

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Regulation of the	:	
Purchased Gas Adjustment Clause	:	
Contained Within the Rate Schedules of	:	Case No. 14-0216-GA-GCR
Suburban Natural Gas Company,	:	
and Related Matters.	:	

In the Matter of the Uncollectible Expense :	
Rider of Suburban Natural Gas Company :	Case No. 14-0316-GA-UEX
and Related Matters.	:
	:

In the Matter of the Percentage of Income :	
Payment Plan Riders of	:
Suburban Natural Gas Company	:
and Related Matters.	:
	:

JOINT STIPULATION AND RECOMMENDATION

These cases are before the Public Utilities Commission of Ohio (Commission) pursuant to Rules 4901:1-14-07 and 4901:1-14-08, Ohio Administrative Code (O.A.C.), for review of the following audits: (1) the Financial Audit of the Gas Cost Recovery (GCR) Mechanisms of Suburban Natural Gas Company for the Period September 1, 2011 through August 31, 2013 (GCR Audit) prepared by the Staff of the Commission (Staff) and filed in Case No. 14-216-GA-GCR on July 31, 2014; (2) the Audit of the Uncollectible Expense (UEX) Mechanisms for the period January 2012 through December 2013 (UEX Audit) filed in Case No. 14-316-GA-UEX on July 31, 2014; and (3) the Audit of the Percentage of Income Payment Plan (PIPP) for the

period January 2012 through December 2013 (PIPP Audit) filed in Case No. 14-416-GA-PIP on July 31, 2014. Suburban Natural Gas Company (Suburban) has reviewed all three Audit Reports and, for the purpose of reaching this Stipulation only, agrees with and endorses the Staff conclusions and recommendations contained therein, except as otherwise agreed to herein.

Rule 4901-1-30, O.A.C., provides that any two or more parties to a proceeding may enter into a written or oral stipulation concerning the issues presented in any Commission proceeding. Pursuant to Rule 4901-1-10(C), O.A.C., the Staff is considered a party for the purposes of entering into a stipulation under Rule 4901-1-30, O.A.C.

There being no matters in dispute between Suburban and the Staff (collectively, “parties”), Suburban stipulates and the Staff recommends as follows:

A. **GCR Audit**

1. That Suburban is a natural gas company within the meaning of Ohio Rev. Code Section 4905.03(A)(5), and, as such, is a public utility subject to the jurisdiction and supervision of the Commission
2. This case is properly before the Commission pursuant to Rule 4901:1-14-08, O.A.C., and the Commission has jurisdiction to determine the issues involved pursuant to Section 4905.302, Revised Code.
3. Pursuant to Rule 4901:1-14-07, O.A.C., the Staff conducted an audit of the Company and compiled its findings in a document entitled,

“Financial Audit of the Gas Cost Recovery Mechanisms for the Cost Incurred for the period of September 1, 2011 through August 31, 2013.” The GCR Audit Report was filed with the Docketing Division of the Commission on July 31, 2014. The GCR Audit Report should be identified and admitted into evidence as “Commission-Ordered Exhibit 1.”

4. Suburban’s Gas Cost Recovery (“GCR”) rates were fairly determined in accordance with the provisions of Ohio Administrative Code Chapter 4901:1-14 during the audit period, except for those instances noted in the GCR Audit Report conclusions or as otherwise agreed herein.
5. Suburban accurately determined and billed the GCR rates for the period, September 1, 2011 through August 31, 2013, in accordance with Chapter 4901:1-14 and related appendices of the Ohio Administrative Code, except for those instances noted in the GCR Audit Report conclusions or as otherwise agreed herein.
6. Suburban’s GCR rates were properly applied to customer bills during the audit period.
7. Suburban agrees to implement the Staff’s recommendations contained in the GCR Audit Report except as otherwise agreed herein. More specifically, Suburban agrees to:

- a. Suburban will make a reconciliation adjustment in the amount of \$20,000.00 in the customers' favor in connection with the Actual Adjustment. This adjustment will be applied in the first GCR filing following the Opinion and Order in this case.
 - b. Suburban will make a reconciliation adjustment in the amount of \$410.00 in the Company's favor in connection with the Balance Adjustment. This adjustment will be applied in the first GCR filing following the Opinion and Order in this case.
8. Suburban's level of unaccounted for gas for the audit period under review is reasonable and within the requirements of the Commission rules.
9. The Commission should adopt the conclusions and recommendations contained in the GCR Audit Report except as other modified herein.
10. Suburban does not agree or endorse Staff's characterization of its capacity entitlements in Section XI, System Growth, Conclusions. Suburban will comply, however, with the Stipulation and Order reached in its previous GCR Audit, Case No. 12-0216-GA-GCR.
11. Rule 4901:1-14-08(C), O.A.C., requires that the subject natural gas company publish notice of the hearing in its GCR audit proceeding at least fifteen and not more than thirty days prior to the scheduled date of the hearing by: (1) a display ad in a newspaper or newspapers of

