

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion Energy) Case No. 17-2179-GA-RDR
Ohio for Approval of an Adjustment to its)
Demand Side Management Rider Rate.)

APPLICATION

The East Ohio Gas Company d/b/a Dominion Energy Ohio (DEO) respectfully requests approval of an adjustment to its Demand Side Management Rider (DSM Rider) rate. In support of this Application, DEO states as follows:

1. DEO is an Ohio corporation engaged in the business of providing natural gas service to approximately 1.2 million customers in northwest, western, and southeast Ohio. As such, DEO is a “natural gas company” and “public utility” as defined by R.C. 4905.03(E) and 4905.02.
2. In Case No. 07-829-GA-AIR, the Commission approved a Stipulation authorizing DEO to recover “annual DSM expenditures of \$4,000,000 . . . through a DSM rider applicable to customers served under the General Sales Service (GSS) and Energy Choice Transportation Service (ECTS) rate schedules.”
3. From the 2008 approval of the DSM Rider through 2016, DEO annually updated the DSM Rider rate to reflect annual expenditures within the \$4,000,000 limit and to account for any prior-year over- or under-recoveries.
4. In August 2017, in Case No. 17-1372-GA-RDR, the Commission modified the procedures applicable to the DSM Rider and found “that an annual application process should be utilized to facilitate the review of the rider and audit each year.” Order at 5 (Aug. 2, 2017). The Commission “direct[ed] DEO to open a new docket each year and file an application to adjust its

DSM rider rate. The DSM rider adjustment application, including related supporting schedules, calculations, and proposed tariffs, shall be filed at least annually, by no later than December 1, for the Commission's review and approval." *Id.* at 6.

5. In accordance with the Commission's Order, DEO files this application seeking approval of an updated DSM Rider rate of **\$0.0340** per Mcf for all customers in its service territory subject to the DSM Rider. The rate has been calculated to recover \$4 million, as authorized under the 07-829 Stipulation, plus or minus any prior year under- or over-recoveries. Schedules supporting the calculation of the rate, including prior year recoveries and historical and projected volumes, are included as Attachment 1 to this Application.

6. The proposed DSM Rider rate reflects **an increase of \$0.0008** from the currently effective rate of \$0.0332 per Mcf. The increase in the proposed rate results from an under-recovery of costs due to a lower level of applicable recovery volumes than had been planned for the period October 2016 through September 2017.

7. Consistent with the currently effective rider rate, DEO has calculated the per Mcf rate in this application using planned volumes based on normal weather for the prospective twelve-month period ending September 30, 2018.

8. The expenditures proposed for recovery through the DSM Rider are within the \$4 million annual limit established by the 07-829 Stipulation and reflect the costs associated with programs reviewed by and implemented under the guidance of the DSM Collaborative. As such, these costs are just and reasonable and qualify for recovery through the DSM Rider.

9. The resulting rate of \$0.0340 per Mcf for all DEO customers subject to the DSM Rider is just and reasonable and should be approved. Copies of the proposed and scored current tariff sheets are included as Attachment 2 to this Application.

WHEREFORE, DEO respectfully requests that the Commission approve the adjustment of DEO's DSM Rider as proposed in this Application and grant any other necessary and proper relief.

Dated: November 15, 2017

Respectfully submitted,

/s/ Andrew J. Campbell

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ATTORNEYS FOR THE EAST OHIO GAS
COMPANY D/B/A DOMINION ENERGY OHIO

**Dominion Energy Ohio
Demand Side Management Rider Calculation
November 2017**

DSM Expense:

Prior Year Costs:			
Annual Amount to be Recovered by DSM Rider	\$	4,000,000.00	
Prior Year's Under-recovered DSM Amount (October 2015 - Sep 2016)		<u>479,419.00</u>	
Total to be Recovered		4,479,419.00	
Recoveries - October 1, 2016 through September 30, 2017		<u>(3,906,064.47)</u>	
Unrecovered DSM Costs		573,354.53	
Amount to be Recovered - Oct-2017 through Sept-2018		<u>4,000,000.00</u>	
Total to be Recovered in the Coming Year	\$	4,573,354.53	(a)
Applicable Rate Schedule Planned Volumes:			
General Sales Service (GSS)		13,623,640	
Energy Choice Transportation Service (ECTS)		<u>120,928,497</u>	
Total		134,552,137	(b)
Resulting DSM Rider Calculation	\$	<u><u>0.0340</u></u>	(a) / (b)
Current DSM Rider	\$	0.0332	
Rider Change Increase (Decrease)	\$	0.0008	

Reconciliation to Books:		
Balance of GL# 1171195 as of October 31, 2017	\$	457,531.46
Add back: October estimated recoveries		<u>115,823.07</u>
Total unrecovered DSM as of September 30, 2017	\$	573,354.53

