

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Waterville )  
Gas & Oil Company for Approval of an ) Case No. 20-317-GA-UEx  
Adjustment to Its Uncollectible Expense Rider )

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**APPLICATION OF WATERVILLE GAS & OIL COMPANY FOR APPROVAL OF AN  
ADJUSTMENT TO ITS UNCOLLECTIBLE EXPENSE RIDER**

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The Waterville Gas & Oil Company (Waterville) hereby submits its annual Uncollectible Expense Rider Report and Application (Application) to modify its Uncollectible Expense Rider (UEX Rider). Waterville respectfully requests approval of the proposed adjustment. In support of this Application, Waterville states as follows:

1. On February 26, 2007, Waterville filed an Application to Increase Rates and Charges for Natural Gas Service, which, among other things, sought the Public Utilities Commission of Ohio's (Commission) approval to implement an UEX Rider. In an Opinion and Order issued on November 20, 2007, the Commission approved Waterville's Application to Increase Rates and authorized Waterville to implement an UEX Rider as part of the approved Stipulation.<sup>1</sup>
2. Since November 2007, subsequent adjustments to the UEX Rider have been approved on an annual basis. Most recently, the Commission approved Waterville's current UEX Rider of \$0.0021 per Mcf.<sup>2</sup>

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<sup>1</sup> *In the Matter of the Application of Waterville Gas & Oil Company for Authority to Amend its Filed Tariffs to Increase the Rates and Charges for Gas Services and Related Matters*, Case No. 07-194-GA-AIR, Opinion and Order at 7, 9 (November 20, 2017).

<sup>2</sup> *See, In the Matter of the Application of Waterville Gas & Oil Company for Approval of an Adjustment to Its Uncollectible Expense Rider Rate*, Case No. 19-317-GA-UEx, Finding and Order at ¶9 (September 11, 2019).

3. Waterville's UEX Rider, as set forth in Eleventh Revised Sheet No. 18, states that Waterville "shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over- or under-collections."<sup>3</sup>
4. As of April 30, 2019, Waterville's under-collection balance was \$337.24. Waterville's under-collection balance of April 30, 2020 was \$494.71. Attachment 1 to this Application sets forth Waterville's Annual Report for calendar year 2019 and year 2020 through April 30, 2020. Waterville has concluded that an adjustment is appropriate.
5. Waterville proposes to increase the UEX Rider by \$0.0010 per Mcf, which will result in a charge to the customer of \$0.0031 per Mcf. The rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2020, and (2) the actual bad debt write-offs for the twelve month period between May 1, 2019 and April 30, 2020. The calculation of the proposed rate is shown in Attachment 2.
6. A copy of the proposed UEX Rider, Twelfth Revised Sheet No. 18, is attached as Attachment 3 to this Application, in both proposed and redline forms.
7. The charge to the customer of \$0.0031 per Mcf amounts to an increase of the UEX Rider of greater than 10 percent from the previous period.

The charge of \$0.0031 per Mcf is just and reasonable for the UEX Rider and should be approved by the Commission.

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<sup>3</sup> *In the Matter of the Application of Waterville Gas & Oil Company for Approval of an Adjustment to Its Uncollectible Expense Rider Rate*, Case No. 19-317-GA-UEx, Tariff (September 12, 2019).

WHEREFORE, Waterville respectfully requests that the Commission approve an increase in the UEX Rider rate as set forth in this Application and the revised tariff sheet contained in Attachment 3 of this Application.

