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June 5, 2013

Ms. Barcy F. McNeal
Director, Office of Administration
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Re: *In re Application of The East Ohio Gas Co. d/b/a Dominion East Ohio*, Case No.
13-1208-GA-PIP

Dear Ms. McNeal:

On May 17, 2013, The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") submitted its annual application seeking approval to adjust the PIPP Rider. In its review of DEO's application, the Commission Staff noted that the rate used to calculate carrying charges continued to be reduced by the effective federal-income-tax rate during the period in which DEO experienced an over-recovery. On further consideration, DEO has opted to exclude the tax-effect reduction from the carrying-charge calculation in determining the PIPP Rider.

The accompanying revised Attachments 1 through 4 reflect (1) the exclusion of the tax-effect reduction from the formula for calculating carrying costs owed to customers and (2) the correction of the amount on line 2 of Attachment 1 to include carrying charges. The result of these changes is a revised PIPP Rider rate of \$(0.2276) instead of the rate of \$(0.2255) originally proposed.

Please contact me if there are any questions.

Respectfully yours,

/s/ Andrew J. Campbell

**DOMINION EAST OHIO
CALCULATION OF RECOMMENDED PIPP RIDER RATE**

		Rate Effective July 2013	
1.	Balance of Accumulated Deferred PIPP as of March 31, 2013	\$ (90,833,194.87)	
2.	Projected Deferrals Net of Recoveries at Existing Rate - April through June 2013	355,534.83	
3.	Carrying Costs Through June 2014	<u>(212,478.89)</u>	
4.	Net Deferred PIPP Balance to be Recovered	\$ (90,690,138.93)	
5.	Estimated Billed Volumes Subject to PIPP Rider for the 12 Months Ending June 30, 2014	160,528,465	
6.	Deferred PIPP Balance Rate (4)/(5)	\$ (0.5649)	/ MCF
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7.	Estimated New Deferred PIPP Balances for the 12 Months Ending June 30, 2014	\$ 58,779,477.32	
8.	Estimated Revenue Sharing for the 12 Months Ending June 30, 2014	<u>(4,636,192.00)</u>	
9.	Estimated Annual Deferrals, Net	\$ 54,143,285.32	
10.	Estimated Billed Volumes Subject to PIPP Rider for the 12 Months Ending June 30, 2014	160,528,465	
11.	Current PIPP Balance Rate (9)/(10)	\$ 0.3373	/ MCF
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12.	Deferred PIPP Balance Rate (6)	\$ (0.5649)	/ MCF
13.	Current PIPP Balance Rate (11)	<u>0.3373</u>	/ MCF
14.	Total Recommended PIPP Rider Rate (12) + (13)	<u>\$ (0.2276)</u>	/ MCF

