

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 Commission finds:

- (1) On October 15, 2008, the Commission issued its Opinion and Order in these proceedings, authorizing the East Ohio Gas Company d/b/a/Dominion East Ohio (DEO) to file, for Commission review and approval, four complete copies of tariffs to effectuate the low-

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income pilot program ordered by the Commission in that Opinion and Order.

- (2) On October 16, 2008, DEO filed, as ordered, proposed low-income pilot program tariffs. Those proposed tariffs included blanks with regard to maximum usage levels, as DEO was in the process of calculating the appropriate usage to result in the inclusion of 5,000 customers.
- (3) On October 22, 2008, the Commission approved those proposed tariffs and authorized DEO to file the tariffs in final form. The Commission did not, however, reference the missing usage information in the tariffs.
- (4) On December 19, 2008, the Commission issued an entry on rehearing, again approving the tariffs but not addressing the missing usage information.
- (5) On December 22, 2008, DEO again filed the low-income pilot program tariffs with missing usage information, designating them as proposed tariffs and noting that it would subsequently file final tariffs with the usage information complete.
- (6) On February 18, 2009, DEO filed complete low-income pilot program tariffs, having finished its calculations as to the appropriate usage level. The proposed tariffs limit the availability of the program to low-income customers who use less than 70 Mcf per year.
- (7) On February 19, 2009, the Office of the Ohio Consumers' Counsel (OCC) filed a letter to make a recommendation, and to express opposition to the DEO's proposed low-usage heat pilot program tariffs. OCC's concern is that the average DEO residential customer usage is 99.1 Mcf per year. OCC states that, under the straight fixed variable ("SFV") rate design, customers using less than the average amount are harmed, as compared with the traditional rate design. OCC believes that the 70-Mcf limit is artificial and is internally inconsistent with the staff's and DEO's argument that low income non-PIPP customers are not harmed by the SFV rate design. OCC states:

On one hand the [Commission] declared the SFV rate design to be a superior option to a revenue decoupling

mechanism with a lower fixed customer charge. Yet, on the other hand, the [Commission] acknowledged the negative impact that the SFV rate design would have on non-PIPP low-income customers by the approval of the pilot program, a negative impact that is further acknowledged by the 70 Mcf per year use eligibility requirement.

OCC recommends that the program be available for up to 40,000 low-income customers, without the 70-Mcf eligibility limit proposed by DEO. (OCC letter at 2.)

- (8) In the Opinion and Order, we stated, "DEO, in consultation with staff and the parties, shall establish eligibility qualifications for this program by first determining and setting the maximum low-usage volume projected to result in the inclusion of 5,000 low-income customers who are determined to be at or below 175 percent of the poverty level." DEO provided staff with data that determined that the usage volume would need to be 64 Mcf per year or less in order for the program to reach 5,000 non-PIPP customers who are at or below 175 percent of the poverty level. The low-usage maximum limit was raised to 70 Mcf per year to ensure that 5,000 qualified customers would be enrolled in the pilot program. Based on the numbers provided by DEO, the maximum low-usage level to ensure 5,000 customers does not need to be higher than the proposed 70 Mcf.
- (9) The Commission, having previously approved these tariffs for final filing, but with usage information not having been supplied, will clarify that DEO's proposed tariffs, with all information now included, are approved and that it is authorized to file final tariffs.

It is, therefore,

ORDERED, That the DEO's proposed tariffs be approved. It is, further,

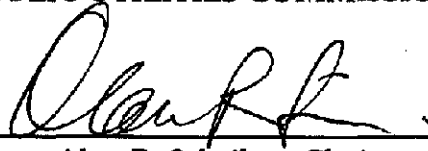
ORDERED, That DEO be authorized to file in final form four complete, printed copies of tariffs consistent with the findings of this Entry. DEO shall file one copy in its TRF docket number (or may make such filing electronically as directed in Case No. 06-900-AU-WVR), and one copy in this case docket. The remaining two copies shall be designated for distribution to the Rates and Tariffs, Energy and Water Division of the Commission's Utilities Department. It is, further,

ORDERED, That the effective date of the new tariffs shall be the date upon which four complete, printed copies of final tariffs are filed with the Commission. The new tariffs shall be effective for bills rendered on or after such effective date. It is, further,

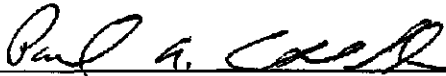
ORDERED, That nothing in this entry shall be deemed to be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO



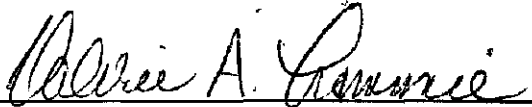
Alan R. Schriber, Chairman



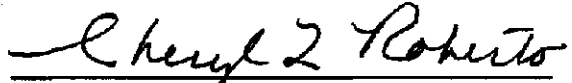
Paul A. Centolella



Ronda Hartman Fergus



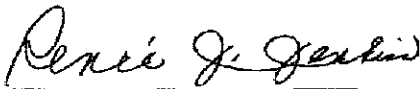
Valerie A. Lemmie



Cheryl L. Roberto

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Renee J. Jenkins
Secretary