

THE PUBLIC UTILITIES COMMISSION OF OHIO

**IN THE MATTER OF THE REGULATION
OF THE PURCHASED GAS ADJUSTMENT
CLAUSES, UNCOLLECTIBLE EXPENSE RIDER,
PERCENTAGE OF INCOME PAYMENT PLAN
RIDER, OR LONG-TERM FORECAST REPORT
OF:**

FORAKER GAS COMPANY,	CASE No. 16-204-GA-GCR
EASTERN NATURAL GAS COMPANY,	CASE No. 16-207-GA-GCR
GLENWOOD ENERGY OF OXFORD, INC.,	CASE No. 16-210-GA-GCR
PIKE NATURAL GAS COMPANY,	CASE No. 16-214-GA-GCR
SOUTHEASTERN NATURAL GAS COMPANY,	CASE No. 16-215-GA-GCR
WATERVILLE GAS AND OIL COMPANY,	CASE No. 16-217-GA-GCR

EASTERN NATURAL GAS COMPANY,	CASE No. 16-307-GA-UEx
GLENWOOD ENERGY OF OXFORD, INC.,	CASE No. 16-310-GA-UEx
PIKE NATURAL GAS COMPANY,	CASE No. 16-314-GA-UEx
WATERVILLE GAS AND OIL COMPANY,	CASE No. 16-317-GA-UEx

EASTERN NATURAL GAS COMPANY,	CASE No. 16-407-GA-PIP
GLENWOOD ENERGY OF OXFORD, INC.,	CASE No. 16-410-GA-PIP
PIKE NATURAL GAS COMPANY,	CASE No. 16-414-GA-PIP
WATERVILLE GAS AND OIL COMPANY,	CASE No. 16-417-GA-PIP

NORTHEAST OHIO NATURAL GAS CORP.,	CASE No. 16-109-GA-FOR
DUKE ENERGY OHIO, INC.,	CASE No. 16-118-GA-FOR

AND RELATED MATTERS.

ENTRY

Entered in the Journal on February 23, 2017

I. SUMMARY

{¶ 1} The Commission closes gas cost recovery, uncollectible expense, and percentage of income payment plan cases in which there were no audits in 2016, and closes long-term forecast report cases in which the companies were not required to file a 2016 report.

II. DISCUSSION

{¶ 2} Foraker Gas Company (Foraker), Eastern Natural Gas Company (Eastern), Glenwood Energy of Oxford, Inc. (Glenwood), Pike Natural Gas Company (Pike), Southeastern Natural Gas Company (Southeastern), Waterville Gas and Oil Company (Waterville), Northeast Ohio Natural Gas Corp. (Northeast), and Duke Energy Ohio, Inc. (Duke) are natural gas companies as defined in R.C. 4905.03 and public utilities under R.C. 4905.02 and, as such, are subject to the jurisdiction of the Commission.

{¶ 3} Initially, the Commission notes that, for purposes of administrative efficiency, the above-captioned cases have been consolidated into one Entry.

{¶ 4} R.C. 4905.302(C) and Ohio Adm.Code 4901:1-14-07 and 4901:1-14-08 require that the Commission periodically conduct audits and hold hearings related to the gas cost recovery (GCR) rates utilized by the regulated natural gas companies. Ohio Adm.Code 4901:1-14-07(A) provides that, unless otherwise ordered by the Commission, the GCR audits shall be conducted annually. For gas companies with less than 15,000 customers, the Commission conducts GCR audits every two years.

{¶ 5} Ohio Adm.Code 4901:1-14-04 requires natural gas companies to file quarterly GCR reports with the Commission and permits companies to revise the expected gas cost component of the GCR report on a monthly basis.

{¶ 6} In January 2016, the Commission opened GCR dockets in Case Nos. 16-204-GA-GCR, 16-207-GA-GCR, 16-210-GA-GCR, 16-214-GA-GCR, 16-215-GA-GCR, and 16-217-GA-GCR for Foraker, Eastern, Glenwood, Pike, Southeastern, and Waterville, respectively. While the Commission did not audit those companies' GCR in 2016, these dockets were initiated in order to receive the involved companies' quarterly and monthly GCR reports, detailing adjustments made for purchasing gas to the costs recovered from customers.

{¶ 7} The Commission finds that the sole purpose of the cases listed in Paragraph 6 was for the filing of the involved companies' 2016 GCR reports. Therefore, at this time, we find that the cases listed in Paragraph 6 should be closed of record and the audits for those companies' 2016 GCR mechanisms should be conducted in subsequent cases during 2017.

