BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Consideration of The East Ohio Gas Company d/b/a Dominion East Ohio's Cost-of-Service Study for the General Sales Service and Energy Choice Transportation Service Rate Schedules.)))	Case No. 09-654-GA-UNC
In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Authority to Increase Rates for its Gas Distribution Service.))	Case No. 07-829-GA-AIR
In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval of an Alternative Rate Plan for its Gas Distribution Service.))	Case No. 07-830-GA-ALT
In the Matter of the Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval to Change Accounting Methods.))	Case No. 07-831-GA-AAM

ENTRY

The Commission finds:

(1) By opinion and order issued October 15, 2008, in In the Matter of the Application of The East Ohio Gas Company d/b/a/ Dominion East Ohio for Authority to Increase Rates for its Gas Distribution Service, Case No. 07-829-GA-AIR et al. (Gas Distribution Rate Case), the Commission, inter alia, approved the adoption of the first two years of a modified straight fixed variable (SFV) rate design by The East Ohio Gas Company d/b/a Dominion East Ohio (DEO). However, the Commission determined that, prior to approval of rates for the third year and beyond, it was necessary to review the cost allocation methodologies for the General Sales Service (GSS) and Energy Choice Transportation Service (ECTS) classes. Therefore, the Commission directed DEO to complete a cost allocation study within 90 days of the order and to submit a report and recommendation regarding whether the GSS/ECTS classes are appropriately comprised of both residential and nonresidential

customers or whether the classes should be split. Furthermore, the Commission stated that, upon review of the cost allocation study, it would establish a process to be followed to determine the appropriate rates for year three and beyond.

- (2) On January 13, 2009, DEO filed its report and recommendation regarding the cost allocation methodologies for the GSS/ECTS classes in the *Gas Distribution Rate Case*. DEO also filed an updated cost-of-service study.
- (3) On February 11, 2010, the Commission issued an entry accepting the revised cost-of-service study and directed that the GSS/ECTS classes should be separated into classes for residential and nonresidential customers for year three and beyond. The Commission directed DEO to file for Commission approval proposed revised tariffs for year three and beyond within 21 days of the issuance of that entry.
- (4) On March 4, 2010 DEO filed proposed revised tariffs in compliance with the Commission's February 11, 2010 entry. The Commission finds that the proposed tariffs are consistent with the discussion and findings as set forth our February 11, 2010, entry and should be approved.

It is, therefore,

ORDERED, That DEO's proposed tariffs be approved to the extent set forth herein. It is, further,

ORDERED, That DEO is authorized to file in final form four complete copies of the tariffs consistent with this entry. DEO shall file one copy in its TRF docket (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 tariffs shall be effective for bills rendered beginning October 14, 2010. It is, further,

ORDERED, That DEO shall notify all affected customers within 30 days of the effective date of the revised rates. It is, further,

ORDERED, That a copy of this entry be served upon all parties of record in these cases. It is, further,

Alan R. Schriber, Chairman

Alan A. Centolella

Valerie A. Lemmie

Steven D. Lesser

Cheryl L. Roberto

SP/clh

Entered in the Journal JUL 2 9 2010

Reneé J. Jenkins Secretary