DOMINION EAST OHIO
PIPP RATES ASSUMING RECOVERY OF ACCUMULATED DEFERRED BALANCE OVER ONE YEAR

MONTH/YEAR	Deferred PIPP Balances	PIPP Recoveries	Firm Receipt Pt & Commodity Exchange Rev Sharing	Pipeline Refund	Other Charges	Net Incremental Deferral	Billed PIPP Running Balance	Carrying Charges on Monthly Avg Balance	Carrying Charges Recovery	Carrying Charges Running Balance	Total PIPP Running Balance
(A)	(B)	(C)	(D)	(E)	(F)	(G = Sum (B to F))	(H)	(I)	(J)	(K)	(L) = (G) + (K) + prior (L)
		<u>Total Rate</u>									
Rate Effective - July 2012		0.4443									
Proposed Rate - July 2013		(0.2276)									
Balance @12/31/11	<u>1,062,271,689.23</u>	<u>(1,069,304,873.68)</u>	<u>(31,692,970.28)</u>	<u>(5,526,869.81)</u>	<u>781,932.88</u>		<u>(43,471,091.66)</u>	<u>12,486,555.05</u>	<u>(12,502,828.41)</u>	<u>(16,273.36)</u>	<u>(43,487,365.02)</u>
January 2012	7,557,378.27	(19,364,133.12)	(425,826.55)	(801,278.54)	21,568.00	(13,012,291.94)	(56,483,383.60)	(19,666.04)	16,273.36	(19,666.04)	(56,503,049.64)
February	8,297,092.95	(17,918,940.53)	(391,636.74)	0.00	22,296.00	(9,991,188.32)	(66,474,571.92)	(21,708.23)	19,666.04	(21,708.23)	(66,496,280.15)
March	9,948,252.62	(12,724,494.24)	(368,185.92)	0.00	46,696.20	(3,097,731.34)	(69,572,303.26)	(24,787.74)	21,708.23	(24,787.74)	(69,597,091.00)
April	4,773,474.07	(8,119,631.01)	(294,929.06)	(801,278.54)	28,815.81	(4,413,548.73)	(73,985,851.99)	(25,366.73)	24,787.74	(25,366.73)	(74,011,218.72)
May	2,175,117.36	(5,215,645.68)	(302,280.04)	0.00	11,684.44	(3,331,123.92)	(77,316,975.91)	(27,635.46)	25,366.73	(27,635.46)	(77,344,611.37)
June	796,487.68	(2,626,288.98)	(212,589.60)	0.00	8,606.56	(2,033,784.34)	(79,350,760.25)	(28,247.19)	27,635.46	(28,247.19)	(79,379,007.44)
July	458,620.16	(1,539,509.93)	(134,067.81)	0.00	0.00	(1,214,957.58)	(80,565,717.83)	(31,583.50)	28,247.19	(31,583.50)	(80,597,301.33)
August	557,798.98	(1,217,157.43)	(216,079.92)	0.00	20,024.00	(855,414.37)	(81,421,132.20)	(32,559.36)	31,583.50	(32,559.36)	(81,453,691.56)
September	(489,225.64)	(1,459,188.45)	(209,109.60)	0.00	8,216.00	(2,149,307.69)	(83,570,439.89)	(31,909.37)	32,559.36	(31,909.37)	(83,602,349.26)
October	1,049,352.74	(2,766,199.87)	(226,165.91)	0.00	0.00	(1,943,013.04)	(85,513,452.93)	(34,594.56)	31,909.37	(34,594.56)	(85,548,047.49)
November	2,148,597.32	(5,936,709.69)	(659,532.00)	0.00	11,143.90	(4,436,500.47)	(89,949,953.40)	(35,285.69)	34,594.56	(35,285.69)	(89,985,239.09)
December	10,194,105.87	(8,988,805.20)	(1,905,068.54)	0.00	24,228.24	(675,539.63)	(90,625,493.03)	(37,550.66)	35,285.69	(37,550.66)	(90,663,043.69)
Year-to-Date 2012	<u>47,467,052.38</u>	<u>(87,876,704.13)</u>	<u>(5,345,471.69)</u>	<u>(1,602,557.08)</u>	<u>203,279.15</u>	<u>(47,154,401.37)</u>		<u>(350,894.53)</u>	<u>329,617.23</u>		
Balance @12/31/12	<u>1,109,738,741.61</u>	<u>(1,157,181,577.81)</u>	<u>(37,038,441.97)</u>	<u>(7,129,426.89)</u>	<u>985,212.03</u>		<u>(90,625,493.03)</u>	<u>12,135,660.52</u>	<u>(12,173,211.18)</u>	<u>(37,550.66)</u>	<u>(90,663,043.69)</u>
January 2013	2,211,409.61	(12,574,335.63)	(179,617.41)	0.00	27,690.40	(10,514,853.03)	(101,140,346.06)	(35,821.86)	37,550.66	(35,821.86)	(101,176,167.92)
February	7,367,103.18	(12,740,182.57)	(166,564.54)	0.00	35,466.17	(5,504,177.76)	(106,644,523.82)	(31,333.96)	35,821.86	(31,333.96)	(106,675,857.78)
March	27,291,454.85	(11,289,194.80)	(184,178.41)	0.00	24,858.43	(15,842,940.07)	(90,801,583.75)	(31,611.12)	31,333.96	(31,611.12)	(90,833,194.87)
April	4,461,228.05	(5,800,434.27)	(393,951.00)	0.00	0.00	(1,733,157.22)	(92,534,740.97)	(29,352.15)	31,611.12	(29,352.15)	(92,564,093.12)
