

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Suburban)
Natural Gas Company for Approval of an) Case No. 17-1371-GA-RDR
Adjustment to the Infrastructure Replacement)
Program Rider.)

**APPLICATION OF SUBURBAN NATURAL GAS COMPANY FOR APPROVAL OF AN
ADJUSTMENT TO THE INFRASTRUCTURE REPLACEMENT PROGRAM RIDER**

Pursuant to the September 15, 2009 Finding and Order issued in Case No. 09-573-GA-UNC,¹ Suburban Natural Gas Company (Suburban) respectfully requests that the Public Utilities Commission of Ohio (Commission) approve an adjustment to Suburban's Infrastructure Replacement Program (IRP) Rider reflecting costs associated with capital investments already made by Suburban relating to prone-to-fail risers, and repair and replacement of leaking customer service lines through June 30, 2015.

In support of the Application, Suburban states the following:

1. Suburban is a public utility and natural gas company within the definitions of Sections 4905.02 and 4905.03(E), Revised Code, and as such, is subject to the jurisdiction of this Commission pursuant to Sections 4905.04, 4905.05, and 4905.06, Revised Code.

¹*In the Matter of the Application of Suburban Natural Gas Company for Approval of an Infrastructure Replacement Plan and Related Matters*, Case No. 09-573-GA-UNC, Finding and Order at 5 (Sept. 15, 2009) (2009 IRP Order).

2. Suburban currently provides natural gas service in Ohio to approximately 16,758 residential and commercial customers in Henry, Wood, Delaware, and Marion Counties. Suburban also serves a few transportation customers under a Transportation Service tariff or special arrangements approved by the Commission.

3. On June 1, 2009, pursuant to the March 19, 2008 Opinion and Order in Case No. 07-689-GA-AIR, Suburban filed an amended plan for the timely replacement of prone-to-fail risers and a plan for the assumption of responsibilities associated with the installation, repair, replacement, and maintenance of customer services lines (IRP program).

4. On September 15, 2009, the Commission approved Suburban's IRP and the recovery of the costs associated with the IRP in Case No. 09-573-GA-UNC.²

5. At the time of the Commission's approval in that case, Suburban estimated that the IRP charge to customers would be \$0.29, \$0.58, \$0.84, \$1.10, \$0.92, \$0.75 and \$0.60 per month, per customer in years one through seven, respectively.

6. The approved IRP requires that Suburban annually file an application to update its IRP Rider by August 31 of each year. Accordingly, by this Application, Suburban requests that the Commission approve an increase in Suburban's IRP Rider from \$0.07 per month, per customer to \$0.11 per month, per customer.

² 2009 IRP Order at 5.

7. The 2009 IRP Order also required Suburban to submit, upon completion of its riser replacement program, an application regarding the reasonableness of accelerated replacement of unprotected mains (AMRP).³ The riser replacement program has now been completed.

8. In Case No. 15-1048-GA-RDR, the Commission issued an Opinion and Order on October 28, 2015 that concluded that the AMRP was no longer necessary.⁴ The Order further stated that Suburban's IRP Rider will reflect costs associated with capital investments already made by Suburban relating to prone-to-fail risers, and repair and replacement of leaking customer service lines through June 30, 2015.⁵ Finally, the 2015 IRP Order stated that the IRP Rider will be in effect through October 31, 2020.⁶

9. The direct testimony of Nichole M. Clement, CPA, is provided on behalf of Suburban to support the cost-calculation exhibits for the proposed IRP Rider adjustment.

³ 2009 IRP Order at 5 ("We also conclude that the reasonableness of accelerating the replacement of unprotected mains should be reconsidered at the conclusion of the riser replacement portion of the plan. Therefore, at that time, Suburban is directed to file an application relating to this issue.").

⁴ *In the Matter of the Application of Suburban Natural Gas Company for Approval of an Adjustment to the Infrastructure Replacement Program Rider*, Case No. 15-1048-GA-RDR, Opinion and Order at 6 (October 28, 2015) (2015 IRP Order).

⁵ 2015 IRP Order at 5.

⁶ 2015 IRP Order at 6: "Suburban will continue to use the IRP rider through October 31, 2020. The IRP rider will be employed in two ways. First, it will be used to collect the remaining balance of the 50 percent portion of the capital investment by the Company associated with previously completed riser replacement and replacement of leaky customer service lines, which was excluded from plant accounts and subject to accelerated recovery, including cost of debt, and will be amortized over four years. Second, Suburban will use the IRP rider to collect revenues associated with the expense incurred for the 50 percent portion of the capital investment, including return at the rate approved in the *2007 Rate Case*, associated with previously completed replacement of prone-to-fail risers and leaking customer service lines, which was included in the appropriate plant accounts and not eligible for accelerated recovery."

