

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

| | |
|--|-------------------------|
| In the Matter of the Application of The East) | |
| Ohio Gas Company d/b/a Dominion Energy) | Case No. 19-1946-GA-RDR |
| Ohio for Approval of an Adjustment to its) | |
| Demand Side Management Rider Rate.) | |

APPLICATION

The East Ohio Gas Company d/b/a Dominion Energy Ohio (DEO) respectfully requests approval of an adjustment to its Demand Side Management Rider (DSM Rider) rate. In support of this Application, DEO states as follows:

1. DEO is an Ohio corporation engaged in the business of providing natural gas service to approximately 1.2 million customers in northwest, western, and southeast Ohio. As such, DEO is a “natural gas company” and “public utility” as defined by R.C. 4905.03(E) and 4905.02.
2. In Case No. 07-829-GA-AIR, the Commission approved a Stipulation authorizing DEO to recover “annual DSM expenditures of \$4,000,000 . . . through a DSM rider applicable to customers served under the General Sales Service (GSS) and Energy Choice Transportation Service (ECTS) rate schedules.”
3. From the 2008 approval of the DSM Rider through 2016, DEO annually updated the DSM Rider rate to reflect annual expenditures within the \$4,000,000 limit and to account for any prior-year over- or under-recoveries.
4. In August 2017, in Case No. 17-1372-GA-RDR, the Commission modified the procedures applicable to the DSM Rider and found “that an annual application process should be utilized to facilitate the review of the rider and audit each year.” Order at 5 (Aug. 2, 2017). The Commission “direct[ed] DEO to open a new docket each year and file an application to adjust its

DSM rider rate. The DSM rider adjustment application, including related supporting schedules, calculations, and proposed tariffs, shall be filed at least annually, by no later than December 1, for the Commission's review and approval." *Id.* at 6.

5. In accordance with the Commission's Order, DEO files this application seeking approval of an updated DSM Rider rate of **\$0.0247** per Mcf for all customers in its service territory subject to the DSM Rider. The rate has been calculated to recover \$4 million, as authorized under the 07-829 Stipulation, plus or minus any prior year under- or over-recoveries. Schedules supporting the calculation of the rate, including prior year recoveries and historical and projected volumes, are included as Attachment 1 to this Application.

6. The proposed DSM Rider rate reflects a **decrease of \$0.0040** from the currently effective rate of \$0.0287 per Mcf. The decrease in the proposed rate results from an over-recovery of costs due to a higher level of applicable recovery volumes than had been planned for the period October 2018 through September 2019.

7. Consistent with the currently effective rider rate, DEO has calculated the per Mcf rate in this application using planned volumes based on normal weather for the prospective twelve-month period ending September 30, 2020.

8. The expenditures proposed for recovery through the DSM Rider are within the \$4 million annual limit established by the 07-829 Stipulation and reflect the costs associated with programs reviewed by and implemented under the guidance of the DSM Collaborative. As such, these costs are just and reasonable and qualify for recovery through the DSM Rider.

9. The resulting rate of \$0.0247 per Mcf for all DEO customers subject to the DSM Rider is just and reasonable and should be approved. Copies of the proposed and scored current tariff sheets are included as Attachment 2 to this Application.

WHEREFORE, DEO respectfully requests that the Commission approve the adjustment of DEO's DSM Rider as proposed in this Application and grant any other necessary and proper relief.

Dated: November 18, 2019

Respectfully submitted,

/s/ Christopher T. Kennedy
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ATTORNEYS FOR THE EAST OHIO GAS
COMPANY D/B/A DOMINION ENERGY OHIO

**Dominion Energy Ohio
Demand Side Management Rider Calculation
November 2019**

DSM Expense:

Prior Year Costs:

| | |
|--|-----------------------|
| Annual Amount to be Recovered by DSM Rider | \$ 4,000,000.00 |
| Prior Year's Over-recovered DSM Amount (October 2017 - Sep 2018) | <u>(141,499.56)</u> |
| Total to be Recovered | 3,858,500.44 |
| Recoveries - October 1, 2018 through September 30, 2019 | <u>(4,438,889.02)</u> |
| Over-recovered DSM Costs | (580,388.58) |

