

FILE

CASE NO. 07-829-GA-AIR
07-830-GA-ALT
07-831-GA-AAM
08-169-GA-ALT
06-1453-GA-UNC

EXHIBITS OF TRANSCRIPT ELECTRONICALLY FILED FOR HEARING HELD
ON MONDAY, AUGUST 25, 2008 BEFORE A.E. C. PIRIK AND S. FARKAS.

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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, :
Approval of an Alternative :
Rate Plan for its Gas :
Distribution Service, :
Approval to Change :
Accounting Methods, :
Approval of Tariffs to :
Recover Certain Costs :
Associated with a Pipeline :
Infrastructure Replacement :
Program Through an :
Automatic Adjustment :
Clause, and for Certain :
Accounting Treatment, and :
Approval of Tariffs to :
Recover Certain Costs :
Associated with Automated :
Meter Reading Deployment :
Through an Automatic :
Adjustment Clause, and for :
Certain Accounting :
Treatment. :

Case Nos. 07-829-GA-AIR
07-830-GA-ALT
07-831-GA-AAM
08-169-GA-ALT
06-1453-GA-UNC

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VOLUME IV - PROCEEDINGS

before Ms. Christine M.T. Pirik and Mr. Scott Farkas,
Hearing Examiners, at the Public Utilities Commission
of Ohio, 180 East Broad Street, Room 11-C, Columbus,
Ohio, called at 10:00 a.m. on Monday, August 25,
2008.

ARMSTRONG & OKEY, INC.
185 South Fifth Street, Suite 101
Columbus, Ohio 43215-5201
(614) 224-9481 - (800) 223-9481
Fax - (614) 224-5724

**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 Dominion East Ohio for Approval of an Alternative Rate Plan for its Gas Distribution Service

Case No. 07-830-GA-ALT

In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Change Accounting Methods

Case No. 07-831-GA-AAM

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 Infrastructure Replacement Program Through an Automatic Adjustment Clause, And for Certain Accounting Treatment

Case No. 08-169-GA-ALT

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 Automated Meter Reading Deployment Through an Automatic Adjustment Clause, and for Certain Accounting Treatment

Case No. 06-1453-GA-UNC

DEO EXHIBIT 12.0

1. Application for approval of tariffs to recover certain costs associated with a pipeline infrastructure replacement program through an automatic adjustment mechanism and for certain accounting treatment (Case No. 08-0169-GA-ALT, filed 2/22/2008).

2. Application for approval of tariffs to recover certain costs associated with automated meter reading deployment through an automatic adjustment clause and for certain accounting treatment (Case No. 06-1453-GA-UNC, filed 12/13/2006).
3. 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 Nos. 07-829-GA-AIR/07-830-GA-ALT/07-831-GA-AAM, filed 7/20/2007).
4. Application for authority to increase rates for gas distribution service (Case Nos. 07-829-GA-AIR/07-830-GA-ALT/07-831-GA-AAM), Application, Volume 1, alt. reg. exhibits, Sections A-D and F schedules, and schedules S-1 – S-3 (part 1 of 2, filed 8/30/2007).
5. Application, Volume 1, continued (part 2 of 2, filed 8/30/2007).
6. Application, Volume 2, Section E schedules (part 1 of 3, filed 8/30/2007).
7. Application, Volume 2, continued (part 2 of 3, filed 8/30/2007).
8. Application, Volume 2, continued (part 3 of 3, filed 8/30/2007).
9. Application, Volume 3, Schedule S-4.1 (filed 8/30/2007)
10. Application, Volume 4, Schedule S-4.2 (part 1 of 2, filed 8/30/2007).
11. Application, Volume 4, continued (part 2 of 2, filed 8/30/2007).
12. Notice of substitution of schedules with revised schedules A-1, B-1, B-5, C-1, C-2, C-4, C-4.1 and PCD-1 (filed 10/16/2007).
13. Proof of publication, Summit, Ashland, Ashtabula, Wood, Stark, Cuyahoga, Allen, Lorain, Washington, Belmont, Medina, Tuscarawas, Portage, Lucas, Trumbull, Lake, Monroe (W), Wayne, Auglaize, Mahoning, Muskingum and Wood County, WV (filed 7/29/2008).
14. Exhibits A and B to memorandum contra motion to dismiss Dominion East Ohio's Pipeline Infrastructure application on behalf of OCC and Reply to memoranda contra Dominion East Ohio's motion to consolidate on behalf of OCC and Ohio Partners For Affordable Energy (filed 3/26/08).
15. Schedule E-4.3 and updated schedule C-2 (filed 8/21/08).