10. In addition to the direct testimony of Ms. Clement, Suburban hereby submits the following schedules and exhibits supporting its request to adjust its IRP Rider:

- a. Schedules A-1, A-2, and A-3 supporting Suburban's IRP Rider rate calculation; and
- b. Schedules B-1 and B-2, demonstrating the proposed changes to Suburban's IRP Rider tariff sheet, and Suburban's proposed IRP Rider tariff sheet with the changes accepted.

Respectfully Submitted,

/s/ Kimberly W. Bojko

Kimberly W. Bojko (0069402) (Counsel of Record)

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(willing to accept service by email)

Counsel for Suburban Natural Gas Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Application of Suburban Natural Gas Company for Approval of an Adjustment to the Infrastructure Replacement Program Rider* was served upon the following via electronic mail on August 29, 2017.

/s/ Kimberly W. Bojko
Kimberly W. Bojko

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Suburban Natural Gas Company Exhibit No. _____

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Suburban Natural Gas Company for an)	Case No. 17-1371-GA-RDR
Adjustment to the Infrastructure)	
Replacement Program Rider)	

**DIRECT TESTIMONY
OF
NICHOLE M. CLEMENT**

On Behalf of

THE SUBURBAN NATURAL GAS COMPANY

August 24, 2017

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. Nichole M. Clement, 551 Lake Cascades Parkway, Findlay, Ohio 45840.

4 **Q. By whom are you employed and in what capacity?**

5 A. Gilmore Jasion Mahler, Ltd. (“GJM”), Certified Public Accountant.

6 **Q. How long have you been associated with GJM?**

7 A. Approximately four years. Prior to GJM, I was associated with Pry Professional Group
8 (“Pry”) for over 18 years. GJM acquired Pry.

9 **Q. On whose behalf are you offering testimony in this proceeding?**

10 A. I have been authorized to appear and testify on behalf of Suburban Natural Gas Company,
11 the applicant in this case.

12 **Q. Please outline your educational background and business experience.**

13 A. I graduated from Bowling Green State University in 1994 with a degree in Business
14 Administration with a specialization in accounting. I received my Certified Public
15 Accountant designation in 1998. I have worked with public utility companies at Pry and
16 GJM for the past 22 years.

17 **Q. Do you have any experience testifying at the Commission?**

18 A. Yes. On August 17, 2007, I submitted testimony at the Commission on behalf of Suburban
19 in Case No. 07-689-GA-AIR, on September 14, 2010 in Case No. 10-763-GA-RDR, on
20 August 30, 2011 in Case No. 11- 3234-GA-RDR, on August 30, 2012 in Case No. 12-1698-
21 GA-RDR, on August 30, 2013 in Case No. 13-1231-GA-RDR, on August 28, 2014 in Case
22 No. 14-1006-GA-RDR, on August 28, 2015 in Case No. 15-1048-GA-RDR, on August 31,

2016 in Case No. 16-1212-GA-RDR , and on April 25, 2017 in Case No. 17-594-GA-ALT.

Also, I am generally familiar with the ratemaking process and the accounting practices of public utilities.

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to support Suburban's Infrastructure Replacement Plan ("IRP") Rider. I will describe how Suburban calculated the cost of such efforts as set forth in Schedules A-1, A-2, and A-3.

Q. Are you sponsoring any part of the Application?

A. Yes. I am sponsoring Schedules A-1, A-2, and A-3.

II. SUBURBAN'S INFRASTRUCTURE REPLACEMENT PLAN

Q. What are the costs Suburban is recovering through Rider IRP?

A. In Case No. 09-573-GA-UNC, the Commission approved Suburban's plan for timely replacement of prone-to-fail risers and a plan for the assumption of the responsibilities associated with installation, repair, replacement, and maintenance of customer service lines through the IRP program. In that case, the Commission also approved the recovery of costs associated with the IRP through the IRP Rider. When the IRP was approved, Suburban estimated that the incremental costs of the IRP would be approximately \$252,000 per year.

