

FILE

6

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the :
Regulation of the Purchased : Case No. 11-217-GA-GCR
Gas Adjustment Clauses :
Contained Within the Rate :
Schedules of the Waterville :
Gas & Oil Company and :
Related Matters : Case No. 11-317-GA-UEX

In the Matter of the
Uncollectible
Expense Rider of the
Waterville Gas
& Oil Company and Related
Matters

RECEIVED--DOCKETING DIV
2011 MAR 29 AM 9:23
PUCO

STIPULATION AND RECOMMENDATION

This case is before the Commission pursuant to Rules 4901:1-14-07 and 4901:114-08, Ohio Administrative Code (O.A.C.), for review of the Financial Audit of the Gas Cost Recovery Mechanism of Waterville Gas & Oil Company for the Effective GCR Period February 1, 2009 to January 31, 2011 (Financial Report), filed with docketing on February 23, 2011, and of the Audit of the uncollectible expense rider for the period January 2009 through December 2010 (Uncollectible Audit) and filed with docketing on February 23, 2011. Both audits were prepared by the staff of the Commission (Staff). Waterville Gas & Oil Company (Waterville) agrees with all the findings and endorses all the recommendations made by Staff in both Audit Reports.

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
Technician X Date Received MAR 29 2011

Rule 4901-1-30, O.A.C., provides that any two or more parties may enter into a written stipulation concerning the issues presented in any Commission proceeding. Pursuant to Rule 4901-1-10 (C), O.A.C., the Staff is considered a party for the purposes of entering into a stipulation under Rule 4901-1-30, O.A.C. There are no matters in dispute between Waterville Gas & Oil Company ("Waterville" or "Company"), and the Commission Staff (Staff) (collectively, "the Parties"). The Parties stipulate and agree to resolve all issues in the instant proceeding.

While the Parties recognize that this Stipulation and Recommendation (Stipulation) is not binding upon the Commission, the Parties state that the Stipulation is an agreement among all Parties to this proceeding; that the Stipulation is supported by adequate data and information; that it represents a just and reasonable resolution of all issues in this proceeding; that it violates no regulatory principle or practice; and that, accordingly, the Stipulation is entitled to careful consideration and should be adopted in its entirety by the Commission.

This Stipulation shall not be cited as precedent for or against any signatory Party, if it is approved by the Commission. This Stipulation is a compromise involving a balancing of competing positions, and it does not necessarily reflect the position that any Party would have taken if these issues had been fully litigated.

The Parties believe that this Stipulation represents a reasonable compromise of varying interests. If the Commission's Order adopting this

Stipulation in this proceeding materially modifies the Stipulation, Waterville may withdraw its consent for joining this Stipulation by filing an application for rehearing aimed at preserving the Stipulation as filed. Unless the Commission adopts this Stipulation on rehearing without material modification, in which case Waterville would again be bound, this Stipulation shall after rehearing become null and void and shall not constitute any part of the record in this proceeding, nor shall it be used for any purpose in this proceeding or any other proceeding.

Prior to any party seeking rehearing pursuant to the above provision, the Parties agree to convene immediately to work in good faith to achieve an outcome that substantially satisfies the intent of the Commission or proposes a reasonable equivalent to be submitted to the Commission for its consideration. Subject to the terms and conditions set forth in this Stipulation, the Parties agree, stipulate and recommend that the Commission find as follows:

- A. That the Company is a natural gas company within the meaning of Section 4905.03(A) (6), Revised Code, and as such, is a public utility subject to the jurisdiction and supervision of the Commission.
- B. Staff completed an audit of Waterville of the Gas Cost Recovery rates for the periods of February 1, 2009 through January 31, 2011 for conformity in accordance with Chapter 4901:1-14, O.A.C., and related appendices. The audit report shall be identified as Staff Exhibit 1 and admitted into evidence in the record in this proceeding.
- C. Waterville's GCR rates were accurately calculated by Waterville during

the audit period, in accordance with the provisions of Chapter 4901:1-14, O.A.C.

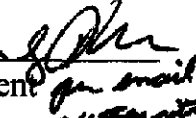
- D. The parties agree that all findings and recommendations contained in the Financial Report are reasonable and should be adopted. More specifically, the findings and recommendations to be implemented are as follows: that Waterville continue to refine its expected gas cost (EGC) calculation so as to continue reducing over-collection from its customers and that Waterville continue its practice of accurately calculating its GCR rate.
- E. Staff completed an audit of the Company's uncollectible expense rider for the period January 2009 through December 2010 pursuant to the Commission order in Case No. 11-317-GA-UEx. The audit report shall be identified as Staff Exhibit 2 and admitted into evidence in the record in this proceeding.
- F. The parties agree that all the findings contained in the Uncollectible Audit are reasonable and should be adopted. More specifically, Staff found that the Company has properly implemented the recommendations adopted by the Commission in Case No. 09-217-GA-GCR and no recommendations were made in this case.
- G. In satisfaction of the requirements of Revised Code section 4905.302(C) and 4901:1-14, O.A.C., Waterville caused notice to be published in various newspapers of general circulation throughout Waterville's service territory

for this proceeding. The affidavits shall be identified as Waterville Exhibit 1 and admitted into evidence in the record in this proceeding.


H. This Joint Stipulation and Recommendation shall be identified as Joint Exhibit 1 and admitted into evidence in the record in this proceeding.

The undersigned are authorized representatives of the parties to this Stipulation, who stipulate and agree to enter into this Stipulation on behalf of their respective parties this 29th day of March 2011, and respectfully request that the forgoing Stipulation be adopted.

THE WATERVILLE GAS & OIL
COMPANY


By: Robert S. Black 
Robert S. Black, President *per email*
Waterville Gas & Oil Co. *authenticated*
700 Farnsworth Road 3/28/11
P.O. Box 259
Waterville, OH 43566
419.878.4972 (telephone)

THE PUBLIC UTILITIES
COMMISSION
OF OHIO

By: 
Thomas W. McNamee
Assistant Attorney General
Public Utilities Section
180 East Broad Street, 6th Floor
Columbus, OH 43215-3793
614.466.4396 (telephone)
614.644.8764 (fax)
thomas.mcnamee@puc.state.oh.us

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Stipulation and Recommendation, was submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served by regular U.S. mail, postage prepaid, hand-delivered, or delivered via electronic mail, upon the following parties of record, this 29th day of March, 2011.



Thomas W. McNamee
Assistant Attorney

General Parties of Record

Waterville Gas & Oil
Company Robert S. Black
P.O. Box 259
Waterville, OH 43566-0259