

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Uncollectible Expense)
Rider of Eastern Natural Gas Company,) Case No. 13-307-GA-UEX
Inc. and Related Matters.)

FINDING AND ORDER

The Commission finds:

- (1) Eastern Natural Gas Company, Inc. (Eastern) is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) By Finding and Order issued on January 26, 2005, in *In the Matter of the Application of Eastern Natural Gas Company for Approval, Pursuant to Section 4929.11, Revised Code, of Tariffs to Recover Uncollectible Expenses Pursuant to an Automatic Adjustment Mechanism and for Such Accounting Authority as May Be Required to Defer Uncollectible Expenses for Future Recovery Through Such Adjustment Mechanism*, Case No. 04-1619-GA-UEX, the Commission authorized Eastern to begin to defer its uncollectible expenses (UEX) for future recovery. In that same proceeding, the Commission directed that establishment of a rider to recover those deferrals would be considered in conjunction with Eastern's base rate case in *In the Matter of the Application of Eastern Natural Gas Company for an Increase in Its Rates and Charges for Natural Gas Service*, Case No. 04-1779-GA-AIR (04-1779). On January 11, 2006, the Commission issued its Opinion and Order in 04-1779 and authorized an initial UEX rider rate of \$0.0880 per thousand cubic feet (Mcf). Since that time, Eastern has filed updates to adjust the rider when appropriate.
- (3) Eastern's current UEX rider rate of \$0.0604 per Mcf was approved in *In the Matter of the Uncollectible Expense Rider of Eastern Natural Gas Company, Inc. and Related Matters*, Case No. 12-307-GA-UEX.
- (4) On May 31, 2013, Eastern filed the pending application to decrease its current UEX rate to (\$0.0087) per Mcf. According to Eastern, this rate is comprised of: the balance of deferred

uncollectible accounts expense net of recoveries as of December 31, 2012, amortized over a two-year period; and the actual bad debt write-offs and collection expenses for 2012.

- (5) On June 12, 2013, the staff of the Commission (Staff) filed comments on the proposed UEX rider adjustment and recommended that the adjustment be approved. Staff also recommended, for the next gas cost recovery audit, that the monthly write-offs and collection fees, calculated recoveries, and monthly balances for 2011 and 2012 be closely examined and any correction be incorporated in the 2014 UEX rider application.
- (6) The Commission reviewed the application, as well as Staff's comments, and finds that the proposed decrease in the UEX rider rate is reasonable and in the public interest, and that it should be approved. In addition, Staff's recommendations for the 2014 UEX review are reasonable and should be adopted.

It is, therefore,

ORDERED, That Eastern's application to decrease its UEX rider rate to (\$0.0087) per Mcf be approved and Staff's recommendations adopted. It is, further,

ORDERED, That Eastern be authorized to file two complete copies of tariffs, in final form, consistent with this Finding and Order. Eastern shall file one copy in this case docket and one copy in its TRF docket (or may file electronically as directed in Case No. 06-800-AU-WVR). It is, further,

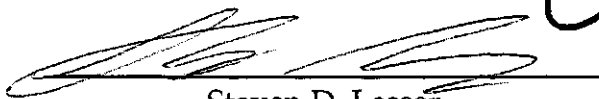
ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which final tariffs are filed with the Commission. It is, further,

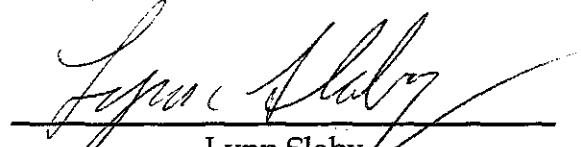
ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

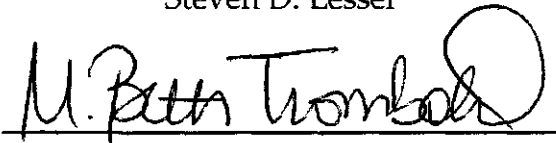
ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



Todd A. Snitchler, Chairman

Steven D. Lesser

Lynn Slaby

M. Beth Trombold

Asim Z. Haque

LDJ/vrm

Entered in the Journal

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Barcy F. McNeal
Secretary