#### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the matter of the application of Suburban ) Natural Gas Company for Approval of An ) Adjustment to Its Uncollectible Expense ) Rider )

Case No. 15-0316-GA-UEX

#### APPLICATION OF SUBURBAN NATURAL GAS COMPANY FOR APPROVAL OF AN ADJUSTMENT TO ITS UNCOLLECTIBLE EXPENSE RIDER

The Suburban Natural Gas Company ("Suburban") hereby submits its Annual Uncollectible Expense Rider Report and Application ("Application") to revise its Uncollectible Expense Rider ("UEX Rider") Rate. Suburban respectfully requests approval of the proposed adjustment. In support of this Application, Suburban states as follows:

- 1. On August 3, 2007, Suburban filed an Application to Increase Rates, which, among other things, sought the Public Utilities Commission of Ohio's ("Commission") approval to implement an UEX Rider. In an Opinion and Order issued on March 19, 2008,<sup>1</sup> the Commission approved Suburban's Application to Increase Rates and authorized Suburban to implement an UEX Rider.
- 2. On May 22, 2009, Suburban applied for an increase in its UEX Rider from \$.07012727 per Mcf to \$.08641518. In an Entry issued on July 23, 2009, Suburban filed tariffs consistent with the Entry, which became effective on August 26, 2009.<sup>2</sup> Subsequent adjustments have been approved on an annual basis.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> In the Matter of Suburban Natural Gas Company for Authority to Increase its Rates and Charges in Certain Areas of its Territory, Case No. 07-689-GA-AIR, Opinion and Order at 5 (March 19, 2008).

<sup>&</sup>lt;sup>2</sup> In the Matter of Suburban Natural Gas Company for Approval of an Adjustment to its Uncollectable Expense Rider, Case No. 09-438-GA-UEX, Entry at 2 (July 23, 2009).

<sup>&</sup>lt;sup>3</sup> In the Matter of Suburban Natural Gas Company for Approval of an Adjustment to its Uncollectable Expense Rider, Case No. 14-316-GA-UEX, Staff Report (July 31, 2014).

3. The Suburban UEX Rider, as set forth in Fifth Revised Tariff Sheet No. 2A, states that "Suburban shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over or under-collections."<sup>4</sup>

4. Suburban proposes to increase the UEX Rider by .0752 per Mcf, which will result in a charge to the customer of \$0.07653603. The rate is comprised of (1) the balance of deferred uncollectible accounts expense net of recoveries as of December 31, 2014, and (2) the actual bad debt write-offs for the year 2014. The calculation of the revised rate is shown in Attachment 1.

5. The charge to the customer of \$0.07653603 per Mcf amounts to an increase of the UEX Rider greater than 10% from the previous period. This change is due in part to the adoption of Staff policy recommendations to shorten the length of time regarding the write off for past due accounts.<sup>5</sup>

The charge of \$0.07653603 per Mcf is just and reasonable for the UEX Rider and should be approved by the Commission. A copy of the proposed UEX Rider tariff sheet 2A is included as Attachment 2 to this Application.

WHEREFORE, Suburban respectfully requests that the Commission approve an increase of the UEX Rider to the rate set forth in the revised tariff sheet contained in Attachment 2 of this Application.

<sup>&</sup>lt;sup>4</sup>In the Matter of Suburban Natural Gas Company for Approval of an Adjustment to its Uncollectable Expense Rider, Case No. 14-316-GA-UEX, Filing of Fifth Revised Section V Tariff Sheet 2A (July 10, 2014). <sup>5</sup> Id., Case No. 14-316-GA-UEX, Staff Report (July 31, 2014).

Respectfully submitted,

# /s/ Christopher J. Allwein

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## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Application was served upon the following

parties of record or as a courtesy, via U.S. Mail, postage prepaid, on June 1, 2015.

<u>/s/ Christopher J. Allwein</u> Christopher J. Allwein

Thomas G. Lindgren Werner L. Margard Attorney General Public Utilities Commission of Ohio 180 East Broad Street Columbus, OH 43215

## SUBURBAN NATURAL GAS COMPANY BAD DEBT TRACKER 2014

| Line<br>No. |  |                          |
|-------------|--|--------------------------|
| 1           | Actual Annual Sales                                | 1,975,906 MCF            |
| 2<br>3      | Actual Bad Debt Deferral as of:<br>Recovery Period | 12/31/2014               |
| 4           | Recovery Amount (Line 2 / Line 3)                  | 82,143                   |
| 5           | Recovery Rate (Line 4 / Line 1)                    | \$<br>0.04157232 per MCF |
| 6           | Actual Annual Bad Debt Write-Off                   | 69,085                   |
| 7           | Recovery Rate (Line 6 / Line 1)                    | \$<br>0.03496371 per MCF |
| 8           | Total Bad Debt Tracker (Line 5 + Line              | \$<br>0.07653603 per MCF |
| 9           | Tracker Rate Approved                              | \$<br>0.00133105 per MCF |
| 10          | Change (Line 8 - Line 9)                           | \$<br>0.0752             |

