

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

| | | |
|---|---|-------------------------|
| In the Matter of the Annual Uncollectible |) | |
| Expense Rider Report of Waterville Gas & |) | Case No. 12-0317-GA-UEx |
| Oil Company and Application for Approval |) | |
| of an Adjustment to its Uncollectible Expense |) | |
| Rider Rate. |) | |

APPLICATION

Waterville Gas & Oil Company (hereinafter, "Waterville" or "Applicant") implemented its Uncollectible Expense Rider pursuant to the Entry of the Public Utilities Commission of Ohio ("Commission") approving the filing of a revised Tariff PUCO No. 12 in Case No. 07-0194-GA-AIR. Since that time, Waterville has filed updates to adjust the rider rate and the Commission has authorized such revisions. Most recently, by its Finding and Order in Case No. 11-317-GA-UEx entered on July 27, 2011, the Commission authorized Waterville's Current UEX rider of (\$0.0052) per Mcf. Applicant now submits its Annual Report for May 1, 2011, through April 30, 2012 plus the information required in Paragraph 12 of the Commission's Finding and Order dated August 19, 2009 in Case No. 08-1229-GA-COI, *In the Matter of the Five-Year Review of Natural Gas Company Uncollectible Riders* for calendar year 2011. Applicant respectfully requests the approval of the Commission to revise its Uncollectible Expense Rider ("Rider") rate as explained below. In support of this Application, Applicant states the following:

1. As of April 30, 2011, Applicant's overcollection balance was \$3,335.80. Applicant's undercollection balance as of April 30, 2012 was \$891.58 and Applicant has concluded that an adjustment is now appropriate.

2. Attached hereto and marked Attachment 1 is Waterville's Annual Report for calendar year 2011 and 2012 (year to date).
 3. Attachment 2 sets forth the calculation of Applicant's proposed Rider rate of \$0.0080 per Mcf. This is a change of \$0.0132 from the currently effective Rider rate of (\$0.0052) per Mcf. Based on estimated sales volumes the under-collection balance will be eliminated by the implementation of the proposed Rider rate as of April 30, 2013.
 4. The resulting rate of \$0.0080 per Mcf is just and reasonable and should be approved.
- Copies of the proposed and redlined current tariff sheets are included as Attachment 3 to this Application.

WHEREFORE, Waterville Gas & Oil Company respectfully requests the Commission approve the revised Uncollectible Expense Rider rate proposed in this Application and authorize the filing in final form of Third Revised Sheet No. 18 contained in Attachment 3.

Respectfully submitted this 29th day of May, 2012.



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The Waterville Gas & Oil Company
Uncollectible Accounts Expense Rider Reconciliation
January 1, 2011 through December 31, 2011

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The Waterville Gas & Oil Company
Uncollectible Accounts Expense Rider Reconciliation
January 1, 2012 through April 30, 2012

| | <u>Jan</u> | <u>Feb</u> | <u>Mar</u> | <u>Apr</u> |
|---|------------|------------|------------|------------|
| 1 Balance-Beginning of Month | (1,287.71) | (947.75) | (645.66) | (85.87) |
| 2 Bad Debts Written Off | 0.00 | 0.00 | 352.25 | 838.20 |
| 3 Recovery - Base Rates | | | | |
| 4 Recovery - Bad Debt Rider (a) | (342.98) | (304.24) | (208.53) | (138.16) |
| 5 Recovery - Other (b) | 0.00 | 0.00 | 0.00 | 0.00 |
| 6 Incremental Bad Debt (2-(3+4+5)) | 342.98 | 304.24 | 560.78 | 976.36 |
| 7 Balance Subtotal (1+6) | (944.73) | (643.51) | (84.88) | 890.49 |
| 8 Carrying Charges ((1+7)/2 x d) | (3.02) | (2.15) | (0.99) | 1.09 |
| 9 Balance - End of Month (7+8) | (947.75) | (645.66) | (85.87) | 891.58 |
| (a) | | | | |
| Actual Monthly Sales Volumes | 65,958 | 58,507 | 40,102 | 26,569 |
| times Current Bad Debt Rider | -0.0052 | -0.0052 | -0.0052 | -0.0052 |
| Recovery - Bad Debt Rider | -342.98 | -304.24 | -208.53 | -138.16 |
| (b) | | | | |
| consists of customer payments, net-collection agency revenue, other collections | | | | |
| (c) | | | | |
| Annual Carrying Charge Rate | 3.25% | 3.25% | 3.25% | 3.25% |
| (d) | | | | |
| Monthly Carrying Charge Rate | 0.2708% | 0.2708% | 0.2708% | 0.2708% |

ATTACHMENT 2

The Waterville Gas & Oil Company
Revised Rider Rate Calculation
May 1, 2012

| | |
|---|-----------------|
| Balance Undercollected 05/01/12 | 891.58 |
| Estimated Uncollectible Accts 5/12-4/13 | <u>1,931.70</u> |
| Total to Collect | 2,823.28 |
| Estimated Sales Volumes 5/12-4/13 (mcf) | <u>354,410</u> |

| | | |
|-----------------------------------|-----------------|---------|
| Calculated Revised Rider Rate | 0.0080 | per mcf |
| Current Rider Rate-#09-981-GA-UEx | <u>(0.0052)</u> | per mcf |
| Change | 0.0132 | per mcf |

P.U.C.O. No. 12
(Cancels P.U.C.O. No. 11)

Waterville Gas & Oil Company

~~Third~~ Fourth Revised Sheet No. 18

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF NATURAL GAS IN
THE STATE OF OHIO**

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41. **Ohio Mcf Tax Rider.** The Ohio Excise Tax on each per MCF of natural gas distributed by the company through a meter of an end user in this state shall be applicable to all gas delivered by the Company to customers billed by the Company under its current Rate GS rate schedule.

All bills shall be adjusted to recover the Ohio Excise Tax by \$.0411 per Mcf delivered.

42. **Uncollectible Expense Rider.** Applicable to all customers served under the Company's current Rate GS rate schedule. An additional charge of ~~(\$0.0052)~~ \$0.0080 per Mcf shall be applied to all volumes of service rendered to recover cost associated with uncollectible accounts arising from those customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten (10) percent is needed to adjust for prior period over- or under-collections.

Filed pursuant to PUCO Entry dated ~~July 27, 2011~~ _____ in Case No. ~~11-317~~ 12-317-GA-UEx
ISSUED: ~~July 28, 2011~~ _____ EFFECTIVE: ~~August 1, 2011~~ _____

Issued By
Robert S. Black
President, Waterville Gas & Oil Company

P.U.C.O. No. 12
(Cancels P.U.C.O. No. 11)

Waterville Gas & Oil Company

Fourth Revised Sheet No. 18

**RULES AND REGULATIONS GOVERNING THE DISTRIBUTION AND SALE OF NATURAL GAS IN
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Filed pursuant to PUCO Entry dated _____ in Case No. 12--317-GA-UEX
ISSUED: _____ EFFECTIVE: _____
Issued By
Robert S. Black
President, Waterville Gas & Oil Company

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in

Case No(s). 12-0317-GA-UEX

Summary: Application Approval of Adjustment to Uncollectible Expense Rider Rate
electronically filed by Mr. Andrew J Sonderman on behalf of Waterville Gas & Oil Company