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May 28, 2015

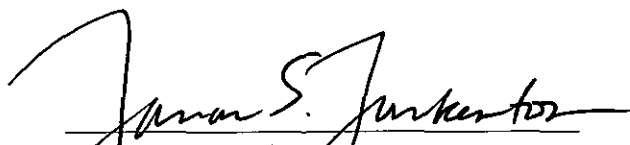
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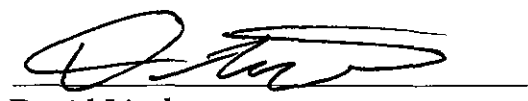
Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus OH 43215

RE: *In the Matter of the Application of Waterville Gas & Oil Company for Approval of an Adjustment to its Uncollectible Expense Rider Rate, Case No. 15-317-GA-UEX*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application filed by Waterville Gas & Oil Company, to update its Uncollectible Expense Rider, in Case No. 15-317-GA-UEX.

  
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Tamara S. Turkenton  
Chief, Regulatory Services Division  
Public Utilities Commission of Ohio

  
\_\_\_\_\_  
David Lipthrott  
Chief, Research and Policy Division  
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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.  
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**Waterville Gas & Oil Company**  
**Case No. 15-317-GA-UEx**

**SUMMARY**

In Case No. 03-1127-GA-UNC, the Commission authorized the concept of an uncollectible accounts expense recovery mechanism for five gas companies. The mechanism approved allows for recovery of actual bad/un-collectible debt through a rider, rather than through base rates. On October 11, 2007, in Case No. 07-194-GA-AIR, Waterville Gas & Oil Company (Waterville) entered into a stipulation to resolve issues related to its rate case. As a result of the stipulation, Waterville established its initial uncollectible expense rider (UEX) similar to those approved in Case No. 03-1127-GA-UNC. On November 20, 2007, the Commission approved the stipulation and the uncollectible expense mechanism which was set at three cents (\$0.03) per Mcf.

On May 11, 2015 Waterville filed the pending application to revise its current uncollectible expense rider rate. Staff has reviewed the application and makes its findings and recommendations in this Staff Letter.

**STAFF REVIEW**

Waterville's application filed on May 11, 2015 would decrease the existing rider rate of \$0.0036 per Mcf to (\$0.0007) per Mcf, a decrease of (\$0.0043).

Attachment 1 provides Waterville's annual balance reconciliation for calendar year 2014 and actual data for the first four months of 2015.

Attachment 2 provides the calculations used by Waterville to arrive at the proposed rate of (\$0.0007) per Mcf.

Attachment 3 provides copies of the proposed tariff sheets.

**STAFF RECOMMENDATION**

Staff has performed a review of the annual balance reconciliation covering calendar year 2014 and the first four months of 2015, and at this time, Staff does not propose any further adjustments to Waterville's calculations and supports Waterville's revised attachments filed on May 11, 2015.

Staff believes that Waterville's revised application appropriately calculates the rider and recommends the proposed rate of (\$0.0007) per Mcf be approved.