

**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 to Adjust its Pipeline Infrastructure) Case No. 12-3125-GA-RDR
Replacement Program Cost Recovery Charge)
and Related Matters.)

**COMMENTS ON THE APPLICATION OF THE EAST OHIO GAS COMPANY
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

I. INTRODUCTION

The Office of the Ohio Consumers' Counsel ("OCC"), an intervenor in the above-captioned proceeding, hereby files these Comments on the Application of The East Ohio Gas Company d/b/a Dominion East Ohio ("Dominion" or "the Utility") to increase the rates it charges customers for systematic repair and/or replacement of its pipeline infrastructure distribution facilities. According to the Application that Dominion filed on February 28, 2013, the increase would be collected from customers via the Pipeline Infrastructure Replacement ("PIR") Program Rider ("PIR Cost Recovery Charge").

Pursuant to the Stipulation and Recommendation ("Stipulation") filed on August 22, 2008, in Case No. 07-829-GA-AIR et al., and the Opinion and Order of the Public Utilities Commission of Ohio ("PUCO" or "the Commission") dated October 15, 2008, the PIR Cost Recovery Charge rates are subject to annual increases, up to a predetermined cap, in each year from 2009 through 2013.¹

¹ *In re DEO Rate Case*, Case No. 07-829-GA-AIR, et al., Stipulation at 8 (August 22, 2008); *See also*, Case No. 08-169-GA-UNC, PIR Staff Report at 5 (June 12, 2008).

On August 3, 2011, in Case No. 11-2401-GA-ALT, the PUCO approved a Stipulation modifying various aspects of the PIR Program and associated PIR Charge.² Pursuant to that Stipulation and Opinion and Order, an incremental cap of \$1.15 was set for costs incurred during fiscal year 2012.³ Moreover, the Stipulation required that Dominion reflect a minimum \$1 million O&M expense savings credit, and to the extent O&M expense savings exceed \$1.5 million, “50 percent of the excess thereof shall be reflected as additional O&M expense savings credited to the PIR Cost Recovery Charge revenue requirement.”⁴

Finally, the Stipulation included a provision that allowed for “reconciliation of costs recovery and costs actually recovered.”⁵ The current PIR Cost Recovery Charge of \$2.80 for general sales service (“GSS”) customers, was approved in the PUCO’s April 25, 2012 Order in Case No. 12-0812-GA-RDR. Dominion now seeks a \$1.26 increase to the GSS customers’ PIR Rider Rate to recover costs incurred during the period of January 1, 2012 through December 31, 2012, which is to become effective on May 1, 2013.

II. BURDEN OF PROOF

The burden of proof regarding the Application rests upon Dominion. In a hearing regarding a proposal that does involve an increase in rates, R.C. 4909.19 provides that, “[a]t any hearing involving rates or charges sought to be increased, the burden of proof to show that the increased rates or charges are just and reasonable shall be on the public

² *In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Modify and Further Accelerate its Pipeline Infrastructure Replacement Program and to Recover the Associated Costs*, Case No. 11-2401-GA-RDR, at (April 25, 2012).

³ Id. at 6.

⁴ Id. at 7.

⁵ Id.

utility.” Similarly, Dominion in this case bears the burden of proof. Therefore, OCC does not bear any burden of proof in this case.

III. COMMENTS

While OCC has no issues with the Application as filed, OCC reserves the right to supplement these Comments and/or file expert testimony, in accordance with the procedural schedule in this case, should the Utility file testimony that includes any unexpected issues. Pursuant to the procedural schedule included in the Attorney Examiner’s March 5, 2013 Entry, the Parties have until April 3, 2013 to inform the Commission that issues raised in the Comments have been resolved. Otherwise, parties filing testimony must file by April 5, 2013, and prepare for the hearing scheduled for April 10, 2013.⁶

IV. CONCLUSION

The Office of the Ohio Consumers’ Counsel respectfully files these Comments on the Dominion PIR Application in accordance with the procedural schedule included in the Attorney Examiner’s March 5, 2013 Entry.⁷

⁶ Entry at 3 (March 8, 2012).

⁷ Id.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the *Comments* was served via electronic mail to the parties of record identified below, on this 27th day of March 2013.

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Summary: Comments Comments on the Application of the East Ohio Gas Company by the Office of the Ohio Consumers' Counsel electronically filed by Patti Mallarnee on behalf of Schuler, Michael Mr.