Q. Has Suburban completed implementing the IRP?

A. Yes, in October 2009, Suburban began replacing aging service lines at various locations throughout its service territory and replacing prone-to-fail customer risers. As noted in the Commission's October 28, 2015, Opinion and Order in Case No. 15-1048-GA-RDR, Suburban completed the program for replacement of prone-to-fail risers and no additional

1 costs associated with the program remain to be added to Suburban's IRP Rider. Moving
2 forward, the IRP Rider will reflect costs associated with capital investments already made by
3 Suburban relating to prone-to-fail risers, and repair and replacement of leaking customer
4 service lines through June 30, 2015. The Order further stated that the IRP Rider will be in
5 effect through October 31, 2020.

6 **Q. What is the current rate that customers are being charged under the IRP Rider?**

7 A. Customers are now charged \$0.07 per customer per month for IRP Rider.

8 **Q. What is the new rate you are proposing for IRP Rider?**

9 A. \$0.11 per customer per month.

10 **Q. How was the \$0.11 customer charge calculated for the ninth year of the IRP Rider?**

11 A. The calculation was based on actual data for July 1, 2016 through June 30, 2017 and
12 estimated data for July 1, 2017 through June 30, 2018. The basis of the calculation is that
13 approved in Case No. 09-573-GA-UNC.

14 **Q. In your opinion is a \$0.11 customer charge reasonable?**

15 A. Yes. As you can see from Schedules A-1, A-2, and A-3 of the Application, \$0.11 is a
16 reasonable charge for year nine of the IRP Rider and thus should be approved by the
17 Commission.

18 **Does this conclude your testimony?**

19 A. Yes, it does.

	Actual July 2016 Month 82	Actual Aug 2016 Month 83	Actual Sept 2016 Month 84	Actual Oct 2016 Month 85	Actual Nov 2016 Month 86	Actual Dec 2016 Month 87	Actual Jan 2017 Month 88	Actual Feb 2017 Month 89	Actual Mar 2017 Month 90	Actual Apr 2017 Month 91	Actual May 2017 Month 92	Actual June 2017 Month 93
50% of Replacement Cost Financed (taken out of rate base)												
(recovered over 4 years (cost * 50% / 4 years))												
First Month Expenditure												
Second Month Expenditure												
Third Month Expenditure												
Fourth Month Expenditure												
Fifth Month Expenditure												
Sixth Month Expenditure												
Seventh Month Expenditure												
Eighth Month Expenditure												
Ninth Month Expenditure												
Tenth Month Expenditure												
Eleventh Month Expenditure												
Twelfth Month Expenditure												
Thirteenth Month Expenditure												
Fourteenth Month Expenditure												
Fifteenth Month Expenditure												
Sixteenth Month Expenditure												
Seventeenth Month Expenditure												
Eighteenth Month Expenditure												
Nineteenth Month Expenditure												
Twentieth Month Expenditure												
Twenty-First Month Expenditure												
Twenty-Second Month Expenditure												
Twenty-Third Month Expenditure												
Twenty-Fourth Month Expenditure												
Twenty-Fifth Month Expenditure												
Twenty-Sixth Month Expenditure												
Twenty-Seventh Month Expenditure												
Twenty-Eighth Month Expenditure												
Twenty-Ninth Month Expenditure												
Thirtieth Month Expenditure												
Thirty-First Month Expenditure												
Thirty-Second Month Expenditure												
Thirty-Third Month Expenditure												
Thirty-Fourth Month Expenditure												
Thirty-Fifth Month Expenditure	\$	250.57										
Thirty-Sixth Month Expenditure	\$	172.92	\$	172.92								
Thirty-Seventh Month Expenditure	\$	189.53	\$	189.53	\$	189.53						
Thirty-Eighth Month Expenditure	\$	-	\$	-	\$	-						
Thirty-Ninth Month Expenditure	\$	119.27	\$	119.27	\$	119.27						
Fortieth Month Expenditure	\$	26.04	\$	26.04	\$	26.04	\$	26.04				
Forty-First Month Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-		
Forty-Second Month Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-		
Forty-Third Month Expenditure	\$	3.93	\$	3.93	\$	3.93	\$	3.93	\$	3.93		
Forty-Fourth Month Expenditure	\$	69.03	\$	69.03	\$	69.03	\$	69.03	\$	69.03	\$	69.03
Forty-Fifth Month Expenditure	\$	21.09	\$	21.09	\$	21.09	\$	21.09	\$	21.09	\$	21.09
Forty-Sixth Month Expenditure	\$	9.78	\$	9.78	\$	9.78	\$	9.78	\$	9.78	\$	9.78
Forty-Seventh Month Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Forty-Eighth Month Expenditure	\$	5.21	\$	5.21	\$	5.21	\$	5.21	\$	5.21	\$	5.21
Forty-Ninth Month Expenditure	\$	0.72	\$	0.72	\$	0.72	\$	0.72	\$	0.72	\$	0.72
Fiftieth Month Expenditure	\$	31.54	\$	31.54	\$	31.54	\$	31.54	\$	31.54	\$	31.54
Fifty-First Month Expenditure	\$	10.42	\$	10.42	\$	10.42	\$	10.42	\$	10.42	\$	10.42
Fifty-Second Month Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Fifty-Third Month Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Fifty-Fourth Month Expenditure	\$	10.42	\$	10.42	\$	10.42	\$	10.42	\$	10.42	\$	10.42
Fifty-Fifth Month Expenditure	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Fifty-Sixth Month Expenditure	\$	6.44	\$	6.44	\$	6.44	\$	6.44	\$	6.44	\$	6.44
Fifty-Seventh Month Expenditure	\$	34.30	\$	34.30	\$	34.30	\$	34.30	\$	34.30	\$	34.30

