



Public Utilities Commission

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June 23, 2021

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 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 Rate, Case No. 21-0319-GA-UEX.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations regarding the application filed by The East Ohio Gas Company d/b/a Dominion Energy Ohio, to update its Gas Uncollectible Expense Rider, in Case No. 21-0319-GA-UEX.

Respectfully submitted,

David Lipthrott
Chief, Accounting and Finance Division
Public Utilities Commission of Ohio

Adam Burns
Accounting and Finance Division
Public Utilities Commission of Ohio

Enclosure
cc: Parties of Record

Dominion Energy Ohio
Case No. 21-0319-GA-UEx

OVERVIEW

In Case No. 03-1127-GA-UNC, the Public Utilities Commission of Ohio (Commission) authorized the concept of an uncollectible accounts expense recovery mechanism for five natural gas companies. The mechanism approved allows for recovery of actual bad/uncollectible debt through a rider, rather than through base rates. Subsequently, in Case No. 03-2573-GA-ATA, the Commission authorized the East Ohio Gas Company d/b/a/ Dominion Energy Ohio (Dominion or Company) to establish an uncollectible expense rider recovery mechanism, initially set at \$0.0601 per Mcf (thousand cubic feet).

Since that time, Dominion has filed annual updates to adjust its rider rate and the Commission has authorized such revisions. The most recent history of Dominion's uncollectible expense rider rate is as follows:

August 2016 – September 2017	\$0.0661 per Mcf
September 2017 - September 2018	\$0.0634 per Mcf
October 2018 - August 2019	\$0.0326 per Mcf
August 2019 – July 2020	\$0.0720 per Mcf
July 2020 – Current	\$0.0979 per Mcf

In its application, filed on May 21, 2021, Dominion proposes to modify its existing uncollectible expense rider rate of \$0.0979 per Mcf to \$0.1204 per Mcf, an increase of \$0.0225 per Mcf. Staff has reviewed Dominion's application and makes its findings and recommendations herein.

STAFF REVIEW

Staff's review of Dominion's Application included examination of its Uncollectible Expense Rider Annual Balance Reconciliation (Attachment 1), its Uncollectible Expense Rider Calculation and associated sales volumes projections (Attachment 2), and its proposed Tariff sheet (Attachment 3).

Dominion's proposed uncollectible expense rider rate of \$0.1204 per Mcf is based on a projected uncollectible expense balance to be collected of \$20,428,634 and a projected 12-month sales volume of 169,635,549 Mcf. Staff notes that a prudence review of this rate, if approved, will occur in a future uncollectible expense audit proceeding.

STAFF RECOMMENDATION

Staff completed its review of Dominion's UEX from January 1, 2020 through March 31, 2021 and finds that the Company appropriately calculated the rider rate in the pending application and recommends that the proposed rate of \$0.1204 per Mcf be approved.

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in

Case No(s). 21-0319-GA-UEx

Summary: Staff Review and Recommendation regarding the application filed by The East Ohio Gas Company d/b/a Dominion Energy Ohio, to update its Gas Uncollectible Expense Rider electronically filed by Zee Molter on behalf of PUCO Staff