

**BEFORE**

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Waterville )  
Gas & Oil Company for Approval of an ) Case No. 09-981-GA-UEX  
Uncollectible Expense Rider Rate. )

## FINDING AND ORDER

**The Commission finds:**

- (1) By Finding and Order dated December 17, 2003, in Case No. 03-1127-GA-UNC, the Commission approved the concept of uncollectible expense recovery mechanism for five natural gas companies. The mechanism allows for the recovery of actual bad/uncollectible debt through a rider, rather than through base rates.
- (2) On October 11, 2007, in Case No. 07-194-GA-AIR, Waterville Gas & Oil Company (Waterville or Company) entered into a stipulation to resolve issues related to its rate case. As a result of the stipulation, Waterville established its initial uncollectible expense rider (UEX) similar to those approved in Case No. 03-1127-GA-UNC. On November 20, 2007, the Commission approved the stipulation and the uncollectible expense mechanism which was set at three cents per thousand cubic feet (Mcf).
- (3) On October 23, 2009, Waterville filed the pending application to reduce its current UEX rate from three cents per Mcf to zero in order to eliminate an over-recovered uncollectible expense balance of \$17,466, as of September 30, 2009.
- (4) Staff has reviewed the application and on November 10, 2009, filed its comments recommending Waterville reduce its UEX rate to \$(0.02) per Mcf instead of zero, thus eliminating the over-recovered balance prior to filing its 2011 application. Staff's recommended UEX rate would result in a five-cent reduction. Staff stated that it discussed its recommended five-cent reduction with Waterville and the Company is in agreement with this reduction.

- (5) The Commission has reviewed the application and the Staff's filed comments and finds that Staff's recommendations are reasonable and should be adopted. Therefore, Waterville's request to reduce its UEX rate should be granted and the UEX rate should be \$(0.02) per Mcf as recommended by Staff and agreed to by Waterville.
- (6) In its audit report in Case No. 09-217-GA-GCR, Staff recommended that Waterville develop a written credit and collection policy prior to filing an application to amend its UEX rider. Waterville did not file its credit and collection policy with this application. Therefore, the Commission finds that Waterville should file its credit and collection policy, in this docket, within 60 days of the date of this order.

It is, therefore,

ORDERED, That, in accordance with finding (5), Waterville's request to reduce its UEX rate be granted and Staff's recommended UEX rate of \$(0.02) per Mcf be adopted. It is, further,

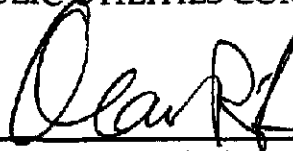
ORDERED, That Waterville is authorized to file four complete copies of tariffs, in final form, consistent with this Finding and Order. Waterville shall file one copy in this case docket and one copy in its TRF docket (or may file electronically as directed in Case No. 06-900-AU-WVR). The remaining two 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 a date not earlier than both the date of this Finding and Order and the date upon which 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, within 60 days of the Commission's signing of this Finding and Order, Waterville shall file its credit and collection policies in this case number. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record in these proceedings.

THE PUBLIC UTILITIES COMMISSION OF OHIO



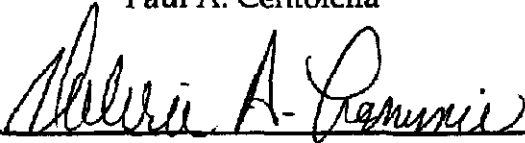
Alan R. Schriber, Chairman



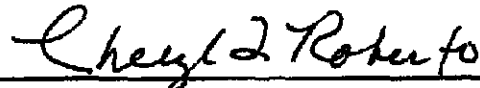
Paul A. Centolella



Ronda Hartman Fergus



Valerie A. Lemmie



Cheryl L. Roberto

RS:sm

Entered in the Journal

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Renee J. Jenkins  
Secretary