased Uncollectible Expense Rider Rate reflected in Revised Attachment 2.

Very truly yours,

  
Andrew J. Sonderman

Counsel for Northeast Ohio Natural Gas Corporation

Attachments

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician SW Date Processed AUG 08 2011

REVISED ATTACHMENT 1 P. 2 OF 3

Northeast Ohio Natural Gas Corp.  
Bad Debt Rider  
Annual Balance Reconciliation  
2011

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
(1) Balance - Beginning of Month	\$ 7,495.71	\$ (15,927.78)	\$ (48,455.77)	\$ (69,441.43)	\$ (88,002.38)	\$ (95,866.17)	\$ (100,274.83)	\$ (103,734.24)	\$ (94,334.28)	\$ (84,877.18)	\$ (75,362.62)	\$ (65,790.23)
(2) Bad Debts Written Off	6,724.78	(2,275.18)	754.53	(327.60)	1,985.24	1,167.22	1,217.91	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
(3) Recovery - Base Rates												
(4) Recovery - Bad Debt Rider	(30,122.72)	(30,057.77)	(21,383.03)	(17,756.38)	(9,292.02)	(4,981.68)	(4,059.30)					
(5) Recovery - Other												
(6) Incremental Bad Debt	(23,397.94)	(32,332.95)	(20,628.50)	(18,083.98)	(7,306.78)	(3,814.46)	(2,841.39)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
(7) Balance Subtotal	(15,902.23)	(48,260.73)	(69,084.27)	(87,525.41)	(95,309.16)	(99,680.63)	(103,116.22)	(93,734.24)	(84,334.28)	(74,877.18)	(65,362.62)	(55,790.23)
(8) Carrying Charges	(25.54)	(195.04)	(357.16)	(476.96)	(557.02)	(594.19)	(618.03)	(600.03)	(542.91)	(485.43)	(427.61)	(369.44)
(9) Balance - End of Month	\$ (15,927.78)	\$ (48,455.77)	\$ (69,441.43)	\$ (88,002.38)	\$ (95,866.17)	\$ (100,274.83)	\$ (103,734.24)	\$ (94,334.28)	\$ (84,877.18)	\$ (75,362.62)	\$ (65,790.23)	\$ (56,159.67)

**MEMO ONLY**

Net Monthly Carrying Charge Ra	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%	0.6077%
Sales Volumes	371,869.6	371,101.6	263,990.8	219,214.0	114,706.9	61,505.3	50,115.10	50,000.00	55,000.00	65,000.0	135,000.0	230,000.0
								\$	-			

(2) Bad Debts Written Off  
(5) Recovery - Other

**REVISED ATTACHMENT 1 P. 3 OF 3**

**Northeast Ohio Natural Gas Corp.  
Bad Debt Rider  
Annual Balance Reconciliation  
2012**

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
(1) Balance - Beginning of Month	\$ (56,159.67)	\$ (46,470.58)	\$ (36,722.60)	\$ (26,915.39)	\$ (17,048.57)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Bad Debts Written Off	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00							
(3) Recovery - Base Rates												
(4) Recovery - Bad Debt Rider												
(5) Recovery - Other												
(6) Incremental Bad Debt	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	-	-	-	-	-	-	-
(7) Balance Subtotal	(46,159.67)	(36,470.58)	(26,722.60)	(16,915.39)	(7,048.57)							
(8) Carrying Charges	(310.91)	(252.03)	(192.79)	(133.19)	(73.22)							
(9) Balance - End of Month	\$ (46,470.58)	\$ (36,722.60)	\$ (26,915.39)	\$ (17,048.57)	\$ (7,121.80)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MEMO ONLY**

Net Monthly Carrying Charge R: 0.6077% 0.6077% 0.6077% 0.6077% 0.6077%

Sales Volumes 380,000.0 380,000.0 280,000.0 200,000.0 115,000.0

(2) Bad Debts Written Off  
(5) Recovery - Other

## REVISED ATTACHMENT 2

**Northeast Ohio Natural Gas Corporation**  
**Revised Rider Rate Calculation**  
**May 31, 2011**

Balance Overcollected @ 7/29/11	(103,734)
Estimated Uncollectible accounts 8/11-5/12	100,000
Total to be Collected (Refunded)	(7,122)
Projected Volumes 8/11-5/12	1,890,000 Mcf
Calculated Revised Rider Rate	0.00
Current Rider Rate 10-309-GA-UEX	0.081
Change	(0.081)

P.U.C.O. NO. 1  
NORTHEAST OHIO NATURAL GAS CORP.

Third Revised Sheet No. 57

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**RULES AND REGULATIONS GOVERNING THE TRANSPORTATION  
OF NATURAL GAS IN THE STATE OF OHIO**

- 71. MCF TAX RIDER.** Applicable to all distribution and transportation services to provide for recovery of Northeast Ohio Natural Gas Corp.'s excise tax liability. In addition to all other rates, each Mcf delivered is subject to the following excise tax:

First 100 Mcf per month	\$ .1593 per Mcf
Next 1,900 Mcf per month	\$ .0877 per Mcf
Over 2,000 Mcf per month	\$ .0411 per Mcf
Flex Customer	\$ .0200 per Mcf

All bills rendered to a Flex Customer as defined by O.R.C. 5727.80(N) shall be assessed using the Flex Customer rate above (\$.02 per Mcf) with a corresponding reduction to the flexed base rate billed to that customer.

- 72. Uncollectible Expense Rider.** Applicable to all customers served under rate schedules SGS, GS, AND LGS. An additional charge of ~~\$0.00~~ per Mcf shall be applied to all volumes for service rendered under applicable rate schedules to recover costs associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed to adjust for prior period over or under collections.

Deleted: \$.081

- 73. Interim, Emergency and Temporary PIP Plan Tariff Schedule Rider.** Applicable to all distribution and transportation services and in addition to all other rates and charges, the Interim Emergency and Temporary PIP Plan Rate base rate rider for gas service established in Case No. 09-0587-GA-PIP is \$.0313 per Mcf delivered.

Filed pursuant to Case No. ~~11-3505-GA-UEX~~

Deleted: 09-587-GA-PIP

Issued: August 2011

Effective: For Bills Rendered on or after  
September 1, 2011

Deleted: September 14, 2009

Deleted: September 14, 2009

Issued by  
Northeast Ohio Natural Gas Corporation  
Thomas J. Smith, President

P.U.C.O. NO. 1  
NORTHEAST OHIO NATURAL GAS CORP.

Third Revised Sheet No. 57

**RULES AND REGULATIONS GOVERNING THE TRANSPORTATION  
OF NATURAL GAS IN THE STATE OF OHIO**

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Filed pursuant to Case No. 11-3505-GA-UEx

Issued: August \_\_\_\_, 2011

Effective: For Bills Rendered on or after  
September 1, 2011

Issued by  
Northeast Ohio Natural Gas Corporation  
Thomas J. Smith, President