

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The East	)	
Ohio Gas Company d/b/a Dominion East	)	Case No. 16-____-GA-AIS
Ohio for Consent and Authority to Issue	)	
Long-Term Notes	)	

**APPLICATION AND REQUEST FOR EXPEDITED TREATMENT OF  
THE EAST OHIO GAS COMPANY D/B/A DOMINION EAST OHIO GAS**

In accordance with R.C. 4905.40 and 4905.41, The East Ohio Gas Company d/b/a Dominion East Ohio (DEO) respectfully requests the Commission's authorization to enter into certain financing arrangements involving the issuance of long-term notes as set forth below:

1. DEO is an Ohio corporation providing natural gas service to customers in various municipalities and communities in northern and eastern Ohio and is a public utility subject to the jurisdiction of the Commission in accordance with R.C. 4905.02(A) and 4905.03(E).

2. DEO is a wholly-owned subsidiary of Dominion Gas Holdings, LLC (DGH). DGH is a wholly-owned subsidiary of Dominion Resources, Inc. and serves as the intermediate parent company for the majority of Dominion's regulated natural gas operating companies engaged primarily in the transmission and local distribution of natural gas. As such, DGH is the primary financing entity for Dominion's regulated natural gas businesses.

3. DEO requests the Commission's authority to issue and sell to DGH a long-term note with a principal amount not to exceed \$700 million.

4. The purpose of the issuance is to finance the acquisition of property; to finance the construction, completion, extension, renewal, and improvement of DEO's facilities; for the improvement of DEO's service to its customers; and for reorganization or readjustment of DEO's indebtedness and capitalization to more closely align DEO's actual capital structure and the capital structure approved by the Commission in DEO's most recent rate case.

5. The proposed note will have a principal amount not to exceed \$700 million. The full amount will become due at maturity, which will be 30 years from the issuance of the note. Interest will be payable semiannually at an approximate annual rate of 4.35 percent. The proposed interest rate is a projected market rate expected to be available to DEO's parent company, DGH, when the note is issued. The actual interest rate will be determined upon issuance of the note.

6. In accordance with R.C. 4905.41, DEO submits the following as a part of this Application:

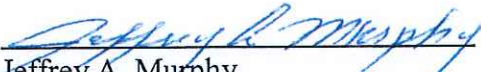
- Exhibit A: A balance sheet as of June 30, 2016;
- Exhibit B: An income statement for the 12-month period ended June 30, 2016; and
- Exhibit C: A schedule of projected capital expenditures by category for 2017.

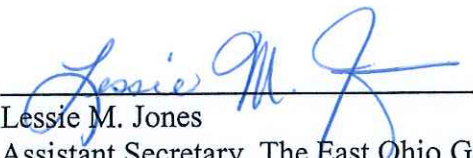
7. To enable the timely consummation of the proposed transactions, DEO respectfully requests expedited treatment of this Application and that it be approved on or before November 1, 2016. As noted above, the new note is intended in part to reorganize and adjust existing indebtedness, specifically to pay off an existing note scheduled to expire October 1, 2016. To minimize the extent to which it may be necessary to issue additional short-term debt pending approval of this Application, DEO requests a ruling on or before November 1, 2016.

WHEREFORE, DEO respectfully requests that the Commission approve this Application according to the terms set forth above.

Dated: *August 9, 2016*

Respectfully submitted,

  
Jeffrey A. Murphy,  
Vice President and General Manager, The  
East Ohio Gas Company d/b/a Dominion  
East Ohio

  
Lessie M. Jones  
Assistant Secretary, The East Ohio Gas  
Company d/b/a Dominion East Ohio

Of counsel:

Mark A. Whitt (0067996)  
Andrew J. Campbell (0081485)  
Rebekah J. Glover (0088798)  
WHITT STURTEVANT LLP  
The KeyBank Building, Suite 1590  
88 East Broad Street  
Columbus, Ohio 43215  
Telephone: (614) 224-3946  
Facsimile: (614) 224-3960  
whitt@whitt-sturtevant.com  
campbell@whitt-sturtevant.com  
glover@whitt-sturtevant.com

(All counsel are willing to accept service by  
email)

ATTORNEYS FOR THE EAST OHIO  
GAS COMPANY D/B/A DOMINION  
EAST OHIO

STATE OF OHIO

)

) SS.:

COUNTY OF SUMMIT

)

Jeffrey A. Murphy personally appeared before me, a Notary Public, in and for said State, and being first duly sworn said that he is Vice President and General Manager of The East Ohio Gas Company d/b/a Dominion East Ohio, and that the statements in the foregoing Application are true.

*Jeffrey B. Murphy*  
Vice President and General Manager –  
The East Ohio Gas Company d/b/a  
Dominion East Ohio

Sworn to before me and subscribed in my presence this 7 day of August, 2016.

Notary Public



**MARY MONASTRA**  
Notary Public, State of Ohio  
My Commission Expires 08/1-21



STATE OF OHIO

)

) SS.:

COUNTY OF CUYAHOGA

)

Lessie M. Jones personally appeared before me, a Notary Public, in and for said State,

and being first duly sworn said that she is a Secretary of The East Ohio Gas Company d/b/a

Dominion East Ohio, and that the statements in the foregoing Application are true.

