

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The Ohio)
Gas Company for Authority to Establish a)
Gas Storage Credit Rider Applicable to) Case No. 09-398-GA-ATA
Transportation Customers.)

ENTRY

The Commission finds:

- (1) The Ohio Gas Company (Ohio Gas) is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) On May 7, 2009, Ohio Gas filed an application requesting approval of the establishment of a Gas Storage Credit Rider applicable to all general service and transportation customers. According to the application, as of March 1, 2009, all of the distribution customers of Ohio Gas are now receiving gas commodity as customers of the Ohio Gas Community Energy Partnership Program, a home-rule, community-based, opt-out aggregation program. As a result of this change, Ohio Gas has no gas cost recovery (GCR) customers and has, therefore, exited the merchant function.
- (3) According to the application, currently embedded in Ohio Gas' distribution rates is an amount that reflects a portion of the company's return associated with the carrying charges on gas in storage. As Ohio Gas no longer provides commodity service to its customers, it no longer incurs the carrying charges on gas in storage that were part of the calculation of its overall return in the last rate case. Ohio Gas seeks to eliminate the part of the return, corresponding to those carrying charges, which are currently embedded in base rates. The company proposes to do this through the establishment of a Gas Storage Credit Rider that would credit back to customers the amount that is embedded in base rates. The rider is proposed to be established at a credit of \$0.0535 per Mcf. According to the application, this will not result in any increase to any rate, joint rate, toll, classification, charge or rental.

- (4) This Commission has reviewed the application. In light of the fact that Ohio Gas no longer has GCR customers and will no longer incur carrying charges on gas in storage, it is appropriate for Ohio Gas to credit back to customers the amount of carrying charges on natural gas storage costs that are included in base rates. Therefore, the Commission finds that the application is reasonable and in the public interest and that the proposed tariff revisions should be approved.

It is, therefore,

ORDERED, That the application for authority to establish a Gas Storage Credit Rider in the amount of \$0.0535 per Mcf, applicable to all general service and transportation customers be approved. It is, further,

ORDERED, That Ohio Gas be authorized to file complete copies of tariffs in final form, consistent with this entry. Ohio Gas shall file one copy in this case docket and one copy in its TRF docket (or may file electronically as directed in Case No 06-900-AU-WVR). It is, further,

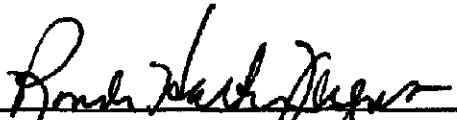
ORDERED, That nothing in this entry shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, or regulation of Ohio Gas. It is, further,


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

THE PUBLIC UTILITIES COMMISSION OF OHIO


Alan R. Schriber, Chairman


Paul A. Centolella


Ronda Hartman Fergus

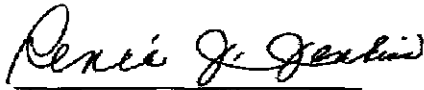

Valerie A. Lemmie


Cheryl L. Roberto

JR:sm

Entered in the Journal

MAY 27 2009



Renee J. Jenkins
Secretary