Amount to be Recovered - Oct-2019 through Sept-2020 4,000,000.00

Total to be Recovered in the Coming Year \$ 3,419,611.42 (a)

Applicable Rate Schedule Planned Volumes:

| | |
|---|--------------------|
| General Sales Service (GSS) | 12,360,823 |
| Energy Choice Transportation Service (ECTS) | <u>126,223,387</u> |
| Total | 138,584,210 (b) |

Resulting DSM Rider Calculation \$ 0.0247 (a) / (b)

Current DSM Rider \$ 0.0287
Rider Change Increase (Decrease) \$ (0.0040)

Reconciliation to Books:

| | |
|---|-----------------|
| Balance of GL# 1171195 as of October 31, 2019 | \$ (801,878.99) |
| Add back: October estimated recoveries | \$ 123,306.10 |
| Add back: October unbilled recoveries | \$ 98,184.33 |
| Less: November accounting adjustments | <u>(0.02)</u> |
| Total over-recovered DSM as of September 30, 2019 | \$ (580,388.58) |

| | | | Oct-18 FINAL | Nov-18 FINAL | Dec-18 FINAL | | Jan-19 FINAL | Feb-19 FINAL | Mar-19 FINAL | Apr-19 FINAL | May-19 FINAL | Jun-19 FINAL | Jul-19 FINAL | Aug-19 FINAL | Sep-19 FINAL | 2019 Total | Q4-2018 - Sep-19 Total |
|----------------------|-----|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------------------|
| Volumes (Mcf) | | | | | | Q4-2018 | | | | | | | | | | | |
| Sales | CCS | 443,620.2 | 1,359,824.3 | 1,990,610.6 | 3,794,055.1 | 2,084,287.5 | 2,030,986.3 | 1,700,582.5 | 852,175.6 | 467,849.8 | 240,482.8 | 146,638.9 | 129,598.7 | 147,631.3 | 7,800,233.4 | 11,594,288.5 | |
| | SBS | 1.4 | 231.2 | 2,636.7 | 2,869.3 | 3,545.1 | 0.0 | 0.0 | 24.6 | 71.2 | 1,270.8 | 2,784.5 | 3,133.7 | 20.9 | 10,850.8 | 13,720.1 | |
| | | 443,621.6 | 1,360,055.5 | 1,993,247.3 | 3,796,924.4 | 2,087,832.6 | 2,030,986.3 | 1,700,582.5 | 852,200.2 | 467,921.0 | 241,753.6 | 149,423.4 | 132,732.4 | 147,652.2 | 7,811,084.2 | 11,608,008.6 | |
| Energy Choice | CCS | 4,425,379.1 | 13,332,420.8 | 19,955,511.6 | 37,713,311.5 | 22,607,753.7 | 23,563,751.0 | 20,064,670.3 | 10,849,162.2 | 5,677,107.6 | 2,833,070.4 | 2,088,141.8 | 1,973,963.2 | 2,137,970.9 | 91,795,591.1 | 129,508,902.6 | |
| | SBS | 5,889.0 | 20,166.9 | 27,518.6 | 53,574.5 | 33,040.4 | 40,288.0 | 35,126.9 | 12,533.7 | 4,783.6 | 2,625.3 | 1,260.6 | 2,515.9 | 4,319.8 | 136,494.2 | 190,068.7 | |
