



Regulatory Commission's (FERC) chart of accounts. By Entry dated October 24, 2007, the Commission granted this waiver.

- (4) The application seeking Commission authority to increase gas rates was received by this Commission on November 20, 2007, and is subject to Sections 4909.17 to 4909.19 and 4909.42, Revised Code.
- (5) On November 20, 2007, VEDO filed a motion for a waiver of the requirements of Rule 4901:1-19-05(C)(2)(h) and (i), O.A.C. These filing requirements instruct VEDO to file the projected financial data required in Section F of the Standard Filing Requirements (SFRs) through the term of the Alternative Rate Plan, showing the effects of the plan and showing the effects if the plan is not adopted. On December 5, 2007, OCC filed a memorandum contra VEDO's motion. VEDO filed a reply to the memorandum contra on December 12, 2007.
- (6) In its memorandum contra, OCC argues that the motion should be denied because VEDO failed to file the waiver request at least thirty days prior to the docketing of the Alternative Rate Plan, as required by Rule 4901:1-19-03(B), O.A.C., and because the projected financial data is necessary for a thorough analysis of the application. OCC also argues that parties may not have had sufficient time to respond to the motion because VEDO filed the motion as part of its application and did not include a top cover sheet with a reference to the motion.
- (7) In its reply, VEDO argues that OCC does not have standing to contest the motion for a waiver. VEDO states that the Commission has consistently held that intervenors, such as OCC, do not have standing to raise issues concerning the granting or denial of waivers of the SFRs. *In re Ohio Bell Tel. Co.*, Case No. 93-487-TP-ALT, Entry at 2 (July 22, 1993). VEDO also contends that the information provided in its application is sufficient to allow the Staff and others to evaluate the subject matter. VEDO represents that it does not normally maintain the information at issue in a form that would readily allow it to comply with the filing requirements and that it would require a substantial amount of management time to compile the information in a suitable form. Finally, VEDO argues that the claim that it failed to comply with the Commission's rules on filing documents and

tried to hide the motion for a waiver is simply specious. VEDO notes that the cover sheet to both volumes of its application specifically state in the heading that the application included the motion for a waiver.

- (8) The Commission agrees that OCC lacks standing to raise objections to the request for a waiver of the SFRs. *Ohio Bell Tel. Co.*, Case No. 93-487-TP-ALT at 2. We have consistently held that the purpose of the SFRs is to enable the Staff to fulfill its statutory obligation to investigate the application and file a report to the Commission and that intervenors cannot properly raise issues regarding the granting or denial of a request for a waiver. See *In re Seneca Utilities, Inc.*, Case No. 85-27-WW-AIR, Entry at 2 (April 16, 1985). Further, the Commission finds that VEDO has stated good cause for the waiver. According to VEDO, the information is not readily available in a form that would allow VEDO to comply with the SFRs and compiling the information in such a form would require substantial time and expense. The Commission believes that the other information submitted with the application, together with the ability of the Staff to obtain additional information from VEDO if necessary, is sufficient for the Staff to investigate and evaluate the application. Accordingly, the Commission finds that VEDO's motion for a waiver should be granted.
- (9) With the filing of its notice of intent to file an application seeking Commission authority to increase its gas rates, VEDO moved that its test period begin June 1, 2007, and end May 31, 2008, and that the date certain be August 31, 2007. VEDO's proposed test period and date certain comply with Section 4909.15(C), Revised Code, and were, therefore, approved by Commission entry dated October 24, 2007.
- (10) The application meets the requirement of Section 4909.18, Revised Code, which enumerates the statutory requirements for an application to increase rates and this Commission's Standard Filing Requirements. As such, the Staff recommends the application be accepted for filing as of November 20, 2007.
- (11) VEDO'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. VEDO 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 the newspaper.

- (12) On December 5, 2007, the Commission issued an entry finding that, in order to complete our review of the applications, the necessary audit should be conducted by a qualified independent auditing firm. Therefore, the Commission ordered staff to issue a request for proposals (RFP) from qualified independent auditors, with proposals due by January 9, 2008.
- (13) Letters announcing and giving instructions on how to access RFP U07-FA-4 on the Commission's website were mailed on December 6, 2007. Four auditors submitted timely proposals.
- (14) Staff has evaluated the proposals received in response to the RFP and, after consideration of those proposals, the Commission selects Eagle Energy LLC (Eagle) to conduct the audit. The Commission finds that Eagle has the necessary experience to complete the required work under the RFP.
- (15) VEDO shall enter into a contract with Eagle 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.
- (16) Eagle will execute its duties pursuant to the Commission's statutory authority to investigate and obtain records, reports, and other documentation under Sections 4903.02, 4903.03, 4905.06, 4905.15, and 4905.16, Revised Code. The auditor shall be subject to the Commission's statutory duty under Section 4901.16, Revised Code, which states, in relevant part:

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.

- (17) Upon request of the auditor or staff, VEDO shall provide any and all documents and information requested. VEDO may conspicuously mark such documents or information "confidential." In no event, shall VEDO refuse or delay providing such information or documents.
- (18) Once the exception set forth in Section 4901.16, Revised Code, is satisfied, the following process applies to the release of any document or information VEDO marks as "confidential." The staff or the auditor shall not publicly disclose any document marked "confidential" by VEDO, except upon three days' prior written notice of intent to disclose served upon VEDO's counsel. 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 VEDO moves the Commission for a protective order pertaining to such information within the three-day notice period. The three-day notice period will be computed according to Rule 4901-1-07, Ohio Administrative Code. Service shall be complete upon mailing or delivery in person.
- (19) The auditor shall perform its duties as an independent contractor. Neither the Commission nor its Staff shall be liable for any acts committed by the auditor in the performance of its duties.

It is, therefore,

ORDERED, That the application of VEDO be accepted for filing as of November 20, 2007. It is, further,

ORDERED, That the request for waiver made by VEDO be granted as set forth in Finding (5). It is, further,

ORDERED, That the proposed newspaper notice submitted by VEDO be approved for publication as set forth in Finding (11). It is further,

ORDERED, That Eagle Energy LLC is hereby selected to perform the consulting activities set forth above. It is, further,

ORDERED, That VEDO and Eagle shall observe the requirements set forth in this Entry. It is further,

ORDERED, That a copy of this Entry be served upon all parties of record.

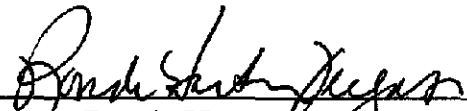
THE PUBLIC UTILITIES COMMISSION OF OHIO

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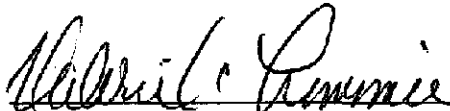
Alan R. Schriber, Chairman



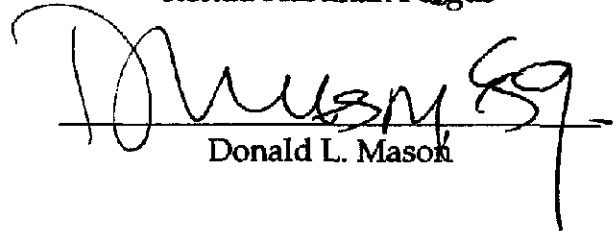
Paul A. Centolella



Ronda Hartman Fergus



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Entered in the Journal

JAN 16 2008

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Renee J. Jenkins  
Secretary