

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Uncollectible Expense )  
Rider of Eastern Natural Gas Company, ) Case No. 15-307-GA-UEX  
Inc. and Related Matters. )

FINDING AND ORDER

The Commission finds:

- (1) Eastern Natural Gas Company (Eastern) is a gas or natural gas company as defined in R.C. 4905.03 and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission, in accordance with R.C. 4905.04 and 4905.05.
- (2) On January 26, 2005, the Commission authorized Eastern to begin to defer its uncollectible expenses (UEX) for future recovery. *In re Eastern Natural Gas Company*, Case No. 04-1619-GA-UEX, Finding and Order (Jan. 26, 2005). In that same proceeding, the Commission directed that the establishment of a rider to recover those deferrals would be considered in conjunction with Eastern's base rate case, in *In re Eastern Natural Gas Company*, Case No. 04-1779-GA-AIR (*Eastern Rate Case*). On January 11, 2006, in the *Eastern Rate Case*, the Commission approved a stipulation authorizing an initial UEX rider rate of \$0.088 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 \$0.0000 per Mcf was approved, in *In re Eastern Natural Gas Company*, Case No. 14-307-GA-UEX, Finding and Order (Aug. 27, 2014).
- (4) On July 20, 2015, Eastern filed the instant application proposing to increase its current UEX rider rate to \$0.5145 per Mcf. The proposed rate is comprised of the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2015, amortized over a two-year period and the average annual bad debt write-offs and collection expenses for the period January 2014, through April 2015. In its application, Eastern explains that customer billings were delayed because of a billing switchover from the previous owner and the implementation of a new billing system. Until billing issues were normalized, Eastern instituted a no disconnect policy. Therefore, from July 2013, to March 2015, Eastern did not

disconnect any customers for nonpayment. In addition, no accounts were classified as uncollectible during 2014. Eastern acknowledges that the moratorium on disconnections and uncollectible write-offs may distort the calculation of this year's tracker rate.

- (5) On September 21, 2015, Staff filed its review and recommendation on the proposed UEX rider adjustment. Staff performed a review of Eastern's annual balance of actual uncollectible accounts expense net of recoveries as of January 1, 2014, through April 30, 2015, and Eastern's proposed tariff sheets. Staff notes that it discovered an error in Eastern's calculations and that Eastern corrected the error. The recalculated rate decreases the proposed UEX rider rate over a two-year period from \$0.5145 per Mcf proposed by Eastern to \$0.426 per Mcf. With Staff's recommendation, the increase to the rider would be:

Current Rate	Proposed Rate	Amount of Increase
\$0.0000 per Mcf	\$0.426 per Mcf	\$0.426 per Mcf

- (6) On September 30, 2015, Eastern, through its counsel, filed a letter stating that Eastern has no objection to Staff's recommended rate of \$0.426 per Mcf.
- (7) The Commission reviewed the application filed on July 20, 2015, as well as Staff's recommendations, and finds that a UEX rider rate of \$0.426 is reasonable and in the public interest, and that it should be approved.

It is, therefore,

ORDERED, That, in accordance with Finding (7), Eastern's application, as revised by Staff's recommendation, be approved and Eastern be authorized to increase the rate for its UEX rider rate to \$0.426 per Mcf. It is, further,

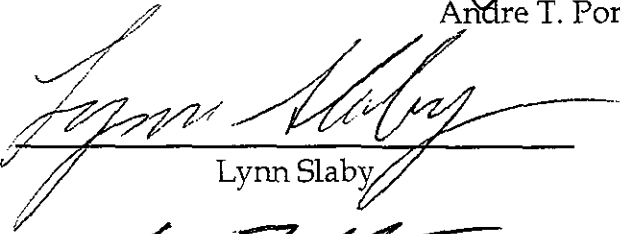
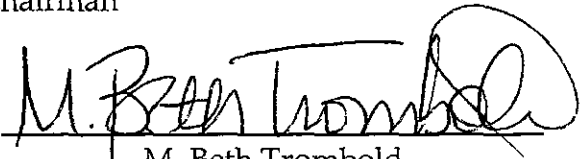

ORDERED, That Eastern be authorized to file two complete copies of tariffs, in final form, consistent with this Finding and Order. Eastern shall file one copy in this case docket and one copy in its TRF docket. It is, further,

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

  
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Andre T. Porter, Chairman  
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Lynn Slaby  
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M. Beth Trombold  
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Asim Z. Haque  
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Thomas W. Johnson

LDJ/vrm

Entered in the Journal

**OCT 28 2015**

  
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Barcy F. McNeal  
Secretary