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Case No. 10-899-GA-UEX

## APPLICATION

In support of its application, Glenwood states as follows:

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Date Processed JAN 25 2016

3. On October 22, 2009, the Staff filed its audit of Glenwood's uncollectible expense mechanisms for the period of November 2007 through December 2008 in Case No. 09-439-GA-UEx. The Staff recommended that Glenwood use the 2008 ending balance of \$38,207.59 as its starting point for calendar year 2009, and further recommended that Glenwood incorporate the January 2009 beginning balance of \$38,207.59 into its 2010 UEx application.
4. In its April 14, 2010 Finding and Order in Case No. 09-439-GA-UEx, the Commission directed that for its beginning balance for 2009, Glenwood should use the 2008 ending balance of \$38,207.59.
5. Attached as Exhibit 1 is the Uncollectible Expense Rider report for Glenwood Energy of Oxford. This report includes the following information for the years 2007-2010: the UEx balance at the beginning of the reporting year; additions to the UEx balance, including the vintage of the additions during the calendar year; and credits to the UEx balance during the calendar year. It also includes certain customer account information. Glenwood had significant amounts of bad debt in 2009.
6. Glenwood proposes to increase its UEx rider rate from \$.08 per Mcf to \$.26 per Mcf. This rate captures the actual write-off and revenue collected into 2009 and the estimated write-offs that it believes will be experienced for the next 12 months. The calculation of the revised rate is shown in Exhibit 1.
7. Glenwood's UEx Rider on P.U.C.O. Original Sheet 19.1 states: "The Company will file an application with the Public Utilities Commission of Ohio requesting

approval to change this charge if the Company determines that the annual uncollectible expense has increased or decreased by more than 10% compared to the uncollectible expense experience during the annual period upon which the current charge is based." The proposed \$.18 per Mcf increase in the UEX Rider exceeds the prior rider by more than 10%.

8. The resulting rate of \$0.26 per Mcf is just and reasonable and should be approved. Copies of the proposed and scored current tariff sheets are attached as Exhibit 2 to this Application.

WHEREFORE, Glenwood Energy of Oxford, Inc. respectfully requests that the Commission approve the new Uncollectible Expense Rider rate proposed in this application and authorize the filing in final form of First Revised Sheet 19.1 contained in Exhibit 2 of the Application.

Respectfully submitted,



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Attorneys for Glenwood Energy of  
Oxford, Inc.

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing document and exhibits was served upon Barth E. Royer, Bell & Royer, 33 S. Grant, Columbus, Ohio 43215-3900, barthroyer@aol.com this 25<sup>th</sup> day of June, 2010.

Stephen M. Howard  
Stephen M. Howard

## **EXHIBIT 1**

## 2007 Annual Balance Reconciliation

[illegible]

## **2008 Annual Balance Reconciliation**

[illegible]







**GLENWOOD ENERGY OF OXFORD**  
**UNCOLLECTIBLE ACCOUNTS EXPENSE RIDER**  
**2009 Annual Balance Reconciliation**

	January	February	March	April	May	June	July	August	September	October	November	December
(1) Balance - Beginning of Month	###	###	\$ 30,710.82	###	###	###	###	###	###	###	###	\$ 93,140.69
(2) Bad Debt Written Off	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16.72	\$ 19,998.00
(3) Recovery - Base Rates	\$ 4,596.80	\$ 3,410.60	\$ 2,233.95	\$ 1,700.00	\$ 582.50	\$ 399.20	\$ 355.60	\$ 362.25	\$ 514.45	\$ 1,217.75	\$ 1,566.20	\$ 3,565.40
(4) Recovery - Bad Debt Rider (e)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 730.65	\$ 939.72	\$ 2,139.24
(5) Recovery - Other (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186.49	\$ 1,120.69
(6) Incremental Bad Debt (2)-(3)+(4)+(5)	\$ (4,596.80)	\$ (3,410.60)	\$ (2,233.95)	\$ (1,700.00)	\$ (582.50)	\$ (399.20)	\$ (355.60)	\$ (362.25)	\$ (514.45)	\$ (1,217.75)	\$ (1,566.20)	\$ (3,565.40)
(7) Balance Subtotal (1)+(6)	###	###	\$ 28,476.87	###	###	###	###	###	###	###	###	\$ 89,575.29
(8) Carrying Charges ((1)+(7)/(2))+(6)	\$ 269.32	\$ 241.31	\$ 221.95	\$ 208.87	\$ 201.87	\$ 199.71	\$ 198.37	\$ 197.17	\$ 458.22	\$ 715.29	\$ 703.31	\$ 747.92
(9) Balance - End of Month (7)+(8)	###	###	\$ 28,698.82	###	###	###	###	###	###	###	###	\$ 90,323.21

(a) Calculated: actual consumption times authorized rider rate  
 (b) Consists of customer payments, net-collection agency revenue, and other collections

(c) Net monthly carrying charge rate (e) Plus - Cost of Outside Collections	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%
(d) Annual OC rate (Staff calc)	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%

	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume	Actual Volume
Sales Volume	91,936	68,212	44,679	34,000	11,650	7,984	7,112	7,245	10,289	24,355	31,324	71,308
Base Rate of Recovery (Comp calc)	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Rider Rate of Recovery	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.03	\$0.03	\$0.03

