

CHAPTER 4901-7

STANDARD FILING REQUIREMENTS FOR RATE INCREASES

WORKSHOP

Attached to this cover page:

1. Workshop sign-in sheet
2. Written comments/suggestions offered by Bob Black, Waterville Gas & Oil Company
3. In addition to the written handout mentioned in no. 2, Dave Weiss from AEP, Larry Martin from Columbia Gas, and Jeanne Kingery from Duke all made verbal comments/recommendations and will follow-up with Staff accordingly.

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WORKSHOP SIGN-IN SHEET

Name Robert S. Black Attorney No. _____

Name JIMMY STEWART Attorney No. _____

Name Brooke Leslie Attorney No. _____

Name Larry Marshall Attorney No. _____

Name Shawn Anderson Attorney No. _____

Name Kim Records Attorney No. _____

Name Jeannette Kingery Attorney No. _____

Name Steve Hines Attorney No. _____

Name Larry Sauer Attorney No. _____

Name Kathy Hagan Attorney No. _____

Name Kim Bojko Attorney No. _____

Name David Weiss Attorney No. _____

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Waterville Gas & Oil Company
Outline of Discussion:
Raising threshold for “Abbreviated Filings” for Small Gas Companies

Issue: Ohio Administrative Code Chapter 4901-7, Appendix A establishes “Standard Filing Requirements” (SFR’s”) for Small Utilities (App. A, Ch. III, p. 160).

- Small Gas Utilities defined as “more than 2,000 but less than 10,000 customers”.
- Although the SFR’s for small gas utilities are somewhat reduced from the requirements for large gas utilities, they still require very detailed information that requires a disproportionately large expenditure (time and money) for small companies with limited staff resources to prepare all the required schedules.
- The SFR’s provide an optional “Abbreviated Filing” for gas utilities serving 2,000 or fewer customers (O.A.C. Ch. 4901-7, App. A, Ch. IV, p. 188). That Abbreviated Filing is intended “to provide a simplified and less expensive procedure in applying to the commission for increases in rates and charges”.

Proposed Solution: Waterville recommends that the ceiling for gas utilities qualifying to submit an Abbreviated Filing under Ch. IV of the SFR’s be increased from 2,000 to 15,000 customers.

- As noted in Chapter IV of the SFR’s, this procedure “is intended to minimize the necessity for formal hearings...to reduce filing requirements, and, in many cases shorten the time period between the application and commission order”.
- PUCO decides an abbreviated filing based on information contained in the filing, responses to commission staff data requests, annual reports filed by the utility for the last 3 years and information and recommendations submitted in the Staff Report of Investigation, unless the utility or an intervenor moves for a hearing.
- The reduction in rate case expense through utilization of this abbreviated filing procedure would be significant for the filing utilities and ultimately benefit their ratepayers.

15,000 customer small utility definition for gas utilities already is recognized in Ohio Revised Code and in Commission Forecasting Rules:

- Ohio Rev. Code §4935.04 establishes filing requirements for Long Term Forecasting Reports with PUCO by utilities. Subsection 4935.04(b) excludes from those required to make such a filing the owners of gas distribution lines who serves 15,000 or fewer customers in Ohio.
- The Commission’s Forecast Rule at 4901:5-7-06 only requires gas utilities serving fewer than 15,000 customers to file a single form, a “Small Gas

Distribution Company Information Form”.

- This minimal filing requirement recognizes the disproportionate time and expense for utilities with fewer than 15,000 customers to conduct the analysis required by a full Long Term Forecast Report.
- The logic supporting identical qualification criteria for small gas utilities under the Forecast Rules and the Standard Filing Requirements Abbreviated Filing option is compelling.