THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF THE EAST OHIO GAS COMPANY D/B/A DOMINION ENERGY OHIO FOR APPROVAL OF AN ALTERNATIVE FORM OF REGULATION TO CONTINUE ITS PIPELINE INFRASTRUCTURE REPLACEMENT PROGRAM.

CASE NO. 20-1634-GA-ALT

ENTRY

Entered in the Journal on January 11, 2023

I. SUMMARY

{¶ 1} The Commission selects Daymark Energy Advisors to conduct the audit services necessary to assist the Commission with the interim review of the pipeline infrastructure replacement program of The East Ohio Gas Company d/b/a Dominion Energy Ohio.

II. DISCUSSION

- \P 2} The East Ohio Gas Company d/b/a/ Dominion Energy Ohio (Dominion) is a natural gas company as defined by R.C. 4905.03 and a public utility as defined by R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.
- {¶ 3} Under R.C. 4929.05, a natural gas company may file an application for an alternative rate plan. After an investigation, the Commission shall approve the alternative rate plan if the natural gas company demonstrates and the Commission finds the natural gas company is in compliance with R.C. 4905.35; is in substantial compliance with the policy of the state, as set forth in R.C. 4929.02; and is expected to continue to be in substantial compliance with the policy of the state specified in R.C. 4929.02 after implementation of the alternative rate plan. The Commission must also find that the alternative rate plan is just and reasonable.

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{¶ 4} R.C. 4929.051(B) provides that an alternative rate plan filed by a natural gas company under R.C. 4929.05 and seeking authorization to continue a previously approved alternative rate plan shall be considered an application not for an increase in rates.

- {¶ 5} On December 8, 2020, Dominion filed its application, along with supporting exhibits, pursuant to R.C. 4929.05, 4929.051(B), 4929.11, and 4909.18. In its application, Dominion states that it seeks to continue, with several limited modifications, its pipeline infrastructure replacement (PIR) program and associated cost recovery charge last approved by the Commission in *In re The East Ohio Gas Company d/b/a Dominion East Ohio*, Case No. 15-362-GA-ALT, Opinion and Order (Sept. 14, 2016). The PIR program was previously approved in Case Nos. 08-169-GA-ALT, et al., 11-2401-GA-ALT, and 15-362-GA-ALT. Dominion asserted that its application should be considered an application not for an increase in rates.
- {¶ 6} On October 12, 2021, Dominion filed a stipulation and recommendation (Stipulation), which was signed by Dominion, Staff, Ohio Partners for Affordable Energy, and Industrial Energy Users-Ohio.
- {¶ 7} On April 20, 2022, the Commission issued its Opinion and Order approving the Stipulation. Among the provisions of the Stipulation approved by the Commission is the requirement that Staff undertake an interim review of the PIR program, including, but not limited to, an evaluation of the programs' completion date and any recommended changes thereto. Opinion and Order (Apr. 20, 2022) at 10.
- {¶8} On November 30, 2022, the Commission directed Staff to issue a request for proposal (RFP) for audit services to determine if the PIR Program is effective in meeting the stated goals of the program, including safety improvements, reliability improvements, leak-rate improvements, miles replaced targets, among other identified issues. Prospective bidders were directed to submit proposals to Staff by December 16, 2022. Interested bidders were also directed to demonstrate their understanding of the project and the work required by showing a clear understanding of the tasks to be completed, the experience and

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qualifications of the personnel who will perform the work, and the anticipated breakdown of costs and timing.

- {¶ 9} The proposals received in response to the RFP have been evaluated and, after consideration of those proposals, the Commission selects Daymark Energy Advisors (Daymark). The Commission finds that Daymark has the necessary experience to complete the required work.
- {¶ 10} Dominion shall enter into a contract with Daymark by January 26, 2023, for the purpose of providing payment for its auditing services. The contract shall incorporate the terms and conditions of the RFP, the auditor's proposal, and relevant Commission entries in this case.
- {¶ 11} The Commission shall solely direct the work of the auditor. Staff will review and approve payment invoices submitted by the auditor.
- {¶ 12} Daymark will execute its duties pursuant to the Commission's statutory authority to investigate and acquire records, contracts, reports, and other documentation under R.C. 4903.02, 4903.03, 4905.06, 4905.15, and 4905.16. Daymark is subject to the Commission's statutory duty under R.C. 4901.16, which provides:

Except in his report to the public utilities commission or when called on to testify in any court or proceeding of the public utilities commission, no employee or agent referred to in section 4905.13 of the Revised Code shall divulge any information acquired by him in respect to the transaction, property, or business of any public utility, while acting or claiming to act as such employee or agent. Whoever violates this section shall be disqualified from acting as agent, or acting in any other capacity under the appointment or employment of the commission.

{¶ 13} Upon request of Daymark or Staff, Dominion shall provide any and all documents or information requested. Dominion may conspicuously mark such documents

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or information "confidential" if Dominion believes the document should be deemed as such. In no event, however, shall Dominion refuse or delay in providing such documents or information.

{¶ 14} Once disclosure is permitted by R.C. 4901.16, the following process applies to the release of any document or information marked as confidential. Three days prior notice of intent to disclose shall be provided to the party claiming confidentiality. Three days after such notice, Staff or the auditor may disclose or otherwise make use of such documents or information for any lawful purpose, unless the Commission receives a request for a protective order pertaining to such documents or information within the three-day notice period. The three-day notice period will be computed according to Ohio Adm.Code 49011-07.

{¶ 15} Daymark shall perform its audit and investigation as an independent contractor. Any conclusions, results, or recommendations formulated by Daymark may be examined by any participant to this proceeding. Further, it shall be understood that the Commission and/or its Staff shall not be liable for any acts committed by Daymark or its agents in the preparation and presentation of the report.

III. ORDER

 $\{\P 16\}$ It is, therefore,

- \P 17} ORDERED, That Daymark be selected to perform the consulting activities set forth above and in the RFP. It is, further,
- \P 18 ORDERED, That Dominion and Daymark shall observe the requirements set forth herein. It is, further,

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

COMMISSIONERS:

Approving:

Jenifer French, Chair M. Beth Trombold Lawrence K. Friedeman Daniel R. Conway Dennis P. Deters

JWS/dmh

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Case No(s). 20-1634-GA-ALT

Summary: Entry selecting Daymark Energy Advisors to conduct the audit services necessary to assist the Commission with the interim review of the pipeline infrastructure replacement program of The East Ohio Gas Company d/b/a Dominion Energy Ohio electronically filed by Heather A. Chilcote on behalf of Public Utilities Commission of Ohio