50% recovered over 45 years (cost * 50% / 45 years) (not taken out of rate base)

First Month Expenditure	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52	\$ 3.52
Second Month Expenditure	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69
Third Month Expenditure	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89	\$ 8.89
Fourth Month Expenditure	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37
Fifth Month Expenditure	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13	\$ 2.13
Sixth Month Expenditure	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.81
Seventh Month Expenditure	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39	\$ 33.39
Eighth Month Expenditure	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41	\$ 27.41
Ninth Month Expenditure	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94	\$ 32.94
Tenth Month Expenditure	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87	\$ 7.87
Eleventh Month Expenditure	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24	\$ 3.24
Twelfth Month Expenditure	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68	\$ 4.68
Thirteenth Month Expenditure	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39	\$ 15.39
Fourteenth Month Expenditure	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90	\$ 15.90
Fifteenth Month Expenditure	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32
Sixteenth Month Expenditure	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32
Seventeenth Month Expenditure	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09
Eighteenth Month Expenditure	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79
Nineteenth Month Expenditure	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90	\$ 17.90
Twentieth Month Expenditure	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94	\$ 23.94
Twenty-First Month Expenditure	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22	\$ 53.22
Twenty-Second Month Expenditure	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52	\$ 30.52
Twenty-Third Month Expenditure	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68	\$ 59.68
Twenty-Fourth Month Expenditure	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44	\$ 20.44
Twenty-Fifth Month Expenditure	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30	\$ 13.30
Twenty-Sixth Month Expenditure	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41	\$ 14.41
Twenty-Seventh Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Twenty-Eighth Month Expenditure	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32
Twenty-Ninth Month Expenditure	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93
Thirtieth Month Expenditure	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02	\$ 9.02
Thirty-First Month Expenditure	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00	\$ 33.00
Thirty-Second Month Expenditure	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16	\$ 59.16
Thirty-Third Month Expenditure	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33	\$ 13.33
Thirty-Fourth Month Expenditure	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76	\$ 24.76
Thirty-Fifth Month Expenditure	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27	\$ 22.27
Thirty-Sixth Month Expenditure	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37	\$ 15.37
Thirty-Seventh Month Expenditure	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85	\$ 16.85
Thirty-Eighth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Thirty-Ninth Month Expenditure	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60	\$ 10.60
Fortieth Month Expenditure	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31	\$ 2.31
Forty-First Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Account	July 2016	Aug 2016	Sept 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	June 2017
Account Description	Month 82	Month 83	Month 84	Month 85	Month 86	Month 87	Month 88	Month 89	Month 90	Month 91	Month 92	Month 93
Forty-Second Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Forty-Third Month Expenditure	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35
Forty-Fourth Month Expenditure	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14	\$ 6.14
Forty-Fifth Month Expenditure	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88
Forty-Sixth Month Expenditure	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87
Forty-Seventh Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Forty-Eighth Month Expenditure	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46
Forty-Ninth Month Expenditure	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06	\$ 0.06
Fiftieth Month Expenditure	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80
Fifty-First Month Expenditure	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93
Fifty-Second Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fifty-Third Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fifty-Fourth Month Expenditure	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93	\$ 0.93
Fifty-Fifth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fifty-Sixth Month Expenditure	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57	\$ 0.57
Fifty-Seventh Month Expenditure	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05
Fifty-Eighth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fifty-Ninth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sixtieth Month Expenditure	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36	\$ 6.36
Sixty-First Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sixty-Second Month Expenditure	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46	\$ 0.46
Sixty-Third Month Expenditure	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54	\$ 0.54
Sixty-Fourth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sixty-Fifth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sixty-Sixth Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sixty-Seventh Month Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sixty-Eighth Month Expenditure	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82
Sixty-Ninth Month Expenditure	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82
Seventieth Month Expenditure												
Seventy-First Month Expenditure												
Seventy-Second Month Expenditure												
Seventy-Third Month Expenditure												
Seventy-Fourth Month Expenditure												
Seventy-Fifth Month Expenditure												
Seventy-Sixth Month Expenditure												
Seventy-Seventh Month Expenditure												
Seventy-Eighth Month Expenditure												
Seventy-Ninth Month Expenditure												
Eightieth Month Expenditure												
Eighty-First Month Expenditure												
Return on Equity (based upon approved 8.97% from rate case)	\$ 2,259.14	\$ 2,254.45	\$ 2,249.76	\$ 2,245.08	\$ 2,240.39	\$ 2,235.70	\$ 2,231.01	\$ 2,226.32	\$ 2,221.64	\$ 2,216.95	\$ 2,212.26	\$ 2,207.57
Total Amount to Be Recovered through Rider	\$ 3,965.59	\$ 3,708.17	\$ 3,528.92	\$ 3,333.30	\$ 3,327.63	\$ 3,202.96	\$ 3,171.99	\$ 3,166.58	\$ 3,161.17	\$ 3,152.31	\$ 3,077.83	\$ 3,051.56
Total Amount that Was Billed through Rider to Customers	\$ 4,291.56	\$ 4,303.00	\$ 4,326.14	\$ 4,320.52	\$ 1,170.47	\$ 1,174.53	\$ 1,177.77	\$ 1,179.92	\$ 1,181.67	\$ 1,187.62	\$ 1,186.36	\$ 1,189.86
Net Over/Under recovered at 6/30/16												
Net Over/Under recovered for Twelve Months Ended 6/30/17	\$ (325.97)	\$ (594.83)	\$ (797.22)	\$ (987.22)	\$ 2,157.16	\$ 2,028.43	\$ 1,994.22	\$ 1,986.66	\$ 1,979.50	\$ 1,964.69	\$ 1,891.47	\$ 1,861.70
Year 9 Total Amount to Be Recovered through Rider												
Revised Amount to Be Recovered through Rider												
Estimated Number of Customers												
Projected Revised Rate												

