

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Regulation of the)
Purchased Gas Adjustment Clauses)
Contained Within the Rate Schedules of) Case No. 14-206-GA-GCR
Brainard Gas Corporation, Northeast Ohio) Case No. 14-209-GA-GCR
Natural Gas Corporation, and Orwell) Case No. 14-212-GA-GCR
Natural Gas Company and Related)
Matters.)

In the Matter of the Uncollectible Expense)
Riders of Northeast Ohio Natural Gas) Case No. 14-309-GA-UEx
Corporation and Orwell Natural Gas) Case No. 14-312-GA-UEx
Company.)

In the Matter of the Percentage of Income)
Payment Plan Rider of Northeast Ohio) Case No. 14-409-GA-PIP
Natural Gas Corporation.)

ENTRY

The attorney examiner finds:

- (1) Brainard Gas Corporation (Brainard), Northeast Ohio Natural Gas Corporation (NEO), Orwell Natural Gas Company (Orwell), (together companies) are gas or natural gas companies as defined by R.C. 4905.03 and public utilities by reason of R.C. 4905.02. As such, these companies are subject to the jurisdiction of the Commission in accordance with R.C. 4905.04 and 4905.05.
- (2) R.C. 4905.302 and Ohio Adm.Code 4901:1-14-07 provide that the Commission shall conduct, or cause to be conducted, periodic audits of each gas or natural gas company under the Commission's jurisdiction. Such audits shall review each company's compliance with the gas cost recovery (GCR) mechanism as delineated in Ohio Adm.Code 4901:1-14. Furthermore, the Commission has authorized NEO and Orwell to recover uncollectible expenses (UEx) through riders. In approving the UEx riders for these companies, the Commission required that these riders would be audited in the course of each company's GCR audit. Further, the Commission authorized NEO to recover percentage of income payment plan (PIPP) arrearages through a rider that is audited in the course of each NEO's GCR audit.

- (3) By Entry of February 13, 2014, the Commission directed that a hearing in the above-captioned GCR cases be held on January 20, 2015, and directed Staff to initiate GCR financial audits, and the UEX audits for the companies and file the audit reports for each company by November 21, 2014.
- (4) On November 12, 2014, Staff filed a motion for a continuance of the date for filing its audit reports and a continuance of the hearing. Staff indicated that there have been extended delays in the exchange of information necessary to enable Staff to complete its auditing task by the November 21, 2014 deadline. In addition, Staff noted that the Commission directed that its accounting team support the forensic audit of the companies ordered by the Commission in *In re Commission Investigative Audit*, Case No. 14-205-GA-COI Entry (May 21, 2014). As a result of the forensic audit, Staff indicated that its ability to complete its own audits has been impacted. Staff, therefore, requested that the hearing be continued to a date certain on or after March 13, 2015, which would enable Staff to complete its statutory responsibilities. No one filed a memorandum contra Staff's motion for continuance.
- (5) The attorney examiner finds good cause to grant Staff's motion. Accordingly, the hearing in the GCR cases should be continued to March 24, 2015, at 10:00 a.m. in Hearing Room 11-C, on the 11th Floor, at the offices of the Commission, 180 East Broad Street, Columbus, Ohio 43215. As a result of continuing the hearing, the date for Staff to file the audit reports should be continued to January 22, 2015.
- (6) Ohio Adm.Code 4901:1-14-08(C) specifies the requirement for notice of a GCR hearing, which each company should cause to be published between 15 and 30 days prior to the date set for its hearing. The notice may be provided by publication of a display ad in a newspaper (in a section other than the legal notice section), bill message, bill insert, or direct mailing to the customers. The form of the notice should be in substantially the following form as applicable to the individual company.

LEGAL NOTICE

The Public Utilities Commission of Ohio has set for public hearing Case Nos. 14-206-GA-GCR, 14-209-GA-GCR, and 14-212-GA-GCR to review the gas cost recovery rates of Brainard Gas Corporation, Northeast Ohio Natural Gas Corporation, and Orwell Natural Gas Company and the operation of their

purchased gas adjustment clauses, and related matters. This hearing is scheduled to begin at 10:00 a.m. on March 24, 2015, at the offices 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 7-1-1.

- (7) The direct testimony of any witnesses testifying on behalf of each company should be filed at least 16 days prior to the hearing. All direct testimony to be presented by any other party should be filed at least seven days prior to the hearing.

It is, therefore,

ORDERED, That Staff's November 12, 2014 motion for continuance be granted, in accordance with Finding (5). It is, further,

ORDERED, That Staff file its GCR audit reports, UEX audit reports, and PIPP audit report by January 22, 2015. It is, further,

ORDERED, That the date for the public hearing be continued to March 24, 2015, at 10:00 a.m., in Hearing Room 11-C, on the 11th Floor, at the offices of the Commission, 180 East Broad Street, Columbus, Ohio 43215. It is, further,

ORDERED, That Brainard, NEO, and Orwell publish legal notice in accordance with Finding (6). It is, further,

ORDERED, That all direct testimony be filed consistent with Finding (7). It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

s/Scott E. Farkas

By: Scott E. Farkas
Attorney Examiner

JRJ/dah

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in

Case No(s). 14-0206-GA-GCR, 14-0209-GA-GCR, 14-0212-GA-GCR, 14-0309-GA-UEx, 14-0312-GA-UEx

Summary: Attorney Examiner Entry that Staff's November 12, 2014 motion for continuance be granted; that Staff file its GCR audit reports, UEX audit reports, and PIPP audit report by January 22, 2015; that the date for the public hearing be continued to March 24, 2015; that Brainard, NEO, and Orwell publish legal notice in accordance with Finding (6); and that all direct testimony be filed consistent with Finding (7); electronically filed by Debra Hight on behalf of Scott E. Farkas, Attorney Examiner.