

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
East Ohio Gas Company d/b/a)
Dominion East Ohio for the Adjustment) Case No. 11-1022-GA-PIP
of its Interim Emergency and Temporary)
Percentage of Income Payment Plan)
Rider.)

FINDING AND ORDER

The Commission finds:

- (1) The East Ohio Gas Company d/b/a Dominion East Ohio (DEO) is a gas or natural gas company as defined by Section 4905.03(A)(4) and (5), Revised Code, and a public utility by reason of Section 4905.02, Revised Code. As such, DEO is subject to the jurisdiction of the Commission, in accordance with Sections 4905.04 and 4905.05, Revised Code.
- (2) On February 25, 2011, DEO filed an application for approval of an adjustment to its Interim Emergency and Temporary Percentage of Income Payment Plan (PIPP) Rider. In its application, DEO explains that, by finding and order issued March 24, 2010, in *In the Matter of the Application of The East Ohio Gas Company d/b/a/ Dominion East Ohio for Adjustment of its Interim Emergency and Temporary Percentage of Income Payment Plan Rider*, Case No. 09-2011-GA-PIP (09-2011), the Commission ordered DEO to update its PIPP Rider within one year of implementation of a new rate and annually thereafter, with arrearages calculated on a calendar-year basis. DEO states that its application in the present case was filed within one year of implementing the PIPP Rider rate approved in 09-2011.
- (3) In its application, DEO states that its current PIPP Rider rate, which is \$1.7078 per thousand cubic feet (Mcf), was approved in 09-2011 and became effective April 16, 2010. DEO proposes a new decreased PIPP Rider rate of \$0.7149 per Mcf. DEO explains the new rate has been calculated so that, as nearly as possible, it recovers the accumulated unrecovered deferred PIPP balances through December 31, 2010, adjusted by estimating recovery at the current rider rate of \$1.7078, net of estimated new deferred

balances, for the period January through March 2011, plus an amount to recover the additional unrecovered deferred PIPP balances and incentive credits that are estimated to accumulate over the twelve months during which the proposed rate will be in effect. According to DEO, unrecovered deferred PIPP balances include: pre-PIPP arrearage balances; post-PIPP balances in arrears over 12 months; amounts forgiven under DEO's former arrearage crediting programs; amounts forgiven under the new incentive program effective November 1, 2010; costs paid to the Ohio Department of Development for income reverification; and carrying costs incurred on the unrecovered deferred PIPP balances. Moreover, the amounts accumulated and estimated for recovery through the PIPP Rider have been reduced by revenue sharing from DEO's firm receipt point option and commodity exchange revenues and by Tennessee Gas Pipeline Company refunds as approved in 09-2011. DEO requests approval of the updated PIPP Rider rate such that the rate of \$0.7149 per Mcf can be implemented no later than April 13, 2011.

- (4) The Commission has reviewed DEO's application and concludes that DEO's application requesting authority to adjust its PIPP Rider rate is reasonable and should be granted.
- (5) As a final matter, DEO explains that, in the present application, DEO has adjusted the calendar year accumulated deferred PIPP balance to reflect net recoveries at the current rate for the months January 2011 through March 2011. Because higher use volumes in the winter months normally result in a substantial reduction in the unrecovered deferred PIPP balance, DEO proposes that its annual applications be submitted based on the actual unrecovered deferred PIPP balances as of March 31 of each year, plus additional unrecovered deferred PIPP balances and incentive credits that are estimated to accumulate over the twelve months during which the proposed rate will be in effect, on a going forward basis. The Commission believes that DEO's proposal is reasonable. Accordingly, DEO should file its annual application to update its PIPP Rider rate no later than the end of May of each year.

It is, therefore,

ORDERED, That DEO's application to adjust its PIPP Rider rate be approved. It is, further,

ORDERED, That DEO comply with the requirements of finding (5). It is, further,

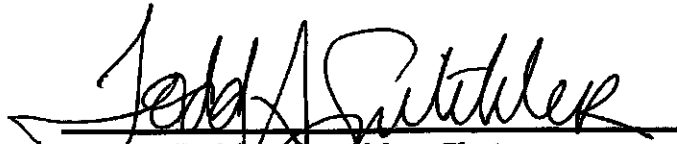
ORDERED, That DEO be authorized to file in final form four complete copies of the tariff pages consistent with this finding and order and to cancel and withdraw its superseded tariff pages. DEO shall file one copy in its TRF docket and one copy in this case docket. The remaining two copies shall be designated for distribution to the Rates and Tariffs, Energy and Water Division of the Commission's Utilities Department. It is, further,

ORDERED, That the effective date of the approved tariffs shall be a date not earlier than both the date of this decision and the date upon which four complete, printed copies of final tariffs are filed with the Commission. It is, further,

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

ORDERED, That a copy of this finding and order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman


Paul A. Centolella

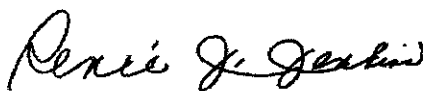

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Renee J. Jenkins
Secretary