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September 4, 2018

FILE

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

RE: *In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion Energy Ohio for Approval of an Adjustment to its Uncollectible Expense Rider, Case No. 18-319-GA-UEX.*

Dear Docketing Division:

Enclosed please find the Review and Recommendations of the Staff of the Public Utilities Commission of Ohio (Staff) in regard to the application filed by The East Ohio Gas Company, to update its Uncollectible Expense Rider, in Case No. 18-319-GA-UEX.

Tamara S. Turkenton
Director, Rates and Analysis Department
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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The East Ohio Gas Company d/b/a Dominion Energy Ohio
Case No. 18-319-GA-UEx

SUMMARY

In Case No. 03-1127-GA-UNC, the Public Utilities Commission of Ohio (Commission) authorized a new mechanism that would allow five natural gas companies to alter their method for collecting uncollectible accounts expense. The mechanism approved allows for recovery of actual uncollectible accounts expense through a rider, rather than through base rates. Subsequently, on March 17, 2004, in Case No. 03-2573-GA-ATA the Commission issued an entry authorizing the East Ohio Gas Company d/b/a Dominion Energy Ohio (Dominion or DEO) to establish an uncollectible expense rider (UEX Rider) recovery mechanism with an initial rate of \$0.0601 per Mcf.

Since that time Dominion has filed annual updates to adjust its UEX Rider rate and the Commission has authorized such subsequent revisions. The recent history of DEO's UEX Rider rate is as follows:

July 2013 - July 2014	\$0.1683 per Mcf
July 2014 - July 2015	\$0.1113 per Mcf
August 2015 - August 2016	\$0.0383 per Mcf
August 2016 - September 2017	\$0.0661 per Mcf
September 2017 - Current	\$0.0634 per Mcf

Dominion filed an application on May 24, 2018, requesting to revise its existing UEX Rider rate of \$0.0634 per Mcf to \$0.0326 per Mcf, a decrease of \$0.0308 per Mcf, and to include reconciliation and adjustment language to the UEX Rider tariff sheets. Staff has reviewed the application and makes its findings and recommendations in this Staff Letter.

STAFF REVIEW

Staff reviewed DEO's annual balance reconciliation (Attachment 1) covering January 1, 2017 through March 31, 2018, the Company's calculation of its revised rider rate (Attachment 2) and the proposed tariffs (Attachment 3).

STAFF RECOMMENDATION

Staff believes that Dominion appropriately calculated the UEX Rider rate in its application and recommends the proposed rate of \$0.0326 per Mcf be approved. In addition, Staff recommends that the Commission approve Dominion's proposed tariff language for the UEX Rider, as shown in their application.