Suburban Natural Gas Company
Infrastructure Replacement Program and Rider
Cost of Debt Calculation
For the period July 2016 to June 2017 (12 months actual)

	Actual July 2016 Month 82	Actual Aug 2016 Month 83	Actual Sept 2016 Month 84	Actual Oct 2016 Month 85	Actual Nov 2016 Month 86	Actual Dec 2016 Month 87	Actual Jan 2017 Month 88	Actual Feb 2017 Month 89	Actual Mar 2017 Month 90	Actual Apr 2017 Month 91	Actual May 2017 Month 92	Actual June 2017 Month 93
Beginning Balance	\$ 9,056.83	\$ 7,715.77	\$ 6,653.28	\$ 5,841.36	\$ 5,202.36	\$ 4,752.89	\$ 4,303.41	\$ 3,973.21	\$ 3,669.05	\$ 3,364.89	\$ 3,060.72	\$ 2,760.49
Amount Borrowed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Repaid (collected through rider - 1 mo. lag)	\$ 1,341.06	\$ 1,062.48	\$ 811.92	\$ 639.00	\$ 449.48	\$ 449.48	\$ 330.20	\$ 304.16	\$ 304.16	\$ 304.16	\$ 300.23	\$ 231.20
Ending Balance	\$ 7,715.77	\$ 6,653.28	\$ 5,841.36	\$ 5,202.36	\$ 4,752.89	\$ 4,303.41	\$ 3,973.21	\$ 3,669.05	\$ 3,364.89	\$ 3,060.72	\$ 2,760.49	\$ 2,529.29
Cost of Debt Per LOC	2.61655%	2.64390%	2.67322%	2.67722%	2.68267%	2.76672%	2.92111%	2.93000%	2.93444%	3.13278%	3.14278%	3.20050%
Interest to be Recovered	\$ 16.82	\$ 14.66	\$ 13.01	\$ 11.61	\$ 10.63	\$ 9.92	\$ 9.67	\$ 8.96	\$ 8.23	\$ 7.99	\$ 7.23	\$ 6.75

