

**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 Adjustment of its Percentage of Income) Case No. 12-1694-GA-PIP.
Payment Plan Rider.)

**OHIO PARTNERS FOR AFFORDABLE ENERGY'S
MOTION TO INTERVENE AND MEMORANDUM IN SUPPORT
AND COMMENTS ON THE APPLICATION**

Ohio Partners for Affordable Energy ("OPAE") hereby respectfully moves the Public Utilities Commission of Ohio ("Commission") for leave to intervene in the above-captioned matter pursuant to R.C. §4903.221 and Section 4901-1-11 of the Commission's Code of Rules and Regulations, with full powers and rights granted by the Commission specifically, by statute or by the provisions of the Commission's Code of Rules and Regulations to intervening parties. The reasons for granting this motion to intervene are contained in the memorandum attached hereto and incorporated herein. Herein, OPAE also submits comments on the application.

Respectfully submitted,

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MEMORANDUM IN SUPPORT OF MOTION TO INTERVENE

Ohio Partners for Affordable Energy (“OPAE”) should be permitted to intervene in this matter pursuant to Section 4903.22.1, Revised Code, and the Commission’s Rules and Regulation contained in Rule 4901-01-11 of the Ohio Administrative Code. The above-referenced docket concerns the application of The East Ohio Gas Company d/b/a Dominion East Ohio (“Dominion”) for approval to adjust its Percentage of Income Payment Plan (“PIPP”) rider.

In determining whether to permit intervention, the following criteria are to be considered: the nature of the person’s interest; the extent to which that interest is represented by existing parties; the person’s potential contribution to a just and expeditious resolution of the proceeding; and, whether granting the intervention will unduly delay or unjustly prejudice any existing party. OPAE meets all four criteria for intervention in this matter.

OPAE is an Ohio corporation with a stated purpose of advocating for affordable energy policies for low and moderate income Ohioans; as such, OPAE has a real and substantial interest in this matter. Additionally, OPAE includes as members non-profit organizations located in the service area that will be affected by the matter.¹ Moreover, many of OPAE’s members are community action agencies. Under the federal legislation authorizing the creation and funding of these agencies,

¹ A list of OPAE members can be found on the website: www.ohiopartners.org.

originally known as the Economic Opportunity Act of 1964, community action is charged with advocating for low-income residents of their communities.²

OPAE also provides essential services in the form of bill payment assistance programs and weatherization and energy efficiency services to low-income customers of Dominion. OPAE members are also ratepayers of Dominion. Therefore, OPAE has an interest in this proceeding that will consider Dominion's application to adjust its PIPP rider. OPAE's primary interest in this case is to protect the interests of low and moderate income customers whose rates will be affected by this application.

For the above reasons, OPAE has a direct, real and substantial interest in this matter. The disposition of this matter may impair or impede the ability of OPAE to

² See 42 U.S.C. 672:

The purposes of this subtitle are--

(1) to provide assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient (particularly families who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

(2) to accomplish the goals described in paragraph (1) through--

(A) the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance (including private resources) related to the elimination of poverty, so that this assistance can be used in a manner responsive to local needs and conditions;

(B) the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty in the community and may help the families and individuals to achieve self-sufficiency;

(C) the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty and of community breakdown;

(D) the maximum participation of residents of the low-income communities and members of the groups served by programs assisted through the block grants made under this subtitle to empower such residents and members to respond to the unique problems and needs within their communities; and

(E) the broadening of the resource base of programs directed to the elimination of poverty so as to secure a more active role in the provision of services for--

(i) private, religious, charitable, and neighborhood-based organizations; and

(ii) individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.

protect its interests. No other party to the matter will adequately represent the interests of OPAE. OPAE is a rare organization that serves as an advocate, service provider and nonprofit customer group. No other party represents this group of interests. OPAE's participation in this matter will not cause undue delay, will not unjustly prejudice any existing party, and will contribute to the just and expeditious resolution of the issues raised by this case. Further, OPAE has been recognized by the Commission in the past as an advocate for consumers and particularly low-income consumers, all of whom will be affected by the outcome of this case.

Therefore, OPAE is entitled to intervene in this matter with the full powers and rights granted by statute and by the provisions of the Commission's Codes of Rules and Regulations to intervening parties.

COMMENTS ON THE APPLICATION

OPAE also submits these comments on the application. The application states that the proposed PIPP rider rate of \$0.4443 per mcf would supersede the current rate of \$0.7149 per mcf approved in Case No. 11-1022-GA-PIP, which has been in effect since April 13, 2011. Application at 2. Clearly, Dominion has over-recovered PIPP costs from its customers and must make a refund of the over-recovered PIPP balances. Dominion is proposing to refund to customers the over-recovered PIPP balances over a two-year period. Dominion is also proposing to recover an amount reflecting an average annual estimate of the additional PIPP balances that Dominion projects will accumulate over the 24-month period during which the proposed rate of \$0.4443 per mcf is in effect. Dominion also proposes carrying charges on the PIPP balances. Application at 2.

Dominion claims that the proposal is “in the best interest of its customers.” Id. Dominion asks to refund to customers over a two-year period the amount it over-collected from customers over a one-year period. How could this possibly be in the best interest of customers? Dominion claims that the two-year period for the refund avoids “significant fluctuations in PIPP rates that would result by using a twelve-month period, consistent with the concept of gradualism.” Id. Dominion complains that if a twelve-month period is used for the refunds, the new PIPP rider rate would be \$0.2125. Dominion also claims that the rate next year (2013) could be up to Dominion’s “projected level of \$0.6811.” Id. Dominion claims that these are considerable rate fluctuations. Dominion also claims that customers will not be harmed by the two-year period because the over-recovered amounts will be passed back to customers with carrying charges. Dominion also proposes to file an application to update the rate in May 2013, even if the two-year refund period is approved.

Dominion’s proposal is completely inconsistent with the Finding and Order in Case No. 09-2011-GA-PIP, which dealt with a significant under-recovery of the cost of PIPP caused by the negligence of Dominion in failing to file for an adequate rate. In recognition of the continued failure of Dominion to modify its PIPP rider to match costs, the Commission found:

The Commission agrees that a yearly update of the PIPP Rider is in the best interest of ratepayers. Therefore, on a going forward basis, the Commission directs DEO to file an application, with arrearages calculated on a calendar year basis, to update its PIPP Rider within one year of implementation of the new PIPP Rider rate and annually thereafter.

Finding and Order, Case No. 09-2011-GA-PIP (March 24, 2010) at 4.

OPAE supports the position of the Commission and does not agree with Dominion's proposal for a two-year refund period for the over-collections made since April 2011. First, Dominion's current PIPP rider was effective April 2011 and substantially over-collected from customers over a one-year period. It is reasonable that the one-year over-collections be refunded over the next one-year period. This is what the Commission ordered in its Finding and Order in Case No. 09-2011-GA-PIP cited above. Second, Dominion's current projection that its 2013 rider could be \$0.6811 is just that, a projection. Dominion's current rider is an indication of how faulty Dominion's projections can be. Given the volatility of natural gas prices and usage, a one-year PIPP rider with annual true-ups and refunds will best serve customers. Substantial over-recoveries (and under-recoveries) will result when the periods of true-ups are over one year.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion to Intervene and Memorandum in Support was served electronically upon the persons identified below in this case on this 4th day of June 2012.

Colleen L. Mooney
Colleen L. Mooney

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Summary: Motion to Intervene and Memorandum in Support and Comments electronically filed by Ms. Colleen L Mooney on behalf of Ohio Partners for Affordable Energy