general circulation throughout its service area; (2) a bill message or bill insert included with the customer bills; or (3) a separate direct mailing to customers. Suburban has caused notice to be published by display ads in newspapers of general circulation throughout its service area. The proof of publication, attached hereto, should be identified and admitted into evidence as "Suburban Exhibit 1," and should be made a part of the record of this proceeding. The Commission should find that the manner of publication described therein complies with Rule 4901:1-14-08(C)(1), O.A.C.

B. **UEX Audit**

1. Pursuant to order of the Public Utilities Commission of Ohio, the Staff conducted an audit of Suburban Uncollectible Expense Rider (UEX) rates for January 1, 2012 through December 31, 2013, and compiled its findings in a document entitled, "Audit of the Uncollectible Expense Mechanisms for the period January 2012 through December 2013." The UEX Audit Report was filed with the Docketing Division of the Commission on July 31, 2014. The UEX Audit Report should be identified and admitted into evidence as "Commission-Ordered Exhibit 2."

2. Suburban's UEX Rider rates were accurately calculated and billed for the effective audit period, January 1, 2012 through December 31, 2013, except for those instances noted in the UEX Audit Report.
3. Suburban's UEX Rider rates were properly applied to customer bills during the audit period.
4. Suburban agrees to implement the Staff's recommendations contained in the UEX Audit Report. More specifically, Suburban agrees to:
 - a. Change its policy to writing off an account balance from 365 days to a maximum of 180 days but no less than 60 days from non-payment.
 - b. Change its procedure in reporting UEX balance transfers so that such transfers are reported in the Bad Debt Written-Off account instead of the Recovery-Other account.
 - c. Report the January, 2014 Beginning Balance on its UEX account as (\$24,050).
5. The Commission should adopt the findings and recommendations contained in the UEX Audit Report.

C. **PIP Audit**

1. Pursuant to order of the Public Utilities Commission of Ohio, the Staff conducted an audit of Suburban's Percentage of Income Payment Plan (PIPP) rates for January 1, 2012 through December 31, 2013, and

compiled its findings in a document entitled, “Audit of the Percentage of Income Payment Plan for the period January 2012 through December 2013.” The PIPP Audit Report was filed with the Docketing Division of the Commission on July 31, 2014. The PIPP Audit Report should be identified and admitted into evidence as “Commission-Ordered Exhibit 3.”

2. Suburban properly accounted for charge-offs and recoveries for 2012 and 2013.
3. Suburban has properly implemented the PIPP Plus program with its arrearage forgiveness program.

D. **Procedural Matters**

1. This Joint Stipulation and Recommendation should be adopted and admitted into evidence as “Joint Exhibit 1,” and made a part of the record of these proceedings. Although the parties recognize that this Stipulation is not binding upon the Commission, the parties respectfully submit that this Stipulation, which has been executed by the parties to these proceedings, is supported by the record, represents a just and reasonable resolution of the issues involved, violates no regulatory principle or precedent, and is in the public interest.
2. The agreement of the parties reflected in this Stipulation is expressly conditioned upon its acceptance without material modification by the

Commission. In the event the Commission should reject or materially modify all or any portion of this Stipulation, or impose additional conditions or requirements, each party shall have the right, within thirty (30) days of the Commission's order, to either file an application for rehearing or terminate and withdraw the Stipulation by filing a notice with the Commission. Upon rehearing, either party shall have the right within fifteen (15) days of the Commission's order on rehearing to file a notice of termination or withdrawal of the stipulation. Upon notice of termination or withdrawal pursuant to the above provisions, the Stipulation shall immediately become null and void. In such an event, a hearing shall go forward and the parties shall be afforded the opportunity to present evidence through witnesses, to cross-examine all witnesses, to present rebuttal testimony, and to file briefs on all issues. The proceedings shall be decided based upon the record and briefs as if this Stipulation had never been executed.

3. The parties agree that the foregoing Stipulation is in the best interests of the parties, and urge the Commission to adopt the same.

WHEREFORE, Suburban and the Staff respectfully request that the foregoing Stipulation be adopted.

In witness whereof, the parties have manifested their consent to this Joint Stipulation and Recommendation affixing their signatures below on this 29th day of September, 2014.