BALANCE PER ABOVE \$ 107,021.27  
 ANNUAL USAGE 440,094  
 ESTIMATED TOTAL UEX ANNUAL RIDER \$ 0.26  
 UEX IN BASE RATE \$ (0.05)  
 ADDITIONAL RIDER ABOVE BASE RATE \$ 0.21  
 PRIOR YEAR'S ADDITIONAL RIDER ABOVE BASE RATE \$ 0.03  
 ADDITIONAL RIDER ABOVE BASE RATE GOING FORWARD IN 2010 \$ 0.21  
 NET CHANGE FROM PRIOR YEAR \$ 0.18  
 % OF CHANGE 800.00%

ADDITIONAL RIDER INCREASED IN 2010 - NET CHANGE WAS GREATER THAN 100%

**GLENWOOD ENERGY OF OXFORD**  
**UNCOLLECTIBLE ACCOUNTS EXPENSE RIDER**  
**ESTIMATED - 2010 Annual Balance Reconciliation**

	January	February	March	April	May	June	July	August	September	October	November	December
	<b>ACTUAL</b>											
(1) Balance - Beginning of Month	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75	\$ 99,290.75
(2) Bad Debt Written Off	\$ -	\$ 3,235.78	\$ 1,587.08	\$ -	\$ -	\$ 11,761.79	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 7,500.00
(3) Recovery - Base Rates	\$ 4,214.75	\$ 4,087.00	\$ 2,657.45	\$ 1,095.20	\$ 591.25	\$ 413.77	\$ 357.72	\$ 576.07	\$ 462.78	\$ 993.57	\$ 1,772.00	\$ 3,595.57
(4) Recovery - Bad Debt Rider (a)	\$ 2,528.85	\$ 2,452.20	\$ 1,594.47	\$ 656.22	\$ 354.75	\$ 1,737.82	\$ 1,502.41	\$ 1,579.48	\$ 1,943.69	\$ 4,172.98	\$ 7,482.40	\$ 14,849.38
(5) Recovery - Other (b)	\$ 966.90	\$ 315.66	\$ 97.19	\$ 849.23	\$ 61.61	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(6) Incremental Bad Debt ((2)-(3)-(4)-(5))	\$ (7,716.50)	\$ (1,599.08)	\$ (2,762.03)	\$ (2,599.15)	\$ (1,007.61)	\$ 9,610.20	\$ (1,860.13)	\$ (2,955.55)	\$ 2,593.53	\$ (5,166.55)	\$ (9,214.40)	\$ (19,884.05)
(7) Balance Subtotal ((1)+(6))	\$ 99,240.77	\$ 98,545.66	\$ 96,528.72	\$ 94,029.60	\$ 93,022.14	\$ 102,902.95	\$ 101,042.02	\$ 98,066.59	\$ 100,659.12	\$ 95,492.57	\$ 86,278.17	\$ 66,394.12
(8) Carrying Charges (((1)+(7))/2)*(d)	\$ 803.97	\$ 745.09	\$ 734.32	\$ 719.73	\$ 711.60	\$ 749.20	\$ 783.88	\$ 775.45	\$ 783.66	\$ 779.88	\$ 731.80	\$ 661.92
(9) Balance - End of Month ((7)+(8))	\$ 99,290.75	\$ 99,290.75	\$ 97,263.04	\$ 94,749.33	\$ 92,310.74	\$ 103,642.15	\$ 101,825.90	\$ 98,842.04	\$ 103,242.68	\$ 96,272.45	\$ 87,010.00	\$ 67,056.04

(a) Calculated: actual consumption times authorized rider rate  
 (b) Computed of customer payments, net-collection agency revenue, and other collections

(c) Net monthly carrying charge rate (c)	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%	0.7500%
(d) Plus - Cost of Outside Collections	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
(e) Annual CC rate (Stuff calc)	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%	9.0000%
Sales Volume	84,295	81,740	53,149	21,874	11,825	8,275	7,154	7,521	9,256	19,871	35,440	70,711
Base Rate of Recovery (Comp rate)	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Rider Rate of Recovery	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21

BALANCE PER ABOVE \$ 85,435.56

ANNUAL USAGE \$11,112

ESTIMATED TOTAL UNEX ANNUAL RIDER \$ 0.20  
 UNEX PW BASE RATE \$ (0.09)  
 ADDITIONAL RIDER ABOVE BASE RATE \$ 8.15  
 PRIOR YEARS ADDITIONAL RIDER ABOVE BASE RATE \$ 0.03  
 ADDITIONAL RIDER ABOVE BASE RATE GOING FORWARD IN 2010 \$ 0.21  
 NET CHANGE FROM PRIOR YEAR \$ 0.18  
 % OF CHANGE 80.00%

411,112

## **EXHIBIT 2**

P.U.C.O. No. 1

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62.1 Uncollectible Expense Rider. In addition to the above rates, a charge of ~~\$0.08~~ \$0.26 per Mcf will be applied to all gas consumed pursuant to this rate schedule to recover the cost associated with uncollectible accounts of those Customers subject to Uncollectible Expense Riders. The Company will file an application with the Public Utilities Commission of Ohio requesting approval to change this charge if the Company determines that the annual uncollectible expense has increased or decreased by more than ten percent compared to the uncollectible expense experience during the annual period upon which the current charge is based.

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Issued: June \_\_, 2010

Effective: \_\_\_\_\_

Filed in accordance with the \_\_\_\_\_ Finding and Order of the Commission in Case No. 10-\_\_ - GA-UEX.

Issued by  
GLENWOOD ENERGY OF OXFORD, INC.  
John Stenger, Chief Operating Officer