| | | 4,431,268.1 | 13,352,587.7 | 19,983,030.2 | 37,766,886.0 | 22,640,794.1 | 23,604,039.0 | 20,099,797.2 | 10,861,695.9 | 5,681,891.2 | 2,835,695.7 | 2,089,402.4 | 1,976,479.1 | 2,142,290.7 | 91,932,085.3 | 129,698,971.3 | |
| Total DSM Volumes | | | 4,874,889.7 | 14,712,643.2 | 21,976,277.5 | 41,563,810.4 | 24,728,626.7 | 25,635,025.3 | 21,800,379.7 | 11,713,896.1 | 6,149,812.2 | 3,077,449.3 | 2,238,825.8 | 2,109,211.5 | 2,289,942.9 | 99,743,169.5 | 141,306,979.9 |
| | | | | | | | | | | | | | | | | | |
| Dollars | | | | | | | | | | | | | | | | | |
| Sales | CCS | \$ 15,071.59 | \$ 46,236.39 | \$ 67,686.47 | \$ 128,994.45 | \$ 70,867.86 | \$ 61,090.24 | \$ 48,824.29 | \$ 24,471.56 | \$ 13,424.93 | \$ 6,916.31 | \$ 4,199.98 | \$ 3,707.33 | \$ 4,224.18 | \$ 237,726.68 | \$ 366,721.13 | |
| | SBS | \$ 0.05 | \$ 7.87 | \$ 89.65 | \$ 97.57 | \$ 120.54 | \$ - | \$ - | \$ 0.71 | \$ 2.04 | \$ 36.48 | \$ 79.91 | \$ 89.94 | \$ 0.60 | \$ 330.22 | \$ 427.79 | |
| | | \$ 15,071.64 | \$ 46,244.26 | \$ 67,776.12 | \$ 129,092.02 | \$ 70,988.40 | \$ 61,090.24 | \$ 48,824.29 | \$ 24,472.27 | \$ 13,426.97 | \$ 6,952.79 | \$ 4,279.89 | \$ 3,797.27 | \$ 4,224.78 | \$ 238,056.90 | \$ 367,148.92 | |
| Energy Choice | CCS | \$ 150,361.45 | \$ 453,389.75 | \$ 678,585.03 | \$ 1,282,336.23 | \$ 768,769.75 | \$ 706,547.11 | \$ 575,840.68 | \$ 311,346.94 | \$ 162,649.41 | \$ 81,044.43 | \$ 59,705.25 | \$ 56,441.18 | \$ 61,144.97 | \$ 2,783,489.72 | \$ 4,065,825.95 | |
| | SBS | \$ 200.28 | \$ 685.76 | \$ 935.65 | \$ 1,821.69 | \$ 1,123.41 | \$ 1,156.27 | \$ 1,008.14 | \$ 359.72 | \$ 137.28 | \$ 75.32 | \$ 36.17 | \$ 72.20 | \$ 123.95 | \$ 4,092.46 | \$ 5,914.15 | |
| | | \$ 150,561.73 | \$ 454,075.51 | \$ 679,520.68 | \$ 1,284,157.92 | \$ 769,893.16 | \$ 707,703.38 | \$ 576,848.82 | \$ 311,706.66 | \$ 162,786.69 | \$ 81,119.75 | \$ 59,741.42 | \$ 56,513.38 | \$ 61,268.92 | \$ 2,787,582.18 | \$ 4,071,740.10 | |
| Total DSM Recoveries | | | \$ 165,633.37 | \$ 500,319.77 | \$ 747,296.80 | \$ 1,413,249.94 | \$ 840,881.56 | \$ 768,793.62 | \$ 625,673.11 | \$ 336,178.93 | \$ 176,213.66 | \$ 88,072.54 | \$ 64,021.31 | \$ 60,310.65 | \$ 65,493.70 | \$ 3,025,639.08 | \$ 4,438,889.02 |