**On Behalf of the Staff of the Public
Utilities Commission of Ohio**

/s/Werner L. Margard III
Werner L. Margard III
Assistant Attorneys General
180 E. Broad St., 6th Floor
Columbus, OH 43215
(614) 466-4395

**On Behalf of Suburban Natural Gas
Company**

/s/William J. Michael
William J. Michael
Vice President and General Counsel
Suburban Natural Gas Company
2626 Lewis Center Road
Lewis Center, OH 43035
(740) 548-2450

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 for
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Thursday,
 September 11, 2014

Delaware Gazette & Sunbury News
 also online at delgazette.com/allstate

The State of Ohio }
County of Wood, SS. }

Certificate of Publication

Mary G. Leppie an advertising representative
of THE SENTINEL-TRIBUNE, a newspaper published and of general circulation in the City
of Bowling Green and in the county of Wood, State of Ohio, being duly sworn according to
law, says that a notice, a true copy of which is hereto attached, was published in said paper
on Sept. 3, 14

Mary G. Leppie
Sworn to and subscribed before me this 3rd day of September, 20 14

Melinda K. Amos
Notary Public, Wood County, Ohio

Total \$ 75.00

Melinda K. Amos
Notary Public
In and for the State of Ohio
My Commission Expires
April 30, 20 18

ad #
66090

LEGAL NOTICE

The Public Utilities Commission of Ohio has set for public hearing Case No. 14-216-GA-GCR to review the gas cost recovery rates of Suburban Natural Gas Company and the operation of its Purchased Gas Adjustment Clause, and related matters. This hearing is scheduled to begin at 10:00 a.m. on Tuesday, September 30, 2014, at the office of the Commission, 180 East Broad Street, Hearing Room 11-C, Columbus, Ohio 43215-3793. All interested persons will be given an opportunity to be heard. Further information may be obtained by viewing the Commission's web page at <http://www.puc.state.oh.us>, or contacting the Commission's hotline at 1-800-686-7826 or for hearing or speech impaired customers at 7-1-1.

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Dear Brandi,

- 3 Sept. 2014 -

Thank you for placing your
"legal notice" advertisement with us.
We appreciate your business!

I have attached the 9/3/14 issue of
the paper in which your ad ran.
The "proof of publication" will be
coming to you shortly. Thanks again!

Jan M. Cassan

740.413.0843 x1642

jcassan@civitasmedia.com



For new patients that do not have dental insurance. New patients must be 21 or older to receive free exam and X-rays. A minimum savings is based on a comprehensive exam and full X-ray series; the value of the savings will vary based on doctor recommendation. Discounts cannot be combined with other offers or dental discount plans. Some limitations may apply. See provider for details. Offer(s) must be presented at first visit. Offers expire 10/31/14. ©2014 Aspen Dental Management, Inc. Aspen Dental is a General Dentistry Office. Lakireddy Dental LLC.

Affidavit of Publications

Newspaper: Marion Star ROP, Obits and Legals

LEGAL NOTICE

State of Ohio

ATTACHED

Advertiser: Suburban Natural Gas Company

Acct. S4218

RE: AD# 0000993715

Ad Net Cost: 84.80

I, Todd Richards Sales Assistant for the

Above mentioned newspaper, hereby certify that the attached

Advertisement appeared in said newspaper on the following dates:

September 3, 2014.

Subscribed and sworn to me this 10 day of Sept., 2014

Dedra Sylvester

NOTARY PUBLIC

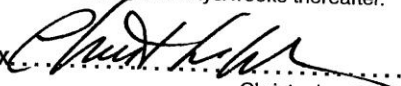


Dedra Sylvester
Notary Public, State of Ohio
My Commission Expires
April 3, 2017

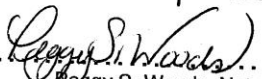
PROOF OF PUBLICATION

State of Ohio, Henry County, ss.

Christopher Cullis, being first duly sworn, deposes and says that he is the Publisher of the Northwest Signal, a daily newspaper published in Napoleon, in said Henry County, Ohio, and of general circulation therein; that the annexed advertisement and notice was printed and published in said newspaper for1... days/weeks, the first insertion being on the3... day of September 2014 and for0... consecutive days/weeks thereafter.

x. 
Christopher Cullis

Subscribed to in my presence and sworn before me this 19 day of September 2014

x. 
Peggy S. Woods, Notary Public
My Commission expires: September 4, 2016

Notary Fees \$ 1.00
Printer's Fees \$ 40.80

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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

9/29/2014 12:01:48 PM

in

Case No(s). 14-0216-GA-GCR, 14-0316-GA-UEX, 14-0416-GA-PIP

Summary: Stipulation Joint Stipulation and Recommendation electronically filed by Mrs. Tonneta Y Scott on behalf of PUCO