Suburban Natural Gas Company
Infrastructure Replacement Program and Rider
Rate of Return
For the period July 2016 to June 2017 (12 months actual)

	Actual July 2016 Month 82	Actual Aug 2016 Month 83	Actual Sept 2016 Month 84	Actual Oct 2016 Month 85	Actual Nov 2016 Month 86	Actual Dec 2016 Month 87	Actual Jan 2017 Month 88	Actual Feb 2017 Month 89	Actual Mar 2017 Month 90	Actual Apr 2017 Month 91	Actual May 2017 Month 92	Actual June 2017 Month 93
Beginning Balance	\$ 302,853.16	\$ 302,226.03	\$ 301,598.89	\$ 300,971.75	\$ 300,344.61	\$ 299,717.47	\$ 299,090.33	\$ 298,463.20	\$ 297,836.06	\$ 297,208.92	\$ 296,581.78	\$ 295,954.64
Amount Expended	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Repaid (collected through rider - 1 yr. lag)	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14	\$ 627.14
Ending Balance	\$ 302,226.03	\$ 301,598.89	\$ 300,971.75	\$ 300,344.61	\$ 299,717.47	\$ 299,090.33	\$ 298,463.20	\$ 297,836.06	\$ 297,208.92	\$ 296,581.78	\$ 295,954.64	\$ 295,327.50
Allowable Rate of Return	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%	8.970%
Return on Equity	\$ 2,259.14	\$ 2,254.45	\$ 2,249.76	\$ 2,245.08	\$ 2,240.39	\$ 2,235.70	\$ 2,231.01	\$ 2,226.32	\$ 2,221.64	\$ 2,216.95	\$ 2,212.26	\$ 2,207.57

Suburban Natural Gas Company
Cygnet, Ohio

SECTION V

~~Ninth Eighth~~ Revised Sheet No. 2B

Cancels and Supersedes

~~Eighth Seventh~~ Revised Sheet No. 2B

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER**APPLICABILITY:**

Applicable to all customers.

DESCRIPTION:

An additional charge per month per account, regardless of gas consumed, to recover costs associated with Suburban's customer notification and education and the repair or replacement of service lines as specified in the Company's IRP Plan filed with the Public Utilities Commission of Ohio. This Rider shall be calculated annually pursuant to a Notice filed no later than May 31 of each year based on nine months of actual data and three months of estimated data for the reporting year. The filing shall be updated by no later than August 31 of the same year to reflect the use of actual reporting year data. Such adjustments to the Rider will become effective with bills rendered on November 1 of each year.

RATE:

~~\$0.11 .07~~ per Month

ISSUED: ~~October 27, 2017~~ October 27, 2016

EFFECTIVE: ~~October 27, 2017~~ October 27, 2016

Filed pursuant to the Finding and Order of the Public Utilities
Commission of Ohio in Case No. ~~17- -16-1212~~-GA-RDR dated ~~October 26, 2017~~ October 26, 2016

ISSUED BY ANDREW J. SONDERMAN, PRESIDENT

Suburban Natural Gas Company
Cygnet, Ohio

SECTION V
Ninth Revised Sheet No. 2B
Cancels and Supersedes
Eighth Revised Sheet No. 2B

INFRASTRUCTURE REPLACEMENT PROGRAM RIDER

APPLICABILITY:

Applicable to all customers.

DESCRIPTION:

An additional charge per month per account, regardless of gas consumed, to recover costs associated with Suburban's customer notification and education and the repair or replacement of service lines as specified in the Company's IRP Plan filed with the Public Utilities Commission of Ohio. This Rider shall be calculated annually pursuant to a Notice filed no later than May 31 of each year based on nine months of actual data and three months of estimated data for the reporting year. The filing shall be updated by no later than August 31 of the same year to reflect the use of actual reporting year data. Such adjustments to the Rider will become effective with bills rendered on November 1 of each year.

RATE:

\$0.11 per Month

ISSUED: _____ 2017

EFFECTIVE: _____ 2017

Filed pursuant to the Finding and Order of the Public Utilities
Commission of Ohio in Case No. 17-_____-GA-RDR dated _____ 2017

ISSUED BY ANDREW J. SONDERMAN, PRESIDENT

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

8/29/2017 4:19:58 PM

in

Case No(s). 17-1371-GA-RDR

Summary: Application Application for Approval of an Adjustment to the Infrastructure Replacement Program Rider electronically filed by Mr. James D Perko on behalf of Suburban Natural Gas Company