OCC 64.19

Schedule S-3

**THE EAST OHIO GAS COMPANY D/B/A DOMINION EAST OHIO
CASE NO. 07-0829-GA-AIR
PROPOSED NOTICE FOR NEWSPAPER PUBLICATION**

**NOTICE OF APPLICATION FOR AUTHORITY
TO INCREASE RATES FOR ITS GAS DISTRIBUTION SERVICE AND FOR
APPROVAL OF AN ALTERNATIVE RATE PLAN AND CHANGE IN
ACCOUNTING METHODS
THE EAST OHIO GAS COMPANY DBA DOMINION EAST OHIO
PUCO CASE NOS. 07-0829-GA-AIR, 07-0830-GA-ALT, 07-0831-GA-AAM**

Pursuant to Section 4909.19, Revised Code, The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") hereby gives notice that on August 30, 2007, it filed an application with the Public Utilities Commission of Ohio ("Commission") requesting authority to increase the rates and charges for natural gas distribution services to its customers. DEO has also applied, under Section 4929.05, Revised Code, for approval of an alternative rate plan to institute a sales reconciliation rider.

This notice describes the substance of the Application. However any interested party desiring complete, detailed information with respect to any affected rates, charges regulations, and practices may inspect a copy of the Application and supporting schedules at the offices of the Commission at 180 East Broad Street, Columbus, Ohio 43215-3793, or at the business office of DEO at 1201 East 55th Street, Cleveland Ohio 44103, during normal business hours. A notice of intent to file this rate increase application and a copy of the proposed rates were mailed to the mayors and legislative authorities of the communities located within the areas served by DEO and filed with the Commission on July 20, 2007.

The Application, which contains proposed revisions to DEO's Tariff for Gas Service, affects rates and charges and certain terms and conditions for natural gas service to all customers of DEO served within all or portions of the counties of Allen, Ashland, Ashtabula, Auglaize, Belmont, Columbiana, Cuyahoga, Fulton, Geauga, Guernsey, Holmes, Lake, Mahoning, Medina, Mercer, Monroe, Paulding, Portage, Putnam, Shelby, Stark, Summit, Trumbull, Tuscarawas, VanWert, Washington, and Wayne, Ohio. The application states that the current rates and charges do not provide a just and reasonable rate of return on DEO's used and useful property as of March 31, 2007, the date certain

in this case. The application states that DEO requires the proposed revenue increase to provide an opportunity to earn a fair return on its assets and to recover its costs of operation.

Any person, firm, corporation, or association may file, pursuant to Section 4909.19 of the Revised Code, an objection to such proposed increased rates by alleging that such proposals are unjust and discriminatory or unreasonable. Recommendations that differ from the application may be made by the Staff of the Commission or by intervening parties and may be adopted by the Commission.

The existing tariffs of DEO include separate base rates, gross receipt tax percentages, and monthly service charges for the areas under the former West Ohio Gas Company. These areas are the counties of Allen, Auglaize, Mercer, Paulding, Putnam, Shelby and Van Wert. The West Ohio Division rates were determined in a rate case filed by the former West Ohio Gas Company in February 1983 and became effective October 23, 1983. The existing base rate for other DEO communities were determined in a rate filing that became effective November 8, 1994. As a result of the current rate filing, all of the counties included in DEO's East and West Ohio service territories will be under one set of rates.

In its application DEO is proposing to install automated meter reading (AMR) equipment for all its customers over a five year period, which will provide actual meter readings each month.