May	5,160,267.86	(3,329,222.14)	(403,194.00)	0.00	0.00	1,427,851.72	(91,106,889.25)	(29,401.02)	29,352.15	(29,401.02)	(91,136,290.27)
June	2,801,773.86	(1,749,525.62)	(393,952.00)	0.00	0.00	658,296.24	(90,448,593.01)	(29,067.03)	29,401.02	(29,067.03)	(90,477,660.04)
July	898,307.86	781,920.82	(385,286.00)	0.00	0.00	1,294,942.68	(89,153,650.33)	(28,754.32)	29,067.03	(28,754.32)	(89,182,404.65)
August	504,049.86	753,136.46	(385,286.00)	0.00	0.00	871,900.32	(88,281,750.01)	(28,407.41)	28,754.32	(28,407.41)	(88,310,157.42)
September	479,189.86	869,191.57	(376,621.00)	0.00	0.00	971,760.43	(87,309,989.58)	(28,112.24)	28,407.41	(28,112.24)	(87,338,101.82)
October	752,096.86	1,806,345.03	(417,973.00)	0.00	0.00	2,140,468.89	(85,169,520.69)	(27,613.97)	28,112.24	(27,613.97)	(85,197,134.66)
November	2,819,796.86	3,494,305.60	(406,000.00)	0.00	0.00	5,908,102.46	(79,261,418.23)	(26,325.39)	27,613.97	(26,325.39)	(79,287,743.62)
December	6,037,473.86	5,826,974.04	(443,205.00)	0.00	0.00	11,421,242.90	(67,840,175.33)	(23,550.97)	26,325.39	(23,550.97)	(67,863,726.30)
Year-to-Date 2013	<u>60,784,152.57</u>	<u>(33,951,021.51)</u>	<u>(4,135,828.36)</u>	<u>0.00</u>	<u>88,015.00</u>	<u>22,785,317.70</u>		<u>(349,351.44)</u>	<u>363,351.13</u>	<u>(390,070.28)</u>	Through June-2013
Balance @12/31/13	<u>1,170,522,894.18</u>	<u>(1,191,132,599.32)</u>	<u>(41,174,270.33)</u>	<u>(7,129,426.89)</u>	<u>1,073,227.03</u>		<u>(67,840,175.33)</u>	<u>11,786,309.08</u>	<u>(11,809,860.05)</u>	<u>(23,550.97)</u>	<u>(67,863,726.30)</u>
January 2014	10,061,090.86	6,459,352.60	(406,273.00)	0.00	0.00	16,114,170.46	(51,726,004.87)	(19,142.55)	23,550.97	(19,142.55)	(51,745,147.42)
February	10,646,651.86	5,756,056.48	(383,348.00)	0.00	0.00	16,019,360.34	(35,706,644.53)	(13,997.97)	19,142.55	(13,997.97)	(35,720,642.50)
March	10,012,983.86	5,024,651.64	(392,492.00)	0.00	0.00	14,645,143.50	(21,061,501.03)	(9,088.58)	13,997.97	(9,088.58)	(21,070,589.61)
April	8,884,715.86	2,952,888.12	(344,043.00)	0.00	0.00	11,493,560.98	(9,567,940.05)	(4,903.77)	9,088.58	(4,903.77)	(9,572,843.82)
May	4,956,429.86	1,689,283.53	(351,622.00)	0.00	0.00	6,294,091.39	(3,273,848.66)	(2,055.97)	4,903.77	(2,055.97)	(3,275,904.63)
June	2,726,689.86	881,152.54	(344,043.00)	0.00	0.00	3,263,799.40	(10,049.27)	(525.75)	2,055.97	(525.75)	(10,575.02)
July	919,697.86	812,317.58	(336,937.00)	0.00	0.00	1,395,078.44	1,385,029.17	143.07	525.75	143.07	1,385,172.24
August	729,582.86	783,806.42	(336,937.00)	0.00	0.00	1,176,452.28	2,561,481.45	410.63	(143.07)	410.63	2,561,892.08
September	704,318.86	900,246.28	(329,832.00)	0.00	0.00	1,274,733.14	3,836,214.59	665.68	(410.63)	665.68	3,836,880.27
October	990,915.86	1,839,278.07	(363,177.00)	0.00	0.00	2,467,016.93	6,303,231.52	1,055.01	(665.68)	1,055.01	6,304,286.53
November	3,206,674.86	3,530,819.52	(303,572.00)	0.00	0.00	6,433,922.38	12,737,153.90	1,981.15	(1,055.01)	1,981.15	12,739,135.05
December	6,615,460.86	5,870,875.02	(323,579.00)	0.00	0.00	12,162,756.88	24,899,910.78	3,916.14	(1,981.15)	3,916.14	24,903,826.92
Year-to-Date 2014	<u>60,455,213.32</u>	<u>36,500,727.80</u>	<u>(4,215,855.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>92,740,086.12</u>		<u>(41,542.91)</u>	<u>69,010.02</u>	<u>(212,478.89)</u>	Through June-2014
Balance @12/31/14	<u>1,230,978,107.49</u>	<u>(1,154,631,871.52)</u>	<u>(45,390,125.33)</u>	<u>(7,129,426.89)</u>	<u>1,073,227.03</u>		<u>24,899,910.78</u>	<u>11,744,766.17</u>	<u>(11,740,850.03)</u>	<u>3,916.14</u>	<u>24,903,826.92</u>

