BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Authority to Increase Rates for its Gas Distribution Service.)) Case No. 07-829-GA-AIR))
In the Matter of the Application of The)
East Ohio Gas Company d/b/a/) Case No. 07-830-GA-ALT
Dominion East Ohio for Approval of an)
Alternative Rate Plan for its Gas)
Distribution Service.)
In the Matter of the Application of The)
East Oho Gas Company d/b/a) Case No. 07-831-GA-AAM
Dominion East Ohio for Approval to)
Change Accounting Methods.)

ENTRY

The Commission finds:

- (1) The East Ohio Gas Company d/b/a/ Dominion East Ohio (DEO) is a natural gas company as defined by Section 4905.03(A)(6), Revised Code, and a public utility as defined by Section 4905.02, Revised Code. DEO is, therefore, subject to the jurisdiction of this Commission pursuant to Sections 4905.04, 4905.05 and 4905.06, Revised Code.
- (2) The notice of intent to file an application for an increase in gas rates was received on July 20, 2007, pursuant to Section 4909.43(B), Revised Code, and in compliance with Rule 4901-7-01, Ohio Administrative Code (O.A.C.), Appendix A, Chapter I, Sections (A) and (B). (Appendix A to Rule 4901-7-01, O.A.C., may be referred to in this Entry as the Standard Filing Requirements).
- (3) With the filing of its notice of intent to file an application seeking Commission authority to increase its gas rates, DEO moved that its test period begin January 1, 2007, and end December 31, 2007, and that the date certain be March 31, 2007. DEO's proposed test period and date certain were determined to be in compliance with Section 4909.15(C), Revised Code, and were, therefore, approved by Commission Entry dated August 15, 2007.

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- (4) The application seeking Commission authority to increase gas rates, including an alternative rate plan, was received by this Commission on August 30, 2007, and is subject to Section 4909.17 to 4909.19, 4909.42, and 4929.05, Revised Code.
- (5) In its notice of intent to file an application for an increase in rates, DEO requested several waivers from filing various financial and informational data required by the Commission's Standard Filing Requirements. In Findings 5, 6, 7, 8, and 9 of the August 15, 2007 Entry, the Commission granted these waivers.
- (6) Section 4909.18, Revised Code, enumerates the statutory requirements for an application to increase rates. The Commission adopted Rule 4901-7-01, O.A.C., and the Appendix thereto (Standard Filing Requirements) pursuant to Sections 4901.13, 4909.04(C), and 4909.18, Revised Code. These Standard Filing Requirements specify the format for filing all information which the Commission in its discretion, requires pursuant to Section 4909.18(F), Revised Code.
- (7) Rule 4901:1-19-05(C)(3), O.A.C., requires an applicant that is "seeking alternative forms of rate setting than that found in section 4909.15 of the Revised Code" to include in its application a description of those commitments to customers that it is willing to make in promoting the state policies set forth in Section 4929.02, Revised Code. DEO states in its application that its rate proposal is not seeking alternative forms of rate setting than that found in Section 4909.15, Revised Code. Thus, it argues, the description of customer commitments is not required in this circumstance. Further, DEO confirms that it remains committed to completing its pilot program to test alternative market-based pricing of commodity sales and filing an application to continue moving toward an exit from the merchant function.

We note that the requirement in Rule 4901:1-19-05(C)(3), O.A.C., is that a covered company include in its application a description of its customer commitments. The Commission finds that, by its description of its commitment to exiting the merchant function, DEO has described its customer commitments and, therefore, is in substantial compliance with Rule 4901:1-19-05(C)(3), O.A.C., to the extent that such rule is applicable to the current application. However, compliance with the rule does not mean that DEO's commitments are necessarily sufficient. Therefore, Staff should, -2-

through its investigation, evaluate the adequacy of DEO's commitments to customers.

- (8) The application of DEO meets the requirements of Section 4909.18, Revised Code, and this Commission's Standard Filing Requirements. As such, the application will be accepted as of its filing date of August 30, 2007.
- (9) DEO's proposed notice for publication, set forth in Schedule S-3 of its application, complies with the requirements of Section 4909.18(E), Revised Code, and should be approved, with the following modification. The Commission directs DEO to insert the below-listed paragraph in each newspaper notice. The Commission is of the opinion that the inclusion of this additional paragraph in the notice of publication will enhance interested parties' ability to access DEO's application and its content. DEO shall begin publication of the newspaper notice, pursuant to Section 4909.19, Revised Code, within thirty days of the date of this Entry and such notice shall not appear in the legal notices section of any newspaper.

Any interested party seeking detailed information with respect to all affected rates, charges, regulations and practices may inspect a copy of the application, including supporting schedules and present and proposed rate sheets, by either of the following methods: by visiting the offices of the Commission at 180 East Broad Street, 13th floor, Columbus, Ohio, 43215-3793; or by visiting the Commission's web site at http://www.puco.ohio.gov, selecting DIS, inputting 07-829 in the case lookup box, and selecting the date the application was filed. Additionally, a copy of the application and supporting documents may be viewed at the business office of the company at 1201 East 55th Street, Cleveland, Ohio 44103.

It is, therefore,

ORDERED, That the application of The East Ohio Gas Company d/b/a/Dominion East Ohio be accepted for filing as of August 30, 2007. It is, further,

ORDERED, That the proposed newspaper notice submitted by The East Ohio Gas Company d/b/a/ Dominion East Ohio be approved for publication with the modification specified by the Commission as set forth in Finding 9 above. It is, further, ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC VALITIES COMMISSION OF OHIO Chairman Paul A. Centolella หา Ronda Hartn Valerie Lemmie

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Entered in the Journal

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Reneé J. Jenkins Secretary