

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Uncollectible)
Expense Rider of Orwell Natural Gas) Case No. 13-312-GA-UEx
Company.)

FINDING AND ORDER

The Commission finds:

- (1) Orwell Natural Gas Company (Orwell) is a public utility as defined in R.C. 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) By Entry issued January 29, 2007, in *In re Orwell Natural Gas Company*, Case No. 07-163-GA-ATA, the Commission authorized Orwell to establish an uncollectible expense (UEx) rider.
- (3) Orwell's current UEx rider rate of \$0.06737 per thousand cubic feet (Mcf) was approved by Finding and Order issued August 1, 2012, in *In re Orwell Natural Gas Company*, Case No. 12-312-GA-UEx.
- (4) On November 19, 2013, Orwell filed this application proposing to decrease its UEx rider rate to (\$0.00834)¹ per Mcf for all customers in its service territory subject to the UEx rider. Orwell states that the proposed rate is based on actual bad debt deferral as of June 30, 2013, actual volume from July 2012 through June 2013, and the \$0.06737 recovery rate, estimated bad debt write-offs, and UEx rider recoveries and sales volumes through June 2014. Orwell adds that the revised rider rate, proposed to be effective on and after January 1, 2014, is calculated to be a credit to customers and, therefore, is a decrease of \$0.05903 per Mcf from the currently effective rate of \$0.06737 per Mcf. Finally, asserts Orwell, the proposed change is based on actual experience for the 12 months ended September 2013, as adjusted for estimated uncollectible accruals and projected sales volumes through June 2014, and should be approved no later than

¹ Throughout this Order, amounts shown in parenthesis indicate negative numbers.

January 1, 2014, subject to adjustment when Orwell files its next annual report of UEX rider balance in 2014.

- (5) On December 5, 2013, Staff filed comments on Orwell's proposed UEX rider adjustment. Staff states that it has performed a preliminary review of the annual balance reconciliation covering calendar years 2012 and 2013, and for the first quarter of 2014, and Staff does not propose any adjustment to the reconciliation. Staff adds that the proposed rate of (\$0.00834) decreases the rate to a level that reflects anticipated bad debt write-offs through June 2014. Staff believes that Orwell's application appropriately calculates the rider, and accordingly, Staff recommends approval of the proposed (\$0.00834) UEX rider rate.

Staff also recommends that, in the next audit of Orwell's rider in 2014, the auditors examine monthly UEX balances and write-offs and recoveries for calendar years 2012 and 2013, and for the first quarter of 2014. Staff proposes that any required adjustments/corrections be incorporated into the 2014 UEX rider application.

- (6) The Commission has reviewed the application, as well as Staff's comments and Orwell's response, and finds that Orwell's application, to decrease its UEX rider rate from \$0.06737 per Mcf to (\$0.00834) per Mcf is reasonable and in the public interest, and should be approved.

It is, therefore,

ORDERED, That Orwell's application to decrease its UEX rider rate from \$0.06737 per Mcf to (\$0.00834) per Mcf be approved. It is, further,

ORDERED, That Orwell is authorized to file two complete copies of tariffs in final form consistent with this Finding and Order. Orwell shall file one copy in this case docket and one copy in its TRF docket (or may file electronically as directed in Case No. 06-900-AU-WVR). It is, further,


ORDERED, That the effective date of the new tariff shall be a date not earlier than the date upon which final tariffs are filed with the Commission. It is, further,

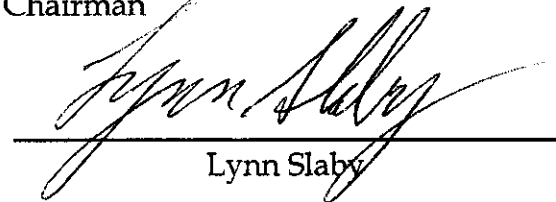
ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any further proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record.


THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman


Steven D. Lesser


Lynn Slaby


M. Beth Trombold


Asim Z. Haque

JML/sc

Entered in the Journal

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Barcy F. McNeal
Secretary