

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion East) Case No. 12-812-GA-RDR
Ohio to Adjust its Pipeline Infrastructure)
Replacement Program Cost Recovery Charge)
and Related Matters.)

**SUPPLEMENTAL DIRECT TESTIMONY OF
VICKI H. FRISCIC
ON BEHALF OF
THE EAST OHIO GAS COMPANY D/B/A
DOMINION EAST OHIO**

1 **Supplemental Direct Testimony of**

2 **Vicki H. Friscie**

3 **I. INTRODUCTION**

4 **Q1. Please introduce yourself.**

5 A1. My name is Vicki H. Friscie. I am employed by The East Ohio Gas Company d/b/a
6 Dominion East Ohio (“DEO” or “Company”) as Director of Regulatory & Pricing. My
7 business address is 1201 East 55th Street, Cleveland, Ohio 44103.

8 **Q2. Are you the same Vicki H. Friscie who previously filed Direct Testimony in this**
9 **proceeding?**

10 A2. Yes.

11 **Q3. What is the purpose of your supplemental testimony?**

12 A3. My supplemental testimony addresses the Stipulation and Recommendation filed in this
13 proceeding on April 6, 2012, to adopt the rates for DEO’s Pipeline Infrastructure
14 Replacement (“PIR”) Cost Recovery Charge. The Stipulation represents a fair and
15 reasonable compromise in this proceeding, and I recommend that the Commission
16 approve it.

17 **II. THE STIPULATION**

18 **Q4. Please summarize the Stipulation.**

19 A4. The Stipulation is a comprehensive settlement of all issues in Case No. 12-812-GA-RDR.
20 In the Stipulation, DEO, the Office of the Ohio Consumers’ Counsel (“OCC”), and Staff
21 of the Public Utilities Commission agree that the PIR annualized revenue requirement is
22 \$46,714,686.08, which reflects a reduction of \$500,000 for O&M Expense Savings per
23 the Commission-approved stipulation in Case No. 11-2401-GA-ALT; the PIR Cost

1 Recovery Charge per customer per month by rate class should be \$2.80 for GSS/ECTS,
2 \$23.68 for LVGSS/LVECTS, \$107.94 for GTS/TSS; the PIR Cost Recovery Charge for
3 the DTS rate class should be \$0.0384 per Mcf up to \$1,000 per month; and these PIR
4 Cost Recovery Charges should be approved for the first billing cycle in May 2012.

5 **Q5. Is the Stipulation and product of serious bargaining among knowledgeable parties?**

6 A5. Yes. The Stipulation is the product of an open process in which all parties were
7 represented by able, experienced counsel and had access to technical experts. The
8 Stipulation is the product of extensive negotiations among the parties and represents a
9 comprehensive, reasonable compromise by parties with diverse interests. No party
10 opposes the Stipulation.

11 **Q6. Does the Stipulation benefit ratepayers and in the public interest?**

12 A6. Yes. The PIR Cost Recovery Charge reflects the impact of bonus-tax depreciation,
13 which reduced the residential charge by \$0.22 per customer, per month. In addition, the
14 charge reflects the \$0.5 million in O&M Savings agreed to in Case No. 11-2401-GA-
15 ALT. Finally, the PIR Cost Recovery Charge allows DEO to continue to provide safe
16 and reliable service through the replacement of dated infrastructure in an accelerated
17 manner.

18 **Q7. Does the Stipulation violate any important regulatory principle or practice?**

19 A7. No. The Signatory Parties, including Staff, do not believe that the Stipulation violates
20 any important regulatory principle or practice.

1 **Q8. What is your recommendation to the Commission?**

2 A8. I recommend that the Commission approve the Stipulation. The Stipulation represents a
3 fair, balanced, and reasonable compromise of diverse interests and provides a fair result
4 for customers, thereby meeting the Commission's criteria for adopting settlements.

5 **Q9. Does this conclude your Supplemental Direct Testimony?**

6 A9. Yes.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Supplemental Direct Testimony of Vicki H.

Friscic was served by electronic mail to the following persons on this 6th day of April, 2012:

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One of the Attorneys of The East Ohio Gas
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Summary: Testimony of Vicki H. Friscic electronically filed by Ms. Melissa L. Thompson on behalf of The East Ohio Gas Company d/b/a Dominion East Ohio