

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Uncollectable Expense	)	
Rider of Northeast Ohio Natural Gas	)	Case No. 17-0309-GA-UEX
Corporation.	)	

---

**NORTHEAST OHIO NATURAL GAS CORPORATION'S ANNUAL  
UNCOLLECTABLE EXPENSE RIDER REPORT AND APPLICATION FOR  
APPROVAL OF AN ADJUSTMENT TO UNCOLLECTABLE EXPENSE RIDER RATE**

---

Northeast Ohio Natural Gas Corporation ("NEO" or "Northeast") hereby submits its annual uncollectable expense rider report ("UEX Report"), plus the information required by the order of the Public Utilities Commission of Ohio ("PUCO" or "Commission").<sup>1</sup> In case No. 15-309-GA-UEX, the Commission approved NEO's current UEX Rider rate of \$0.0232 per Mcf. NEO requests that the Commission approve NEO's revision of its UEX rider to reflect a charge in the amount of \$0.0239 per Mcf. Support for this request is as follows:

1. Attached hereto and marked as Attachment 1 is NEO's Annual UEX Report for calendar year 2016. Page 1 of 3 of Attachment 1 shows actual uncollectible balances for January through December 2016. NEO reports an Uncollectible Account balance of \$26,807.16 on January 1, 2016. The ending balance is \$41,265.36 as of December 31, 2016.

2. Attachment 1, page 2 of 3, shows actual balances for January 1, 2017 through April, 2017 and additionally shows estimated balances by month through December 31, 2017, estimated bad debt expense by month, and the estimated monthly sales volume, as applicable. On December 31, 2017, the estimated Uncollectible account balance is expected to be \$37,457.50 if the UEX Rider rate is unchanged.

---

<sup>1</sup> *In the Matter of Five-Year Review of Natural Gas Company Uncollectible Riders*, Case No. 08-1229-GA-COI, Finding and Order at 5-6 (August 19, 2009).

3. Attachment 1, page 3 of 3, shows estimated balances for January 1, 2018 through June 30, 2018 assuming no modification in the UEX Rider. The estimated balance, assuming no change to the UEX Rider, is \$58,141.40 as of June 30, 2018.

4. Northeast believes it is appropriate and reasonable to consider the prospective application of the UEX Rider because it better matches expenses with recoveries. The Commission has found this procedure to be reasonable in applications for an adjustment in the UEX Rider rates of Columbia Gas of Ohio, Inc. in Case No. 10-578-GA-UEX, and Duke Energy Ohio, Inc. in Case No. 10-726-GA-UEX.

5. Attachment 2 to the Application details the calculation showing the potential change in Northeast's UEX Rider rate based on its Actual Bad Debt Deferral as of April 30, 2017, estimated bad debt write-offs, and UEX Rider recoveries and sales volumes through April 30, 2017. The revised UEX Rider rate proposed to be effective upon Commission approval is calculated to be \$0.0239 per Mcf, which is an increase of \$0.0007 per Mcf from the currently effective rate of \$.0232 per Mcf. Northeast's tariff provides, pursuant to the Commission's guidelines adopted in Case No. 03-1127-GA-UNC, that an annual adjustment in an UEX Rider rate is appropriate when the over or under collection balance would exceed plus/minus ten percent absent adjustment, which is the case in this instance.

6. Such a change is based on actual experience for the twelve (12) months ended April 30, 2017 as adjusted for estimated uncollectible accruals and projected sales volumes through June 2018.

7. For this reason, NEO submits that the proposed increase from its currently effective UEX Rider rate of \$0.0232 per Mcf to a charge in the amount of \$0.0239 per Mcf is appropriate.

8. Attachment 3 to the Application includes redlined and clean proposed revisions to Northeast's tariff reflecting the increased UEX Rider Rate proposed herein.

Respectfully submitted on behalf of  
NORTHEAST OHIO NATURAL  
GAS CORPORATION



---

Devin D. Parram  
BRICKER & ECKLER, LLP  
100 South Third Street  
Columbus, OH 43215-4291  
Telephone: (614) 227-8813  
Facsimile: (614) 227-2390  
E-mail: [dparram@bricker.com](mailto:dparram@bricker.com)

**Northeast Ohio Natural Gas Corp.  
Bad Debt Rider  
Annual Balance Reconciliation  
2016**

[illegible]

(2) Bad Debts Written Off

(5) Recovery - Other

**Northeast Ohio Natural Gas Corp.  
Bad Debt Rider  
Annual Balance Reconciliation  
2017**

[illegible]

**Northeast Ohio Natural Gas Corp.  
Bad Debt Rider  
Annual Balance Reconciliation  
2018**

MEMO ONLY													
Net Monthly Carrying Charge Rate													
Projected Sales Volumes	414,297.00	339,639.00	331,490.00	187,506.00	89,256.00	71,557.00	80,203.00	80,781.00	87,796.00	150,705.00	277,448.00	419,448.00	2,530,126.00