Dominion Energy Ohio
Demand Side Management Rider Calculation
Normalized Plan Volumes Through September 2020

| | SBS | | CCS | | Total | | Grand |
|----------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|---------------------|
| | <u>GSS</u> | <u>ECTS</u> | <u>GSS</u> | <u>ECTS</u> | <u>GSS</u> | <u>ECTS</u> | <u>Total</u> |
| October 2019 | 73 | 7,539 | 708,857 | 6,596,444 | 708,930 | 6,603,983 | 7,312,913 |
| November | 470 | 13,626 | 1,218,442 | 12,008,682 | 1,218,912 | 12,022,308 | 13,241,220 |
| December | 561 | 22,064 | 1,969,333 | 19,505,782 | 1,969,894 | 19,527,846 | 21,497,740 |
| January 2020 | 411 | 29,662 | 2,311,076 | 23,617,264 | 2,311,487 | 23,646,926 | 25,958,413 |
| February | 400 | 56,050 | 2,158,244 | 22,009,375 | 2,158,644 | 22,065,425 | 24,224,069 |
| March | 180 | 20,831 | 1,794,916 | 18,157,584 | 1,795,096 | 18,178,415 | 19,973,511 |
| April | - | 10,697 | 875,616 | 9,941,039 | 875,616 | 9,951,736 | 10,827,352 |
| May | 35 | 4,386 | 381,448 | 4,246,421 | 381,483 | 4,250,807 | 4,632,290 |
| June | 28 | 1,323 | 271,298 | 2,837,870 | 271,326 | 2,839,193 | 3,110,519 |
| July | 31 | 1,223 | 207,570 | 2,267,523 | 207,601 | 2,268,746 | 2,476,347 |
| August | 21 | 1,234 | 197,238 | 2,138,935 | 197,259 | 2,140,169 | 2,337,428 |
| September | 66 | 1,994 | 264,509 | 2,725,839 | 264,575 | 2,727,833 | 2,992,408 |
| Plan 12-Months | 2,276 | 170,629 | 12,358,547 | 126,052,758 | 12,360,823 | 126,223,387 | 138,584,210 |

Dominion Energy Ohio
Demand Side Management Rider Calculation
Actual Historical Volumes October 2018 - September 2019

| | SBS | | CCS | | Total | | Grand |
|----------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|---------------------|
| | <u>GSS</u> | <u>ECTS</u> | <u>GSS</u> | <u>ECTS</u> | <u>GSS</u> | <u>ECTS</u> | <u>Total</u> |
| October 2018 | 1 | 5,889 | 443,620 | 4,425,379 | 443,622 | 4,431,268 | 4,874,890 |
| November | 231 | 20,167 | 1,359,824 | 13,332,421 | 1,360,056 | 13,352,588 | 14,712,643 |
| December | 2,637 | 27,519 | 1,990,611 | 19,955,512 | 1,993,247 | 19,983,030 | 21,976,278 |
| January 2019 | 3,545 | 33,040 | 2,084,288 | 22,607,754 | 2,087,833 | 22,640,794 | 24,728,627 |
| February | - | 40,288 | 2,030,986 | 23,563,751 | 2,030,986 | 23,604,039 | 25,635,025 |
| March | - | 35,127 | 1,700,583 | 20,064,670 | 1,700,583 | 20,099,797 | 21,800,380 |
| April | 25 | 12,534 | 852,176 | 10,849,162 | 852,200 | 10,861,696 | 11,713,896 |
| May | 71 | 4,784 | 467,850 | 5,677,108 | 467,921 | 5,681,891 | 6,149,812 |
| June | 1,271 | 2,625 | 240,483 | 2,833,070 | 241,754 | 2,835,696 | 3,077,449 |
| July | 2,785 | 1,261 | 146,639 | 2,088,142 | 149,423 | 2,089,402 | 2,238,826 |
| August | 3,134 | 2,516 | 129,599 | 1,973,963 | 132,732 | 1,976,479 | 2,109,212 |
| September | 21 | 4,320 | 147,631 | 2,137,971 | 147,652 | 2,142,291 | 2,289,943 |
| Historical 12-Months | 13,720 | 190,069 | 11,594,289 | 129,508,903 | 11,608,009 | 129,698,971 | 141,306,980 |