{¶ 8} R.C. 4929.11 authorizes the Commission to allow any automatic adjustment mechanism or device in a natural gas company's rate schedules that allows a company's rates or charges for a regulated service or goods to fluctuate automatically with changes in the specified cost or costs.

{¶ 9} Consistent with R.C. 4929.11, the Commission authorized the recovery of uncollectible expenses (UEX) for Eastern, Glenwood, Pike, and Waterville through riders. In approving the UEX riders for Eastern, Glenwood, Pike, and Waterville, the Commission required that the riders be audited in the course of the GCR audits of Eastern, Glenwood, Pike, and Waterville.

{¶ 10} As noted above, the Commission did not initiate audits concerning the GCR rates for Eastern, Glenwood, Pike, and Waterville. Consequently, the UEX riders for Eastern, Glenwood, Pike, and Waterville also were not audited during 2016 and, therefore, Case Nos. 16-307-GA-UEX, 16-310-GA-UEX, 16-314-GA-UEX, and 16-317-GA-UEX do not need to remain open and they should be closed of record. Audits for these companies' UEX riders should be conducted in subsequent cases during 2017, in sequence with their 2017 GCR audits.

{¶ 11} The Commission also authorized the recovery of Percentage of Income Payment Plan (PIPP) arrearages associated with providing natural gas service through a PIPP rider. *In re Recovery Method for Percentage of Income Payment Plan Arrearages*, Case No. 87-244-GE-UNC, Finding and Order (Aug. 4, 1987). These riders are to be audited in the course of the GCR audits.

{¶ 12} The Commission did not initiate an audit concerning the PIPP rider for Eastern, Glenwood, Pike, and Waterville. Therefore, Case Nos. 16-407-GA-PIP, 16-410-GA-PIP, 16-414-GA-PIP, and 16-417-GA-PIP do not need to remain open and should be closed of record. Audits for these companies' PIPP riders should be conducted in subsequent cases during 2017, in sequence with their 2017 GCR audits.

{¶ 13} R.C. 4935.04(C) and Ohio Adm.Code 4901:5-1-02 require the filing of a long-term forecast report (LTFR) by each entity furnishing gas or natural gas directly to more than 15,000 customers within Ohio. Although Case Nos. 16-109-GA-FOR and 16-118-GA-FOR were reserved for filing of LTFRs by Northeast and Duke, neither of these natural gas companies was required to file such a report for 2016. Therefore, the Commission finds that no further action is needed in either docket. Case Nos. 16-109-GA-FOR and 16-118-GA-FOR do not need to remain open and should be closed of record.

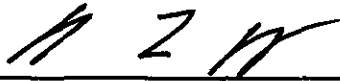
III. ORDER

{¶ 14} It is, therefore,

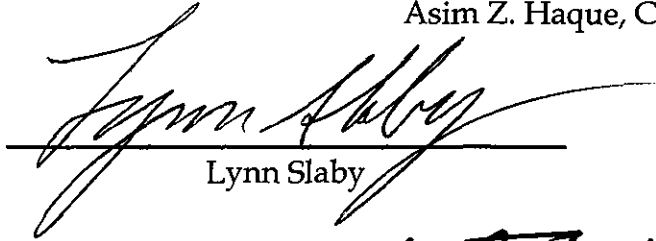
{¶ 15} ORDERED, That Case Nos. 16-204-GA-GCR, 16-207-GA-GCR, 16-210-GA-GCR, 16-214-GA-GCR, 16-215-GA-GCR, 16-217-GA-GCR, 16-307-GA-UEX, 16-310-GA-UEX, 16-314-GA-UEX, 16-317-GA-UEX, 16-407-GA-PIP, 16-410-GA-PIP, 16-414-GA-PIP, 16-417-GA-PIP, 16-109-GA-FOR, and 16-118-GA-FOR be closed as a matter of record. It is, further,

{¶ 16} ORDERED, That a copy of this Entry be served upon all parties of record in these cases.

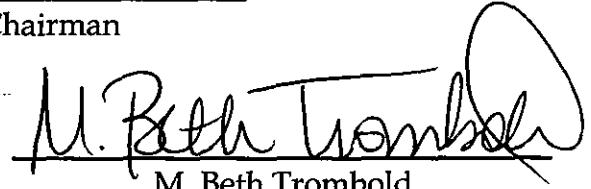
THE PUBLIC UTILITIES COMMISSION OF OHIO



Asim Z. Haque, Chairman



Lynn Slaby



M. Beth Trombold

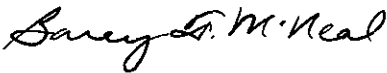


Thomas W. Johnson

JML/sc

Entered in the Journal

FEB 23 2017



Barcy F. McNeal
Secretary