DEO is also proposing to spend up to an additional \$5.5 million per year on customer conservation programs. The company would initially increase dollars spent on conservation programs from the current level of \$3.5 million per year to \$6 million. If the program exceeds approved targets, the company would then expand it by an additional \$1 million in each of the next three years.

Sales Reconciliation Rider (SRR)

A Sales Reconciliation Rider has been proposed to recover the difference between actual base rate revenues and approved test year revenues adjusted to reflect changes in the number of customers. The rider rate will be zero when the tariff is approved by the PUCO. Effective November 1 of each year, the rider rate will be revised after further approval by the PUCO. This proposed rider would apply to the General Sales Service (GSS), Large Volume General Sales Service (LVGSS), Energy Choice Transportation Service (ECTS) and Large Volume Energy Choice Transportation Service (LVECTS) rate schedules.

AMR Cost Recovery Charge

A flat monthly charge will be added to the otherwise applicable customer service charge for all customers under the following rate schedules: GSS, LVGSS, ECTS, LVECTS, General Transportation Service (GTS), and Transportation Service for Schools

(TSS). This additional charge is proposed to recover the depreciation, incremental property taxes and post in-service carrying costs associated with the installation of AMR equipment throughout DEO's system.

Gross Receipts Tax (GRT) Rider

The current GRT Rider is applied only to gas cost charges billed under the GSS and LVGSS rate schedules. The proposed GRT Rider will apply to all of the charges billed by DEO on all rate schedules, excluding charges billed on behalf of Energy Choice suppliers that may be subject to applicable sales tax rates.

A description of the proposed changes to the to the base transportation rates and monthly customer charges are listed on the schedules filed with the application. The schedules also list the proposed changes to Volume Banking Service fees, the Transportation Surcredit Rider, and Gross Receipts Tax Rider.

The increase in the operating revenue requested by DEO for its GSS and LVGSS sales rate schedules, inclusive of gas cost revenue, is 4.3% and 1.7%, respectively. The requested increase in operating revenue for its ECTS and LVECTS Energy Choice rate schedules, exclusive of gas cost, is 17.8% and 8.0%, respectively. The requested decrease in operating revenue for DEO's GTS/TSS and Daily Transportation Service (DTS) transportation classes, exclusive of gas cost, is 6.7% and 3.4%, respectively. The requested increase in operating revenue for DEO's Firm Storage Service (FSS) rate schedule, exclusive of gas cost, is 9.0%.

charge for that purpose. The maximum monthly PIR Cost Recovery Charge for any DTS customer shall be \$1,000.00 per account.

The PIR Cost Recovery Charge will provide for the recovery of costs incurred in (1) the replacement of certain bare-steel and cast- or wrought-iron pipelines over a period of twenty-five years; (2) the assumption of responsibility for curb-to-meter service lines; and (3) ongoing infrastructure replacements and relocations and system improvements.

The PIR Cost Recovery Charge shall be updated annually to reflect the variation in DEO's revenue requirements associated with pipeline infrastructure replacement expenditures as offset by corresponding operations and maintenance expense reductions during the most recent twelve months ended June 30. DEO shall file a notice no later than May 31 of each year based on nine months of actual data and three months of estimated data for the fiscal year. The filing shall be updated by no later than August 31 of the same year to reflect the use of actual fiscal year data. Such adjustments to the PIR Cost Recovery Charge shall become effective with bills rendered on and after November 1 of each year.

Any person, firm, corporation or association may file a motion to intervene. Any interested party seeking detailed information with respect to the Application may inspect a copy of the Application at the offices of the Commission at 180 East Broad Street, 13th floor, Columbus, Ohio, 43215-3793; by visiting the Commission's web site at <http://www.puco.ohio.gov>, selecting DIS, inputting 08-169 in the case-lookup box, and selecting the date the Application was filed; or by telephoning the Commission at 1-800-686-7826. In addition, a copy of the Application and supporting documents may be viewed at the business office of DEO at 1201 East 55th Street, Cleveland, Ohio 44103, during normal business hours.