

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Regulation of the)	
Purchased Gas Adjustment Clauses)	
Contained Within the Rate Schedules of)	Case No. 21-217-GA-GCR
the Waterville Gas & Oil Company and)	
Related Matters.)	
)	
In the Matter of the Uncollectible)	
Expense Rider of Waterville Gas & Oil)	Case No. 21-317-GA-UEX
Company and Related Matters.)	

STIPULATION AND RECOMMENDATION

The above-captioned proceeding is before the Public Utilities Commission of Ohio (Commission) pursuant to Ohio Adm. Code 4901:1-14-07 and 4901:1-1408 for review of the following audits prepared by the Staff of the Commission (Staff): (1) the Financial Audit of Waterville Gas & Oil Company's (Waterville or Company) Gas Cost Recovery (GCR) Mechanisms for the period of August 1, 2018 through July 31, 2020 (GCR Audit) filed in Case No. 21-217-GA-GCR on March 16, 2021; and (2) the Audit of the Uncollectible Expense (UEX) Mechanisms for the period of January 1, 2019 through December 31, 2020 (UEX Audit) filed in Case No. 21-317-GA-UEX on March 16, 2021.

Waterville has reviewed both the GCR and UEX Audit Reports issued by Staff and, for the purpose of reaching this Stipulation only, agrees with and endorses Staff's conclusions and recommendations contained therein.

Ohio Adm. Code 4901-1-30 provides that any two or more parties to a proceeding may enter into a written or oral stipulation concerning the issues presented in any Commission proceeding. Pursuant to Ohio Adm. Code 4901-1-10(C), Staff is considered a party for the purposes of entering into a stipulation under Ohio Adm. Code 4901-1-30.

There being no matters in dispute between Waterville and Staff (collectively, Signatory Parties), Waterville stipulates and Staff recommends as follows:

A. **GCR Audit**

1. Waterville is a natural gas company within the meaning of R.C. 4905.03(A)(5), and, as such, is a public utility subject to the jurisdiction and supervision of the Commission.
2. This case is properly before the Commission pursuant to Ohio Adm. Code 4901:1-14-08 and the Commission has jurisdiction to determine the issues involved pursuant to R.C. 4905.302.
3. Pursuant to Ohio Adm. Code 4901:1-14-07, Staff conducted an audit of the Company and compiled its findings in a document entitled, “Financial Audit of the Gas Cost Recovery Mechanisms for the period of August 1, 2018 through July 31, 2020.” The GCR Audit Report was filed with the Commission on March 16, 2021. The GCR Audit Report should

be identified and admitted into evidence as “Commission-Ordered Exhibit 1.”

4. Waterville’s GCR rates were fairly determined in accordance with the provisions of Ohio Adm. Code Chapter 4901:1-14 during the audit period,
5. Waterville accurately determined and billed the GCR rates for the period, August 1, 2018 through July 31, 2020, in accordance with Chapter 4901:1-14 and related appendices of the Ohio Administrative Code.
6. Waterville’s GCR rates were properly applied to customer bills during the audit period.
7. Waterville agrees to implement Staff’s recommendations contained in the GCR Audit Report. More specifically:
 - a. Waterville will make a reconciliation adjustment in the amount of \$1,807 in connection with an under collection of the Actual Adjustment. This adjustment will be applied in the first GCR filing following the Opinion and Order in this case.
8. Waterville’s level of unaccounted for gas for the audit period under review is reasonable and well within the requirements of the Commission rules.
9. The Signatory Parties recommend that the Commission adopt the conclusions and recommendations contained in the GCR Audit Report.

10. Ohio Adm. Code 4901:1-14-08(C) requires Waterville to publish notice of the hearing in its GCR Audit proceeding at least fifteen and not more than thirty days prior to the scheduled date of the hearing by: (1) a display ad in a newspaper or newspapers of general circulation throughout its service area; (2) a bill message or bill insert included with the customer bills; or (3) a separate direct mailing to customers.
- Waterville has published display ads, which comply with the publication requirements, in newspapers of general circulation throughout its service area. The proofs of publication, attached hereto, should be identified and admitted into evidence as “Waterville Exhibit 1,” and should be made a part of the record of this proceeding. The Signatory Parties recommend that the Commission find that the manner of publication described therein complies with Ohio Adm. Code 4901:1-14-08(C)(1).

B. UEX Audit

1. As directed by the Commission, Staff conducted an audit of Waterville’s UEX rates for January 1, 2019 through December 31, 2020, and compiled its findings in a document entitled, “Audit of the Uncollectible Expense Mechanisms for the Periods January 2019 through December 2020.” The UEX Audit Report was filed with the Commission on March 16, 2021. The UEX Audit Report should be identified and admitted into evidence as “Commission-Ordered Exhibit 2.”

2. Waterville accurately applied the UEX rider rates and sales volumes for the effective audit period, January 1, 2019 through December 31, 2020.
3. Staff verified the amounts for each component of Waterville's Annual Balance Reconciliations for the effective audit period, January 1, 2019 through December 31, 2020.
4. Waterville's UEX Rider rates were properly applied to customer bills during the effective audit period, January 1, 2019 through December 31, 2020.
5. Waterville's December 2020 ending balance was correct.
6. The number of accounts and amounts written-off were accurate and monies subsequently collected by the Outside Collection Agency or Company were properly credited to customers' arrearages.
7. The Signatory Parties recommend that the Commission adopt the findings and recommendations contained in the UEX Audit Report.

C. **Procedural Matters**

1. This Joint Stipulation and Recommendation should be adopted and admitted into evidence as "Joint Exhibit 1," and made a part of the record of these proceedings. Although the Signatory Parties recognize that this Stipulation is not binding upon the Commission, the Signatory Parties respectfully submit that this Stipulation, which has been executed by the parties to these proceedings, is supported by the record, represents a just

and reasonable resolution of the issues involved, violates no regulatory principle or precedent, and is in the public interest.

2. The agreement of the Signatory Parties reflected in this Stipulation is expressly conditioned upon its acceptance without material modification by the Commission. In the event the Commission should reject or materially modify all or any portion of this Stipulation, or impose additional conditions or requirements, each Signatory Party shall have the right, within thirty (30) days of the Commission's order, to either file an application for rehearing or terminate and withdraw the Stipulation by filing a notice with the Commission. Upon rehearing, either Signatory Party shall have the right within fifteen (15) days of the Commission's order on rehearing to file a notice of termination or withdrawal of the Stipulation. Upon notice of termination or withdrawal pursuant to the above provisions, the Stipulation shall immediately become null and void. In such an event, a hearing shall go forward and the Signatory Parties shall be afforded the opportunity to present evidence through witnesses, to cross-examine all witnesses, to present rebuttal testimony, and to file briefs on all issues. The proceedings shall be decided based upon the record and briefs as if this Stipulation had never been executed.

3. The Signatory Parties agree that the foregoing Stipulation is in the best interests of the Signatory Parties, and urge the Commission to adopt the same.

WHEREFORE, Waterville and Staff respectfully request that the foregoing Stipulation be adopted.

In witness whereof, the Signatory Parties have manifested their consent to this Joint Stipulation and Recommendation affixing their signatures below on this 14th day of April, 2021.

**On Behalf of the Staff of the
Public Utilities Commission of Ohio**

/s/ Kyle Kern

Kyle Kern

Thomas Shepherd

Assistant Attorneys General

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**On Behalf of Waterville
Gas & Oil Company**

/s/ Kimberly W. Bojko

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Summary: Stipulation and Recommendation electronically filed by Mrs. Kimberly W. Bojko on behalf of Waterville Gas and Oil Company