

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of Application of The East)
Ohio Gas Company d/b/a Dominion)
East Ohio for Approval of Tariffs to) Case No. 11-5843-GA-RDR
Adjust its Automated Meter Reading Cost)
Recovery Charge to Recover Costs)
Incurred in 2011.)

ENTRY

The Commission finds:

- (1) The East Ohio Gas Company d/b/a Dominion East Ohio (DEO) is a natural gas company as defined in Section 4905.03, Revised Code, and a public utility as defined by Section 4905.02, Revised Code. As such, DEO is subject to the jurisdiction of the Commission, pursuant to Sections 4905.04, 4905.05, and 4905.06, Revised Code.
- (2) In an opinion and order issued on October 15, 2008, in *In the Matter of the Application of East Ohio Gas Company d/b/a Dominion East Ohio for Authority to Increase Rates for its Gas Distribution Service*, Case No. 07-829-GA-AIR, et al. the Commission approved a stipulation that allowed accumulated costs for the installation of automated meter reading (AMR) technology by DEO to be recovered through a separate charge (AMR cost recovery charge). The opinion and order contemplated periodic filings of applications and adjustments of the rate under the AMR cost recovery charge.
- (3) On February 28, 2012, DEO filed an application requesting a rate adjustment for the AMR cost recovery charge to recover costs incurred during 2011.
- (4) By opinion and order issued on October 3, 2012, the Commission approved, with certain modifications, DEO's

application to adjust the AMR cost recovery charge. Specifically, the Commission found that DEO was to have installed all AMR devices by the end of 2011, leading to the disallowance of recovery for 9,350 AMR devices in DEO's inventory that had not yet been installed. The Commission also concluded that DEO should have installed AMR devices in a manner that would have allowed all shops to be fully rerouted by the end of 2011, to achieve maximum consumer savings. Because DEO did not complete the AMR program, both installation and rerouting, by the end of 2011, and DEO's operation and maintenance (O&M) savings contained in its application did not reflect an effort by DEO to maximize savings by the end of 2011, the Commission adopted Staff's recommended calculation of O&M savings based on what DEO should have achieved. As adopted, Staff's calculations increased DEO's proposed O&M savings of \$3,511,695, by \$1,628,276, to \$5,139,971. This recalculation reduced DEO's proposed monthly AMR cost recovery charge from \$0.54 to \$0.42.

- (5) On December 12, 2012, the Commission denied applications for rehearing filed by DEO and the Ohio Consumers' Counsel, and denied DEO's motion to stay implementation of our October 3, 2012, order.
- (6) On December 18, 2012, DEO filed a notice of appeal to the Supreme Court of Ohio. On January 11, 2013, DEO moved the Court to stay implementation of our October 3, 2012, order.
- (7) On March 13, 2103, the Court granted DEO's motion stay, conditioning it upon DEO posting a bond with its clerk of court. The Court ordered the stay to remain in effect during the pendency of the appeal, and ordered that the interim rate be the rate in effect prior to our October 3, 2012, order.

- (8) On March 14, 2013, the Court issued an entry stating that DEO had posted the required bond and ordering that the interim rate go into effect upon DEO filing a revised tariff and the Commission accepting the tariff.
- (9) On March 14, 2013, DEO filed its revised tariff indicating that the interim tariff increases DEO's charge from \$0.42 to \$0.57 per customer per month. DEO further stated that its tariff would be effective on bills issued on or after March 18, 2013. According to DEO, it will track the difference between the presently filed charge and the charge the Commission ordered, will calculate interest on this amount at the rate of three percent per annum, and will refund the difference with interest in the event the Commission's order is upheld.
- (10) The Commission finds that DEO's March 14, 2013, proposed tariff should be approved and accepted. The new rates should be implemented for bills issued on or after the date of this entry. Moreover, the Commission finds that this interim rate should remain in effect pending our disposition of *In the Matter of Application of The East Ohio Gas Company d/b/a Dominion East Ohio for Approval of Tariffs to Adjust its Automated Meter Reading Cost Recovery Charge to Recover Costs Incurred in 2012*, Case No. 12-3116-GA-RDR, which will set a new rate for Rider AMR to recover costs incurred during 2012.

It is, therefore,

ORDERED, That the proposed tariff filed by DEO be approved. It is, further,

ORDERED, That the effective date of the new tariff shall be a date not earlier than the date of this entry. It is, further,

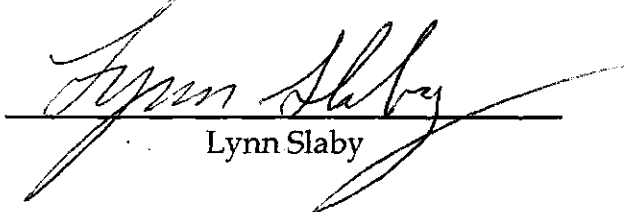
ORDERED, That a copy of this entry be served all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman


Steven D. Lesser


Andre T. Porter



Lynn Slaby


M. Beth Trombold

KLS/sc

Entered in the Journal

MAR 20 2013



Barcy F. McNeal
Secretary