

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

- In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East) Case No. 07-829-GA-AIR
Ohio for Authority to Increase Rates for its)
Gas Distribution Service.)

- In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East) Case No. 07-830-GA-ALT
Ohio for Approval of an Alternative Rate)
Plan for its Gas Distribution Service.)

- In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East) Case No. 07-831-GA-AAM
Ohio for Approval to Change Accounting)
Methods.)

- In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East)
Ohio for Approval of Tariffs to Recover)
Certain Costs Associated with a Pipeline) Case No. 08-169-GA-ALT
Infrastructure Replacement Program)
Through an Automatic Adjustment Clause)
and for Certain Accounting Treatment.)

- In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East)
Ohio for Approval of Tariffs to Recover) Case No. 06-1453-GA-UNC
Certain Costs Associated with Automated)
Meter Reading and for Certain Accounting)
Treatment.)

ENTRY

The attorney examiner finds:

- (1) On August 30, 2007, The East Ohio Gas Company d/b/a Dominion East Ohio (DEO) filed applications for an increase in gas distribution rates, for approval of an alternative rate plan, and for approval to change accounting methods, in Case Nos. 07-829-GA-AIR, 07-830-GA-ALT, and 07-831-GA-AAM. On December 13, 2006, DEO filed an application, Case No. 06-1453-GA-UNC, for approval to recover costs associated with the

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deployment of automatic meter reading equipment. On February 22, 2008, DEO filed an application, Case No. 08-169-GA-ALT, requesting approval of tariffs to recover, through an automatic adjustment mechanism, costs associated with a pipeline infrastructure replacement (PIR) program, its assumption of responsibility for and ownership of curb-to-meter service lines, and accounting authority to defer the costs associated with the PIR program and curb-to-meter service lines for subsequent recovery. By entry issued April 9, 2008, the Commission, *inter alia*, consolidated these five cases.

- (2) A written report of the staff's investigation of the rate case proceedings was filed on May 23, 2008, and a written report of the staff's investigation of the PIR application was filed on June 12, 2008. Objections to the staff reports in these proceedings have been filed by several parties.
- (3) By entry of June 27, 2008, as revised in a July 10, 2008, entry, the attorney examiner scheduled the evidentiary hearing to commence on August 1, 2008, at 9:00 a.m., in hearing room 11-C, on the 11th floor, at the offices of the Commission, 180 East Broad Street, Columbus, Ohio 43215.
- (4) In addition, the June 27, 2008, entry scheduled local public hearings on the following dates:
 - (a) Monday, July 28, 2008, at 2:00 p.m., at the Youngstown City Hall, 26 South Phelps Street, Youngstown, Ohio 44503.
 - (b) Tuesday, July 29, 2008, at 1:30 p.m., at the Lima Municipal Center, City Council Chambers, 1st Floor, 50 Town Square, Lima, Ohio 45801.
 - (c) Thursday, July 31, 2008, at 1:30 p.m., at the Oliver R. Oscasek Government Center, 161 South High Street, Akron, Ohio 44308, and at 7:00 p.m., at Canton City Hall, 218 Cleveland Avenue, Canton, Ohio 44702.
 - (d) Monday, August 4, 2008, at 12:30 p.m., at the Frank J. Lausche State Office Building, 2nd Floor, Auditorium, 615 West Superior Avenue, Cleveland, Ohio 44113, and at 7:00 p.m., at the

City Hall Municipal Building, Council Chambers,
1st floor, 44 North Forest Street, Geneva, Ohio
44041.

- (e) Tuesday, August 5, 2008, at 1:30 p.m., at Marietta College, McDonough Auditorium, 215 Fifth Street, Marietta, Ohio 45750.
- (5) At this time, the attorney examiner finds that the following public hearings should be held in order to allow interested persons an additional opportunity to provide testimony:
- (a) Monday, August 18, 2008, at 6:00 p.m., at the Council Chambers, Garfield Heights Civic Center, Lower Level, 5407 Turney Road, Garfield Heights, Ohio 44125.
 - (b) Tuesday, August 19, 2008, at 6:00 p.m., at the Chevrolet Centre, 229 East Front Street, Youngstown, Ohio 44503.
 - (c) Thursday, August 21, 2008, at 6:00 p.m., at the Charles Goodyear Memorial Pavilion, East Room, Goodyear Heights Metro Park, 2077 Newton Street, Akron, Ohio 44305.
- (6) DEO should publish notice of the local public hearings set forth in finding (5) in a newspaper of general circulation in the company's northeast Ohio service territory once each week for two consecutive weeks. The notice should not appear in the legal notices section of the newspaper. The notice should read as follows:

LEGAL NOTICE

The Public Utilities Commission of Ohio has scheduled additional local public hearings in Case Nos. 07-829-GA-AIR, 07-830-GA-ALT, 07-831-GA-AAM, 08-169-GA-UNC, and 06-1453-GA-UNC, *In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for an Increase in Rates for its Gas Distribution Service, for Approval of an Alternative Rate Plan for its Gas Distribution Services, for Approval to Change Accounting Methods, for Approval of Tariffs to Recover Certain Costs Associated with a Pipeline Infrastructure Replacement*

Program, and for Approval of Tariffs to Recover Costs Associated with Automated Meter Reading. Having previously scheduled seven other local public hearings, these additional hearings are being scheduled for the purpose of providing a further opportunity for interested members of the public to testify in these proceedings. These additional local hearings will be held as follows:

- (a) Monday, August 18, 2008, at 6:00 p.m., at the Council Chambers, Garfield Heights Civic Center, Lower Level, 5407 Turney Road, Garfield Heights, Ohio 44125.
- (b) Tuesday, August 19, 2008, at 6:00 p.m., at the Chevrolet Centre, 229 East Front Street, Youngstown, Ohio 44503.
- (c) Thursday, August 21, 2008, at 6:00 p.m., at the Charles Goodyear Memorial Pavilion, East Room, Goodyear Heights Metro Park, 2077 Newton Street, Akron, Ohio 44305.

By its application, DEO seeks a rate increase which would generate approximately \$75,007,378 of additional revenue, or an increase of 7.12 percent over current revenue. After its review of the company's records and application, the staff of the Commission recommends an increase in revenue of between \$33,607,411 and \$45,564,961, or an increase of between 3.28 percent and 4.44 percent over current revenue.

The major issues in this case are as follows:

- (a) Revenue requirements as impacted by rate base, operating income, and rate of return.
- (b) Adjustments to the company's test year rate base and operating income.
- (c) The level of the monthly customer charge that customers will pay.
- (d) Rate design, including consideration of decoupling and straight fixed variable mechanisms.

- (e) Application of the gross receipts tax rider and the proposed sales reconciliation rider.
- (f) Funding for demand side management and weatherization programs.
- (g) Customer service issues.
- (h) Deployment of automated meter reading equipment and the recovery of the costs through a rider.
- (i) The pipeline infrastructure replacement program and the recovery of the program's costs through a rider.

Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215-3793, viewing the Commission's web page at <http://www.puc.state.oh.us> or contacting the Commission's hotline at 1-800-686-7826.

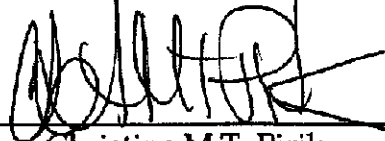
It is, therefore,

ORDERED, That local public hearings be held as set forth in finding (5). It is, further,

ORDERED, That notice of the local public hearings be published as set forth in finding (6). It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO



By: Christine M.T. Pirik
Attorney Examiner

SEF/vrm

Entered in the Journal

JUL 31 2008



Renee J. Jenkins
Secretary