Assistant Secretary –  
The East Ohio Gas Company d/b/a  
Dominion East Ohio

Sworn to before me and subscribed in my presence this 9<sup>TH</sup> day of August, 2016.

**SHERRY JONES**  
**NOTARY PUBLIC • STATE OF OHIO**  
 Recorded in Lake County  
 My commission expires Jan. 22, 2018

Notary Public

DOMINION EAST OHIO  
Balance Sheet  
As of June 30, 2016  
\$(000) Omitted

<u>ASSETS</u>	<u>FERC Account</u>		
<b>Property, Plant &amp; Equipment</b>			
Property Plant & Equipment	101-107,117	3,903,337	
Accumulated Depreciation, Depletion, and Amortization	108-111	<u>(908,055)</u>	
Total Property, Plant and Equipment (Net)			2,995,281
<b>Other Property and Investments</b>			
Nonutility Property	121	3,727	
Other Investments	124	<u>1,166</u>	
Total Other Property and Investments			4,893
<b>Current Assets</b>			
Cash and cash equivalents	131	1,724	
Customer Accounts Receivable, Net	142,144	112,195	
Accounts Receivable, Other	143	1,282	
Receivables From Affiliates	146	43	
Gas Stored Underground-Current	164	35,847	
Regulatory Assets - Current	182-191	22,624	
Prepayments	165	27,410	
Accumulated Deferred Taxes - Current	190	-	
Other Current Assets	134,154,155,174	<u>9,319</u>	
Total Current Assets			210,443
<b>Deferred Charges &amp; Other Assets</b>			
Other Regulatory Assets	182	298,475	
Prepaid Pension Costs	165	987,804	
Deferred Income Taxes - Non Current	190	49,804	
Other Miscellaneous Non-Current Assets	186	<u>2,269</u>	
Total Deferred Charges and Other Assets			<u>1,338,352</u>
<b>TOTAL ASSETS</b>			<u><u>4,548,969</u></u>

DOMINION EAST OHIO  
Balance Sheet  
As of June 30, 2016  
\$(000) Omitted

<b><u>SHAREHOLDERS' EQUITY AND LIABILITIES</u></b>	<b><u>FERC Account</u></b>	
<b>Shareholders' Equity</b>		
Common Stock	201	584,968
Other Paid-In Capital	211	70,885
Retained Earnings	216, 219	<u>736,860</u>
Total Shareholders' Equity		<u>1,392,712</u>
<b>Current Liabilities</b>		
Accounts Payable	232	70,976
Affiliated Accounts Payable	234	25,722
Advances from Associated Companies - Current	233	859,900
Accrued Liabilities	242	87,034
Customer Deposits	235	13,152
Accumulated Deferred Income Taxes - Current	281-283	-
Regulatory Liabilities - Current	254	40,988
Other Current Liabilities	242	<u>16,365</u>
Total Current Liabilities		<u>1,114,137</u>
<b>Long - Term Debt</b>		
Advances from Associated Companies	223	715,000
<b>Deferred Credits and Other Liabilities</b>		
Accumulated Deferred Income Taxes	281-283	1,094,010
Accumulated Deferred Investment Tax Credits	255	40
Regulatory Liabilities	254	136,942
Asset Retirement Obligations	230	75,650
Other Deferred Credits and Liabilities	253	<u>20,478</u>
Total Deferred Credits and Other Liabilities		<u>1,327,120</u>
Total Liabilities		<u>3,156,257</u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<u><u>4,548,969</u></u>

**EXHIBIT B**

**DOMINION EAST OHIO**  
**Statement of Income**  
**For the Twelve Months Ended June 30, 2016**  
\$(000) Omitted

<b>Operating Revenues</b>		
Gas	86,270	
Transportation and Storage	533,233	
Other Operating Revenues	<u>28,561</u>	
Total Operating Revenues		648,063
<b>Operating Expenses</b>		
Purchased Gas	60,524	
Operation and Maintenance	145,870	
Depreciation and Amortization	60,974	
Other Taxes	<u>113,926</u>	
Total Operating Expenses		<u>381,294</u>
<b>Operating Income (Loss)</b>		266,769
<b>Other Income (Deductions)</b>		
Other Income (Net)	(497)	
Interest Expense (Net)	<u>(27,239)</u>	
Total Other Income (Deductions)		<u>(27,736)</u>
<b>Income (Loss) Before Income Taxes</b>		239,033
<b>Income Taxes</b>		<u>85,662</u>
<b>Net Income (Loss)</b>		<u><u>153,371</u></u>



**EXHIBIT C**

**DOMINION EAST OHIO**  
**Estimated Capital Expenditures for 2017**  
\$(000) Omitted

**Description**

Distribution Infrastructure	226,714
Gathering / Production Infrastructure	5,811
General Infrastructure	16,599
Information Technology / Telecommunications	8,957
Metering	4,852
New Customer Facilities	19,735
Storage Infrastructure	11,078
Transmission Infrastructure	<u>43,997</u>
Total	<u><u>337,742</u></u>

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**8/9/2016 4:15:16 PM**

**in**

**Case No(s). 16-1707-GA-AIS**

Summary: Text In the matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Consent and Authority to Issues Long-Term Notes electronically filed by Ms. Rebekah J. Glover on behalf of The East Ohio Gas Company d/b/a Dominion East Ohio