(2) Bad Debts Written Off  
(5) Recovery - Other

## ATTACHMENT 2

**Northeast Ohio Natural Gas Corporation  
Revised Rider Rate Calculation  
04/30/17**

Bad Debt Deferral as of 4/30/17	\$ 9,249.43
Projected Volumes 5/17-4/18	2,530,126
Recovery Rate	\$0.0037
Estimated Uncollectible accounts	\$46,000
Sales Volumes 1/16-12/16	2,273,977 Mcf
Projected Recovery Rate	\$0.0202
Total Bad Debt Rate	\$0.0239
Current Rider Rate 15-309-GA-UEX	\$0.0232
Change	\$0.0007

P.U.C.O. No. 1

NORTHEAST OHIO NATURAL GAS CORP.

Fifteenth Revised Sheet No.

587

RULES REGULATIONS AND RATES GOVERNING THE DISTRIBUTION AND  
TRANSPORTATION OF GAS

---

**71. MCF TAX RIDER.** Applicable to all distribution and transportation services to provide for recovery of Northeast Ohio Natural Gas Corp.'s excise tax liability. In addition to all other rates, each Mcf delivered is subject to the following excise tax:

First 100 Mcf per month	\$ .1593 per Mcf
Next 1,900 Mcf per month	\$ .0877 per Mcf
Over 2,000 Mcf per month	\$0.411 Per Mcf
Flex Customers	\$0200 per Mcf

All bills rendered to a Flex Customer as defined by O.R.C. 5727.80(N) shall be assessed using the Flex Customer rate above (\$.02 per Mcf) with a corresponding reduction to flexed base rate billed to that customer.

**72. Uncollectible Expense Rider.** Applicable to all customers served under rate schedules SGS, GS, and LGS. An additional charge of \$0.02392 per Mcf shall be applied to all volumes for services rendered under applicable rate schedules 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.

**73. Interim, Emergency and Temporary PIP Plan Tariff Schedule Rider.** Applicable to all distribution and transportation services and in addition to all other rates and charges, the Interim Emergency and Temporary PIP Plan Rate base rate rider for gas service established in accordance with an Entry in Case No. 13-2351-GA-PIP is \$0.0511 per Mcf delivered.

---

Filed pursuant to PUCO Application dated October July 15, 20175 in Case No. 157-0309-GA-UEX

ISSUED: August January 7, 20176 —EFFECTIVE: For bills Rendered on or after  
January 7 August, 20176

Issued by  
Northeast Ohio Natural Gas Corp.  
Martin K. Whelan, President



P.U.C.O. No. 1

NORTHEAST OHIO NATURAL GAS CORP.

Fifth Revised Sheet No. 58

RULES REGULATIONS AND RATES GOVERNING THE DISTRIBUTION AND  
TRANSPORTATION OF GAS

---

**71. MCF TAX RIDER.** Applicable to all distribution and transportation services to provide for recovery of Northeast Ohio Natural Gas Corp.'s excise tax liability. In addition to all other rates, each Mcf delivered is subject to the following excise tax:

First 100 Mcf per month	\$ .1593 per Mcf
Next 1,900 Mcf per month	\$ .0877 per Mcf
Over 2,000 Mcf per month	\$0.411 Per Mcf

Flex Customers	\$0200 per Mcf
----------------	----------------

All bills rendered to a Flex Customer as defined by O.R.C. 5727.80(N) shall be assessed using the Flex Customer rate above (\$.02 per Mcf) with a corresponding reduction to flexed base rate billed to that customer.

**72. Uncollectible Expense Rider.** Applicable to all customers served under rate schedules SGS, GS, and LGS. An additional charge of \$0.0239 per Mcf shall be applied to all volumes for services rendered under applicable rate schedules 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.

**73. Interim, Emergency and Temporary PIP Plan Tariff Schedule Rider.** Applicable to all distribution and transportation services and in addition to all other rates and charges, the Interim Emergency and Temporary PIP Plan Rate base rate rider for gas service established in accordance with an Entry in Case No. 13-2351-GA-PIP is \$0.0511 per Mcf delivered.

---

Filed pursuant to PUCO Application dated July \_\_, 2017 in Case No. 17-0309-GA-UEX

ISSUED: August \_\_\_\_, 2017

EFFECTIVE: For bills Rendered on or after  
August \_\_, 2017

Issued by  
Northeast Ohio Natural Gas Corp.  
Martin K. Whelan, President

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**7/28/2017 1:53:13 PM**

**in**

**Case No(s). 17-0309-GA-UEx**

Summary: Text Northeast Ohio Natural Gas Corporation's Annual Uncollectable Rider Report and Application for Approval of an Adjustment to Uncollectable Expense Rider Rate electronically filed by Teresa Orahoad on behalf of Devin D. Parram