DOMINION EAST OHIO
Accumulated Deferred PIPP Balances

	Deferred PIPP Balances	Total PIPP Recoveries	Firm Receipt Point & Commodity Exchange Revenue Sharing	Pipeline Refund	Other Charges	Net Incremental PIPP	Billed PIPP Running Balance	Carrying Charges	Total Running Balance with Accumulated Carrying Charges	Average Number of PIPP Customers
2011	\$ 98,427,457.80	\$ (201,429,310.35)	\$ (6,619,351.68)	\$ (3,205,114.16)	\$ 336,685.57	\$ (112,489,632.82)	\$ (55,973,920.07)	\$ 12,504.50	\$ (43,487,365.02)	107,986
2012	\$ 47,467,052.38	\$ (87,547,086.90)	\$ (5,345,471.69)	\$ (1,602,557.08)	\$ 203,279.15	\$ (46,824,784.14)	\$ (102,798,704.21)	\$ (350,894.53)	\$ (90,663,043.69)	101,049
YTD March 2013	\$ 36,869,967.64	\$ (36,499,006.52)	\$ (530,360.36)	\$ -	\$ 88,015.00	\$ (71,384.24)	\$ (102,870,088.45)	\$ (98,766.94)	\$ (90,833,194.87)	100,648

Breakdown of Deferred Balances

	Pre-PIPP Arrearages	PIPP Repayment Plan/Grad PIPP Arrearages	PIPP Arrearages Over 12 Months Old	PIPP Plus Credit Balance Transfers	PIPP Charge-Offs	DEO Arrearage Credits	PIPP Plus Arrearage Credits	PIPP Plus Delta Credits	Total Deferred Balances
2011	\$ (4,305,003.56)	\$ (3,060,815.78)	\$ (86,287,362.51)	\$ (118,030.01)	\$ 76,859,142.32	\$ 3,188.40	\$ 75,332,988.78	\$ 40,003,350.16	\$ 98,427,457.80
2012	\$ 4,210,958.98	\$ (4,420,962.57)	\$ (67,025,825.75)	\$ (246,076.40)	\$ 49,606,488.83	\$ (523.33)	\$ 48,094,045.13	\$ 17,248,947.49	\$ 47,467,052.38
YTD March 2013	\$ 4,434,930.28	\$ 306,879.75	\$ 1,005,677.48	\$ (87,356.16)	\$ 10,624,468.55	\$ -	\$ 10,014,753.89	\$ 10,570,613.85	\$ 36,869,967.64

**INTERIM EMERGENCY AND TEMPORARY
PERCENTAGE OF INCOME PAYMENT RIDER**

An additional charge of **\$(0.2276)** per thousand cubic feet shall be applied to all volumes sold each month pursuant to the Company's Rate Schedules incorporating this Rider by reference.

Issued:

Effective: With bills rendered on or after

Filed under authority of The Public Utilities Commission of Ohio in Case No. 13-1208-GA-PIP
Scott C. Miller, Vice President

**INTERIM EMERGENCY AND TEMPORARY
PERCENTAGE OF INCOME PAYMENT RIDER**

An additional charge of ~~\$0.4443~~^(0.2276) per thousand cubic feet shall be applied to all volumes sold each month pursuant to the Company's Rate Schedules incorporating this Rider by reference.

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Case No(s). 13-1208-GA-PIP

Summary: Correspondence and Revised Attachments 1 through 4 electronically filed by Mr. Andrew J Campbell on behalf of The East Ohio Gas Company d/b/a Dominion East Ohio