/s/ Kimberly W. Bojko

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

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*Counsel for Waterville Gas & Oil Company*

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The Waterville Gas & Oil Company  
Uncollectible Accounts Expense Rider Reconciliation  
January 1, 2020 through April 30, 2020

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>
1 Balance-Beginning of Month	314.69	134.17	276.73	130.25
2 Bad Debts Written Off	0.00	312.45	0.00	481.05
3 Recovery - Base Rates	0.00	0.00	0.00	0.00
4 Recovery - Bad Debt Rider (a)	181.13	170.45	147.03	117.44
5 Recovery - Other (b)	0.00	0.00	0.00	0.00
6 Incremental Bad Debt (2-(3+4+5))	(181.13)	142.00	(147.03)	363.61
7 Balance Subtotal (1+6)	133.56	276.17	129.70	493.86
8 Carrying Charges ((1+7)/2 x d)	0.61	0.56	0.55	0.85
9 Balance - End of Month (7+8)	134.17	276.73	130.25	494.71
(a)				
Actual Monthly Sales Volumes	86,253	81,169	70,015	55,925
times Current Bad Debt Rider	0.0021	0.0021	0.0021	0.0021
Recovery - Bad Debt Rider	181.13	170.45	147.03	117.44
(b)				
consists of customer payments, net-collection agency revenue, other collections				
(c)				
Annual Carrying Charge Rate	3.25%	3.25%	3.25%	3.25%
(d)				
Monthly Carrying Charge Rate	0.2708%	0.2708%	0.2708%	0.2708%

The Waterville Gas & Oil Company  
Revised Rider Rate Calculation  
May 1, 2020

Balance Undercollected 05/01/20	494.71
Estimated Uncollectible Accts 5/20-4/21	<u>1,192.24</u>
Total to Collect	1,686.95
Estimated Sales Volumes 5/20-4/21 (mcf)	<u>546,745</u>

Calculated Revised Rider Rate	0.0031	per mcf
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Current Rider Rate-#19-317-GA-UEx	<u>0.0021</u>	per mcf
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Change	0.0010	per mcf
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May 19	33,270
June	14,924
July	10,078
August	12,470
September	13,229
October	25,909
November	62,457
December	81,046
January 20	86,253
February	81,169
March	70,015
April	<u>55,925</u>
	546,745

P.U.C.O. No. 12  
(Cancels P.U.C.O. No. 11)

Waterville Gas & Oil Company

~~Eleventh~~ Twelfth Revised Sheet No. 18

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF NATURAL GAS  
IN THE STATE OF OHIO**

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- 41. Ohio Mcf Tax Rider.** The Ohio Excise Tax on each per MCF of natural gas distributed by the company through a meter of an end user in this state shall be applicable to all gas delivered by the Company to customers billed by the Company under its current Rate GS rate schedule.

All bills shall be adjusted to recover the Ohio Excise Tax by \$.0411 per Mcf delivered.

- 42. Uncollectible Expense Rider.** Applicable to all customers served under the Company's current Rate GS rate schedule. An additional charge of ~~\$0.00210.0031~~ per Mcf shall be applied to all volumes of service rendered to recover cost associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over- or under-collections.

- 43. Reconciliation.** The Uncollectible Expense Rider is updated annually. The Company's actual uncollectible expense for the applicable Rate Schedules, including carrying charges, shall be reconciled annually, with any over or under collection being reflected as a charge or credit in a subsequent update of the Rider Rate. The charge or credit may include Customer refunds if the Commission or Supreme Court of Ohio determines, as a result of an audit of the annual period in which the Rider Rate was in effect, that the Company's charge was unlawful or unreasonable or included imprudent amounts.

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Filed pursuant to PUCO Finding and Order dated ~~September 11, 2019~~ in Case No. ~~1920-0317-GA-~~  
UEx

ISSUED: ~~September 12, 2019~~

EFFECTIVE: ~~September 12, 2019~~

Issued By  
Robert S. Black  
President, Waterville Gas & Oil Company

P.U.C.O. No. 12  
(Cancels P.U.C.O. No. 11)

Waterville Gas & Oil Company

Twelfth Revised Sheet No. 18

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Issued By  
Robert S. Black  
President, Waterville Gas & Oil Company



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**Case No(s). 20-0317-GA-UEx**

Summary: Application of Waterville Gas and Oil Company for Approval of an Adjustment to its Uncollectible Expense Rider electronically filed by Mrs. Kimberly W. Bojko on behalf of Waterville Gas and Oil Company