



**Public Utilities
Commission**

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Commissioners

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August 11, 2017

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

PUCO

2017 AUG 11 AM 8:47

RE: *In the Matter of the Application of Waterville Gas & Oil Company for Approval of an Adjustment to its Uncollectible Expense Rider, Case No. 17-317-GA-UEX.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application filed by Waterville Gas & Oil Company to update its Uncollectible Expense Rider, in Case No. 17-317-GA-UEX.

Tamara S. Turkenton
Chief, Regulatory Services Division
Public Utilities Commission of Ohio

David Liphtratt
Chief, Research and Policy Division
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

It is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
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Waterville Gas & Oil Company
Case No. 17-317-GA-UEx

SUMMARY:

In Case No. 03-1127-GA-UNC, the Commission authorized the concept of an uncollectible accounts expense recovery mechanism for five natural gas companies. The mechanism approved allows for recovery of actual bad/uncollectible debt through a rider, rather than through base rates. Subsequently, Waterville Gas & Oil Company (Waterville or Company) was authorized in Case 07-194-GA-AIR to establish a rider recovery mechanism consistent with that which was approved in Case No. 03-1127-GA-UNC. On November 20, 2007, the Commission issued its Opinion and Order in that case and authorized an initial uncollectible rider rate of \$0.03 per Mcf.

Since that time Waterville has filed annual updates to adjust its rider rate and the Commission authorized such subsequent revisions. The recent history of Waterville's rider rate is as follows:

June 2014 - July 2015	\$0.0036 per Mcf
July 2015 - October 2016	\$(0.0007) per Mcf
October 2016 - Current	\$(0.0005) per Mcf

On May 30, 2017, Waterville filed the pending application to revise its current uncollectible expense rider rate from \$(0.0005) per Mcf to \$0.0002 per Mcf, an increase of \$0.0007 per Mcf.

STAFF REVIEW:

Staff reviewed Waterville's annual balance reconciliation (Attachment 1) for the period January 1, 2016 through April 30, 2017, the Company's calculation of its revised rider rate (Attachment 2) and the proposed tariffs (Attachment 3).

STAFF RECOMMENDATION:

Staff believes Waterville's application appropriately calculates the rider and recommends the proposed rate of \$0.0002 per Mcf be approved.