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**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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In the Matter of the Application of The East
Ohio Gas Company d/b/a Dominion East
Ohio to Adjust its Automated Meter
Reading Cost Recovery Charge and Related
Matters

Case No. 09-38-GA-UNC

STATEMENT OF DOMINION EAST OHIO REGARDING DISPUTED ISSUES

Pursuant to the Attorney Examiner's Entry, dated April 6, 2009, The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO") hereby advises that despite good faith negotiations among the parties, there are two issues which have not been resolved and on which a hearing will be required.

First, DEO disagrees with Staff's recommendation that depreciation and property tax expense be amortized over the useful life of AMR equipment and that unamortized balances of deferred depreciation and property tax expense be included in rate base. (See Staff Rep., p. 9-10.) This proposal effectively eliminates the automatic adjustment mechanism previously agreed upon by the parties and approved by the Commission. (See Stipulation and Recommendation, pp. 10-11; Opinion & Order dated Oct. 15, 2008, Nos. 07-829-GA-AIR, et al, p. 13.) This proposal also subjects DEO and its customers to an improper lag between the time expenses are incurred by DEO and the time DEO receives the corresponding revenue. DEO does not, however, contest any of Staff's other recommendations and agrees to adopt them.

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Second, DEO disagrees with OCC's proposal to modify 2007 and 2008 meter-reading expenses by adding outside contractor expenses associated with inside meter leak surveys mandated by the Department of Transportation. These expenses have nothing to do with meter reading. Further, any savings associated with this work will be realized through the PIR rider.

Respectfully submitted,




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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Statement by Dominion East Ohio was delivered to the following persons by electronic mail this 14th day of April, 2009.


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