Normalized Plan Volumes October 2018 - September 2019

| | SBS | | CCS | | Total | | Grand |
|----------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|---------------------|
| | <u>GSS</u> | <u>ECTS</u> | <u>GSS</u> | <u>ECTS</u> | <u>GSS</u> | <u>ECTS</u> | <u>Total</u> |
| October 2018 | 68 | 7,257 | 695,544 | 6,670,513 | 695,612 | 6,677,770 | 7,373,382 |
| November | 531 | 12,282 | 1,165,575 | 11,774,930 | 1,166,106 | 11,787,212 | 12,953,318 |
| December | 167 | 20,773 | 1,910,277 | 19,261,768 | 1,910,444 | 19,282,541 | 21,192,985 |
| January 2019 | 410 | 25,061 | 2,431,110 | 22,451,272 | 2,431,520 | 22,476,333 | 24,907,853 |
| February | 182 | 21,637 | 2,101,643 | 20,453,416 | 2,101,825 | 20,475,053 | 22,576,878 |
| March | 286 | 18,011 | 1,799,486 | 17,241,943 | 1,799,772 | 17,259,954 | 19,059,726 |
| April | 75 | 9,609 | 847,126 | 9,496,608 | 847,201 | 9,506,217 | 10,353,418 |
| May | - | 3,641 | 394,466 | 4,139,727 | 394,466 | 4,143,368 | 4,537,834 |
| June | 3 | 1,371 | 293,875 | 2,915,772 | 293,878 | 2,917,143 | 3,211,021 |
| July | - | 1,131 | 208,495 | 2,263,743 | 208,495 | 2,264,874 | 2,473,369 |
| August | 11 | 1,131 | 194,426 | 2,138,752 | 194,437 | 2,139,883 | 2,334,320 |
| September | 51 | 1,908 | 287,972 | 2,951,134 | 288,023 | 2,953,042 | 3,241,065 |
| Plan 12-Months | 1,784 | 123,812 | 12,329,995 | 121,759,578 | 12,331,779 | 121,883,390 | 134,215,169 |

THE EAST OHIO GAS COMPANY

Eleventh Revised Sheet No. DSM 1
Superseding Tenth Revised Sheet No. DSM 1

Demand Side Management Rider

An additional charge of \$0.0247 per Mcf to recover the cost of demand side management programs shall be applied to all volumes delivered under the following rate schedules:

- a) General Sales Service – Residential
- b) General Sales Service – Nonresidential
- c) Energy Choice Transportation Service – Residential
- d) Energy Choice Transportation Service – Nonresidential

This Rider is subject to reconciliation or adjustment, including, but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to the twelve-month period of expenditures subjected to annual review and audit by the Commission, if determined to be unlawful, unreasonable, or imprudent by the Commission in such docket or by the Supreme Court of Ohio.

Issued:

Filed under authority of The Public Utilities Commission of Ohio in Case No. 19-1946-GA-RDR
James E. Eck, Vice President and General Manager

Effective:

THE EAST OHIO GAS COMPANY

~~Eleventh~~ Revised Sheet No. DSM 1
Superseding ~~Tenth~~ Revised Sheet No. DSM 1

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Demand Side Management Rider

An additional charge of \$0.~~0247~~ per Mcf to recover the cost of demand side management programs shall be applied to all volumes delivered under the following rate schedules:

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- a) General Sales Service – Residential
- b) General Sales Service – Nonresidential
- c) Energy Choice Transportation Service – Residential
- d) Energy Choice Transportation Service – Nonresidential

This Rider is subject to reconciliation or adjustment, including, but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to the twelve-month period of expenditures subjected to annual review and audit by the Commission, if determined to be unlawful, unreasonable, or imprudent by the Commission in such docket or by the Supreme Court of Ohio.

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Issued:

Effective:

Filed under authority of The Public Utilities Commission of Ohio in Case No. ~~19~~-1946-GA-RDR

~~James E. Eck~~, Vice President and General Manager

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in

Case No(s). 19-1946-GA-RDR

Summary: Application for Approval of an Adjustment to its Demand Side Management Rider Rate electronically filed by Mr. Lucas A Fykes on behalf of The East Ohio Gas Company d/b/a Dominion Energy Ohio