

## THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF  
NORTHEAST OHIO NATURAL GAS CORP.  
FOR AN INCREASE IN GAS DISTRIBUTION  
RATES.

CASE No. 18-1720-GA-AIR

IN THE MATTER OF THE APPLICATION OF  
NORTHEAST OHIO NATURAL GAS CORP.  
FOR TARIFF APPROVAL.

CASE No. 18-1721-GA-ATA

IN THE MATTER OF THE APPLICATION OF  
NORTHEAST OHIO NATURAL GAS CORP.  
FOR APPROVAL OF AN ALTERNATIVE  
RATE PLAN.

CASE No. 18-1722-GA-ALT

### ENTRY

Entered in the Journal on July 11, 2019

{¶ 1} Brainard Gas Corp. (Brainard), Orwell Natural Gas Company (Orwell), Spelman Pipeline Holdings, LLC (Spelman), and Northeast Ohio Natural Gas Corp. (NEO) (collectively, NEO)<sup>1</sup> are natural gas companies or pipeline companies as defined by R.C. 4905.03 and public utilities as defined by R.C. 4905.02, and, as such, are subject to the jurisdiction of this Commission.

{¶ 2} The fixation of rates for public utilities in the state of Ohio is governed by R.C. Chapter 4909. The statutory requirements for an application to increase a public utility's rates are enumerated in R.C. 4909.17, 4909.18, 4909.19, and 4909.43. Also, pursuant to R.C. 4901.13, 4909.04(C), and 4909.18, the Commission adopted Ohio Adm.Code 4901-7-01 and its Appendix (Standard Filing Requirements). These Standard Filing Requirements specify the format for filing all information required in an application for an increase in rates and define the information that the Commission requires pursuant to R.C. 4909.18(E).

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<sup>1</sup> On September 28, 2018, in Case No. 18-1484-GA-UNC, et al., Brainard, Orwell, Spelman, and NEO filed a joint application seeking approval of a proposed merger of Brainard, Orwell, and Spelman into NEO. The Commission approved the joint application on January 3, 2019.

{¶ 3} Additionally, pursuant to R.C. 4929.05(A), a natural gas company may request approval of an alternative rate plan by filing an application to establish or change a rate under R.C. 4909.18.

{¶ 4} On November 27, 2018, NEO filed separate notices of its intent to file both an application for an increase in rates and an application for approval of an alternative rate plan.

{¶ 5} Subsequently, on November 29, 2018, NEO filed a motion seeking to establish a test period and date certain, as well as requesting a waiver of a certain filing requirement. By Entry dated December 12, 2018, the Commission approved NEO's proposed test period and date certain and granted NEO's waiver request of a certain filing requirement.

{¶ 6} On December 28, 2018, NEO filed a combined application for an increase in rates and application for approval of an alternative rate plan pursuant to R.C. 4909.18 and R.C. 4929.05, respectively.

{¶ 7} On February 19, 2019, Staff filed a letter stating that NEO's application for approval of an alternative rate plan is in compliance with Ohio Adm.Code 4901:1-19-06.

{¶ 8} By Entry dated February 20, 2019, the Commission found that NEO's application for an increase in rates and for an alternative rate plan be accepted for filing as of December 28, 2018.

{¶ 9} Staff conducted an investigation of the facts, exhibits, and matters relating to NEO's applications. On June 25, 2019, Staff filed a comprehensive written report of its investigation (Staff Report) in the above-captioned case dockets.

{¶ 10} By Entry dated June 28, 2019, the attorney examiner issued a procedural schedule. The Entry indicated that local public hearings would be scheduled, and publication required, by subsequent entry.