#### SUBURBAN NATURAL GAS COMPANY CASE NO. 15-316-GA-UEX UNCOLLECTIBLE ACCOUNTS EXPENSE RIDER 2014

| 1 Balance - Beginning of Month      | January<br>(24,050) | February<br>(15,108) | March<br>(4,165) | April<br>2,868 | May<br>8,855 | June<br>11,017 | July<br>12,849 | August<br>14,656 | September<br>14,609 | October<br>14,157 | November<br>13,495 | December<br>12,676 |
|-------------------------------------|---------------------|----------------------|------------------|----------------|--------------|----------------|----------------|------------------|---------------------|-------------------|--------------------|--------------------|
| 2 Bad Debts Written Off             | 327                 | (88)                 | (1,191)          | 180            | (508)        | 495            | 1,831          | (24)             | (430)               | (624)             | (652)              | 69,769             |
| 3 Recovery - Base Rates             |                     |                      |                  |                |              |                |                |                  |                     |                   |                    |                    |
| 4 Recovery - Bad Debt Rider         | (8,615)             | (11,031)             | (8,224)          | (5,807)        | (2,670)      | (1,337)        | 24             | 23               | 22                  | 38                | 167                | 302                |
| 5 Recovery - Other                  |                     |                      |                  |                |              |                |                |                  |                     |                   |                    |                    |
| 6 Incremental Bad Debts (2-(3+4+5)) | 8,942               | 10,943               | 7,033            | 5,987          | 2,162        | 1,832          | 1,807          | (47)             | (452)               | (662)             | (819)              | 69,467             |
| 7 Balance Subtotal (1 + 6)          | (15,108)            | (4,165)              | 2,868            | 8,855          | 11,017       | 12,849         | 14,656         | 14,609           | 14,157              | 13,495            | 12,676             | 82,143             |
| 8 Carrying Charges                  |                     |                      |                  |                |              |                |                |                  |                     |                   |                    |                    |
| 9 Balance - End of Month (7 + 8)    | \$ (15,108) \$      | (4,165) \$           | 2,868 \$         | 8,855 \$       | 11,017 \$    | 12,849 \$      | 14,656 \$      | 14,609           | \$ 14,157 \$        | 13,495 \$         | 12,676 \$          | 82,143             |

Suburban Natural Gas Company Cygnet, Ohio

SECTION V Sixth Revised Sheet No. 2A Cancels Fifth Revised Sheet No. 2A

## UNCOLLECTABLE EXPENSE

### **RIDER APPLICABLE:**

To all customers.

### UNCOLLECTABLE EXPENSE RIDER:

A charge of \$0.07653603 per Mcf shall be applied to all volumes for service rendered to those customers responsible for paying the Uncollectible Expense Rider. Suburban shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over or under-collections.

ISSUED: \_\_\_\_\_\_ , 2015

EFFECTIVE: \_\_\_\_\_, 2015

Filed pursuant to Entries of the Public Utilities Commission of Ohio in Case Nos. 07-689-GA-AIR, dated March 19, 2008 and 15-316-GA-UEX Dated \_\_\_\_\_, 2015

ISSUED BY ANDREW J. SONDERMAN, PRESIDENT

Suburban Natural Gas Company Cygnet, Ohio

SECTION V <u>FifthSixth</u> Revised Sheet No. 2A Cancels <u>FourthFifth</u> Revised Sheet No. 2A

### UNCOLLECTABLE EXPENSE RIDER

#### **APPLICABLE:**

To all customers.

#### UNCOLLECTABLE EXPENSE RIDER:

A charge of \$0.0013310507653603 per Mcf shall be applied to all volumes for service rendered to those customers responsible for paying the Uncollectible Expense Rider. Suburban shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over or under-collections.

ISSUED: \_\_\_\_\_ , 201415

EFFECTIVE: \_\_\_\_\_, 201415

Filed pursuant to Entries of the Public Utilities Commission of Ohio in Case Nos. 07-689-GA-AIR, dated March 19, 2008 and 14<u>15</u>-316-GA-UEX dated \_\_\_\_\_\_\_\_, 201415

ISSUED BY DAVID L. PEMBERTON, JR. ANDREW J. SONDERMAN, PRESIDENT

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Case No(s). 15-0316-GA-UEX

Summary: Application for Approval of an Adjustment to the Uncollectible Expense Rider. electronically filed by Mr. Christopher J. Allwein on behalf of Suburban Natural Gas Company