

Public Utilities Commission

John R. Kasich, Governor Andre T. Porter, Chairman

July 2, 2015

Commissioners

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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 Suburban Natural Gas Company for Approval of an Adjustment to its Uncollectible Expense Rider Rate, Case No. 15-316-GA-UEX

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application filed by Suburban Natural Gas Company, to update its Uncollectible Expense Rider, in Case No. 15-316-GA-UEX.

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

David Lipthratt Chief, Research and Policy Division Public Utilities Commission of Ohio

Enclosure Cc: Parties of Record

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180 East Broad Street Columbus, Ohio 43215-3793

(614) 466-3016 www.PUCO.ohio.gov

## Suburban Natural Gas Company. Case No. 15-316-GA-UEX

## SUMMARY

In Case No. 03-1127-GA-UNC, the Commission authorized the concept of an uncollectible accounts expense recovery mechanism for five natural gas companies. The mechanism approved allows for recovery of actual bad/uncollectible debt through a rider, rather than through base rates. Subsequently, Suburban Natural Gas Company (Suburban or Company) was authorized in Case No. 07-689-GA-AIR to establish a rider recovery mechanism consistent with that which was approved in Case No. 03-1127-GA-UNC. On April 16<sup>th</sup>, 2008, the Commission issued its Opinion and Order in that case and authorized an initial uncollectible rider rate of \$0.07012727 per Mcf.

On June 1, 2015, Suburban filed the pending application to increase its current uncollectible expense rider rate from \$0.00133105 per Mcf to \$0.07653603 per Mcf, an adjustment of \$0.07520498 per Mcf. Staff has reviewed the application and makes its findings and recommendations in this Staff Letter.

## **STAFF REVIEW**

Staff performed a review of Suburban's annual balance of actual uncollectible accounts expense net of recoveries as of January 1, 2014, through December 31, 2014 (Attachment 1); and proposed tariff sheets (Attachment 2).

## STAFF RECOMMENDATION

Staff has performed a review of the actual annual balance reconciliation covering January 1, 2014, through December 31, 2014, and at this time does not propose any further adjustments to Suburban's calculations and supports the Company's attachments filed on June 1, 2015.

Staff believes that Suburban's application appropriately calculates the rider and recommends the proposed rate of \$0.07653603 per Mcf be approved.