

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Ohio Gas Company for Approval)	Case No. 13-311-GA-UEx
of an Adjustment to its Uncollectible)	
Expense Rider Rate.)	

APPLICATION

Frank P. Darr (Trial Attorney)
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May 7, 2013

Attorney for Ohio Gas Company

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Ohio Gas Company for Approval)	Case No. 13-311-GA-UEX
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APPLICATION

Ohio Gas Company ("Ohio Gas") hereby submits its annual Uncollectible Expense ("UEX") Rider Report and respectfully requests approval to revise its Uncollectible Expense Rider ("UEX Rider") rate. In support of its Application, Ohio Gas states as follows:

1. On January 25, 2006, the Public Utilities Commission of Ohio ("Commission") issued an Entry ("Entry"), in Case No. 05-1439-GA-UEX, in which it approved Ohio Gas' application for authority to establish a UEX Rider.
2. In the same Entry, the Commission approved Ohio Gas' initial UEX Rider rate. Ohio Gas filed its final tariff consistent with the Entry on January 26, 2006, effective as of that date.
3. In the Entry, the Commission directed Ohio Gas to file a yearly report that identifies amounts recovered, deferred, and amortized pursuant to the UEX Rider. In its August 19, 2009 Finding and

Order in Case No. 08-1229-GA-COI, the Commission ordered that the yearly report should include the UEX balance at the beginning of the reporting year; additions to the UEX balance, including the vintage of the additions during the calendar year; and credits to the UEX balance during the calendar year. Ohio Gas' required report is Attachment 1 to this Application.

4. Ohio Gas proposes a revised UEX Rider rate of (\$0.0200) per Mcf. The rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of March 31, 2013, and (2) an estimate of net uncollectible accounts expense for the 12 months ending March 31, 2012. The calculation of the revised rate is shown on Attachment 2 hereto.
5. Ohio Gas' UEX Rider states that "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 percent is needed for prior period over- or under-collections." The portion of the proposed UEX Rider decrease that is attributable to the prior period over-collection exceeds 10% of the current UEX Rider rate.
6. The portion of the proposed UEX Rider rate attributable to the estimated UEX is derived by subtracting from the estimated charge-

off amount the estimated dollars attributable to agency assistance and customer payments.

7. The resulting rate of (\$0.0200) per Mcf is just and reasonable and should be approved. Copies of the proposed and scored current tariff sheets are Attachment 3 to this Application.

WHEREFORE, Ohio Gas respectfully requests that the Commission approve the new UEX Rider rate proposed in this Application.

Respectfully submitted,

/s/ Frank P. Darr

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ATTACHMENT 1

OHIO GAS COMPANY

Bad Debt Rider

Annual Balance Reconciliation - 2012

Attachment 1

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2012

	January	February	March	April	May	June	July	August	September	October	November	December	
(1) Balance - Beginning of Month	(67,442)	(59,640)	(75,347)	(72,150)	(62,279)	(37,695)	(39,308)	(33,110)	(28,367)	(19,395)	(32,735)	(51,491)	
(2) Bad Debts Written Off	9,607	9,111	5,704	15,768	26,889	21,247	11,243	12,160	16,467	4,888	8,470	29,643	171,197
(3) Recovery - Base Rates	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Recovery - Bad Debt Rider (a)	(18,586)	(18,336)	(13,635)	(7,284)	(4,795)	(2,355)	(522)	(508)	(593)	(1,185)	(2,704)	(3,622)	(74,125)
(5) Recovery - Other (b)	20,391	43,154	16,142	13,181	7,100	4,383	5,567	7,925	8,088	19,413	29,930	15,432	190,706
(6) Incremental Bad Debt (2)-[(3)+(4)+(5)]	7,802	(15,707)	3,197	9,871	24,584	19,219	6,198	4,743	8,972	(13,340)	(18,756)	17,833	54,616
(7) Balance Subtotal (1)+(6)	(59,640)	(75,347)	(72,150)	(62,279)	(37,695)	(18,476)	(33,110)	(28,367)	(19,395)	(32,735)	(51,491)	(33,658)	
(8) 2011 Audit Adjustment	-	-	-	-	-	(20,832)	-	-	-	-	-	-	(20,832)
(9) Balance - End of Month (7)+(8)	(59,640)	(75,347)	(72,150)	(62,279)	(37,695)	(39,308)	(33,110)	(28,367)	(19,395)	(32,735)	(51,491)	(33,658)	
(a) Calculated: actual consumption times authorized rider rate													
(b) Consists of customer payments, agency assistance, supplier discounts, less collection fees.													
Applicable MCF Sales	929,309.6	916,818.5	681,763.6	364,190.6	239,731.1	117,735.4	93,282.2	90,659.1	105,976.5	211,541.3	482,940.3	646,872.6	
Rate of Recovery in Base Rate	-	-	-	-	-	-	-	-	-	-	-	-	
Rate of Recovery in Bad Debt Rider	(0.0200)	(0.0200)	(0.0200)	(0.0200)	(0.0200)	(0.0200)	(0.0056)	(0.0056)	(0.0056)	(0.0056)	(0.0056)	(0.0056)	

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ATTACHMENT 2

OHIO GAS COMPANY
Bad Debt Rider
Uncollectible Expense Rider Calculation 2013

Attachment 2

Balance of Deferred Uncollectible Accounts Expense @ 3/31/2013 \$ (81,327)

Estimated Uncollectible Accounts Expense for
Twelve Months Ending 3/31/2012

Charge-off Amount	\$ 153,222	
Recoveries	<u>178,987</u>	
Net Amount		(25,765)
Total to be Collected		<u>\$ (107,092)</u>
Applicable Volumes	5,347,896.9	MCF
Proposed Rate	\$ (0.0200)	
Current Rate	<u>(0.0056)</u>	
Proposed Uncollectible Expense Rider Adjustment	\$ (0.0144)	

ATTACHMENT 3

P.U.C.O. No. 1

GAS SERVICE

GROSS RECEIPTS EXCISE TAX RIDER

The Gross Receipts Excise Tax Rider is applicable to all gas cost recovery charges billed by the Company under all of its current rate schedules.

All bills shall be adjusted for the Ohio gross receipts excise tax on gas cost recovery revenues at a rate of 4.970%.

UNCOLLECTIBLE EXPENSE RIDER

Applicability. Applicable to all volumes served under the General Service and Transportation Rates. An additional charge shall be applied to all volumes for service rendered to recover costs 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 percent is needed to adjust for prior period over- or under-collections. The current Uncollectible Expense Rider rate is (\$0.~~00560200~~) per Mcf.

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Issued: ~~May 24, 2012~~

Effective: ~~July 1, 2012~~

Filed Under Authority of Case No. ~~123~~-311-GA-UEx

Issued by Richard P. Hallett, President
Bryan, Ohio

P.U.C.O. No. 1

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Issued by Richard P. Hallett, President
Bryan, Ohio

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Case No(s). 13-0311-GA-UEx

Summary: Application In the Matter of the Application of Ohio Gas Company for Approval of an Adjustment to its Uncollectible Expense Rider Rate electronically filed by Ms. Vicki L. Leach-Payne on behalf of Darr, Frank P. Mr.