{¶ 11} R.C. 4903.083 requires that the Commission hold at least one public hearing within NEO's service territory and further requires that at least one such hearing be held after 5:00 p.m. Accordingly, local public hearings have been scheduled at the following times and locations:

- (a) Monday, August 12, 2019, at 6:00 p.m., at the Fairfield County District Main Library, 219 North Broad Street, Lancaster, Ohio 43130.
- (b) Tuesday, August 13, 2019, at 6:00 p.m., at the Canton City Council Chambers, 218 Cleveland Avenue, SW, 1st Floor, Canton, Ohio 44701.
- (c) Wednesday, August 14, 2019, at 6:00 p.m., at the Bucyrus City Council Chambers, 500 South Sandusky Avenue, Bucyrus, Ohio 44820.

{¶ 12} NEO should publish legal notice of the local public hearings in newspapers of general circulation in the affected service territory once a week for two consecutive weeks prior to the scheduled date of the first local public hearing. The legal notice should not appear in the legal notices section of the newspaper. The notice should read as follows:

#### **LEGAL NOTICE**

The Public Utilities Commission of Ohio has scheduled local public hearings in Case Nos. 18-1720-GA-AIR, *In the Matter of the Application of Northeast Ohio Natural Gas Corp. for an Increase in Gas Distribution Rates*; 18-1721-GA-ATA, *In the Matter of the Application of Northeast Ohio Natural Gas Corp. for Tariff Approval*; and 18-1722-GA-ALT, *In the Matter of the Application of Northeast Ohio Natural Gas Corp. for Approval of an Alternative Rate Plan*.

In its applications, NEO requests approval of an increase in gas distribution rates and of an alternative rate plan. In its rate case, NEO requests a rate increase of \$3,526,053, an increase of 10.25 percent over current revenues. After its review of NEO's applications and records, the Staff of the

Commission recommends a revenue increase in the range of \$500,052 to \$877,542, which represents an increase between 1.39 percent and 2.44 percent over current revenues. NEO's application for an alternate rate plan seeks to implement the following two elements: a mechanism to refund customers the rates collected in excess of the corporate tax rate established by the Tax Cuts and Jobs Act of 2017; and the creation of the Infrastructure Replacement Program (IRP) rider. The IRP would allow NEO to recover incremental costs of replacing approximately 24 miles of aging pipelines.

Three local hearings are scheduled to provide an opportunity for interested members of the public to testify in these proceedings. The local hearings will be held as follows:

- (a) Monday, August 12, 2019, at 6:00 p.m., at the Fairfield County District Main Library, 219 North Broad Street, Lancaster, Ohio 43130.
- (b) Tuesday, August 13, 2019, at 6:00 p.m., at the Canton City Council Chambers, 218 Cleveland Avenue, SW, 1st Floor, Canton, Ohio 44701.
- (c) Wednesday, August 14, 2019, at 6:00 p.m., at the Bucyrus City Council Chambers, 500 South Sandusky Avenue, Bucyrus, Ohio 44820.

The evidentiary hearing in these proceedings will commence on August 20, 2019, at 10:00 a.m., in Hearing Room 11-C at the offices of the Commission, 180 East Broad Street, 11th Floor, Columbus, Ohio 43215-3793.

Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, 11th Floor, Columbus, Ohio 43215-3793, by calling the Commission's hotline at 1-800-686-7826, or by visiting the Commission's website at <http://www.puco.ohio.gov>.

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That local public hearings in these cases be held in accordance with Paragraph 11. It is, further,

{¶ 15} ORDERED, That NEO publish notice of the hearings as set forth in Paragraph 12. It is, further,

{¶ 16} ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/Lauren L. Augostini

By: Lauren L. Augostini  
Attorney Examiner

SJP/hac

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

**Commission of Ohio Docketing Information System on**

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**in**

**Case No(s). 18-1720-GA-AIR, 18-1721-GA-ATA, 18-1722-GA-ALT**

Summary: Attorney Examiner Entry scheduling local public hearings and ordering that NEO publish notice of those hearings electronically filed by Heather A Chilcote on behalf of Lauren L. Augostini, Attorney Examiner, Public Utilities Commission of Ohio