**Dominion Energy Ohio
2017 Demand Side Management (DSM) Rider
Volumes & Dollars**

		Oct-16 FINAL	Nov-16 FINAL	Dec-16 FINAL	Q4-2016	Jan-17 FINAL	Feb-17 FINAL	Mar-17 FINAL	Apr-17 FINAL	May-17 FINAL	Jun-17 FINAL	Jul-17 FINAL	Aug-17 FINAL	Sep-17 FINAL	2017 Total	Q4-2016 - Sep-17 Total	
Volumes (Mcf)	Sales CCS	371,377.5	1,023,482.0	2,158,493.1	3,553,352.6	2,494,164.0	1,833,214.5	1,633,201.5	872,681.5	529,276.8	249,062.8	172,210.3	162,323.9	224,526.8	8,170,662.1	11,724,014.7	
		2,437.9	1,664.4	3,569.4	7,671.7	2,354.3	2,271.8	31,305.9	26,690.3	377.7	0.0	468.3	414.1	169.0	64,051.4	71,723.1	
	SBS	373,815.4	1,025,146.4	2,162,062.5	3,561,024.3	2,496,518.3	1,835,486.3	1,664,507.4	899,371.8	529,654.5	249,062.8	172,678.6	162,738.0	224,695.8	8,234,713.5	11,795,737.8	
	Energy Choice CCS	3,097,364.7	8,052,616.1	18,436,425.2	29,586,406.0	22,054,801.6	17,749,568.3	15,729,593.3	9,298,827.6	5,356,729.6	2,678,643.2	2,145,067.6	1,998,972.9	2,417,364.4	79,429,568.5	109,015,974.5	
		31,140.5	80,995.8	155,343.0	267,479.3	195,081.9	160,075.8	147,184.6	98,354.9	64,822.0	35,044.4	29,533.2	27,472.1	30,027.2	787,596.1	1,055,075.4	
	SBS	3,128,505.2	8,133,611.9	18,591,768.2	29,853,885.3	22,249,883.5	17,909,644.1	15,876,777.9	9,397,182.5	5,421,551.6	2,713,687.6	2,174,600.8	2,026,445.0	2,447,391.6	80,217,164.6	110,071,049.9	
	Total DSM Volumes	3,502,320.6	9,158,758.3	20,753,830.7	33,414,909.6	24,746,401.8	19,745,130.4	17,541,285.3	10,296,554.3	5,951,206.1	2,962,750.4	2,347,279.4	2,189,183.0	2,672,087.4	88,451,878.1	121,866,787.7	
	Dollars	Sales CCS	\$ 9,805.12	\$ 27,023.23	\$ 69,222.62	\$ 106,050.97	\$ 82,733.61	\$ 60,859.58	\$ 54,211.75	\$ 29,004.94	\$ 17,617.85	\$ 8,286.68	\$ 5,727.78	\$ 5,399.71	\$ 7,474.40	\$ 271,316.30	\$ 377,367.27
			\$ 7.82	\$ 43.93	\$ 80.09	\$ 131.84	\$ 33.60	\$ 64.43	\$ 87.01	\$ 32.36	\$ 0.12	\$ -	\$ 4.91	\$ 1.67	\$ 5.62	\$ 229.72	\$ 361.56
		SBS	\$ 9,812.94	\$ 27,067.16	\$ 69,302.71	\$ 106,182.81	\$ 82,767.21	\$ 60,924.01	\$ 54,298.76	\$ 29,037.30	\$ 17,617.97	\$ 8,286.68	\$ 5,732.69	\$ 5,401.38	\$ 7,480.02	\$ 271,546.02	\$ 377,728.83
Energy Choice CCS		\$ 81,719.89	\$ 212,606.74	\$ 590,242.92	\$ 884,569.55	\$ 732,128.40	\$ 589,425.46	\$ 522,560.09	\$ 309,361.73	\$ 178,370.79	\$ 89,145.89	\$ 71,367.51	\$ 66,503.99	\$ 80,442.27	\$ 2,639,306.13	\$ 3,523,875.68	
		\$ 59.18	\$ 182.57	\$ 695.73	\$ 937.48	\$ 1,053.15	\$ 897.62	\$ 702.92	\$ 402.97	\$ 208.00	\$ 90.86	\$ 59.26	\$ 50.29	\$ 57.41	\$ 3,522.48	\$ 4,459.96	
SBS		\$ 81,779.07	\$ 212,789.31	\$ 590,938.65	\$ 885,507.03	\$ 733,181.55	\$ 590,323.08	\$ 523,263.01	\$ 309,764.70	\$ 178,578.79	\$ 89,236.75	\$ 71,426.77	\$ 66,554.28	\$ 80,499.68	\$ 2,642,828.61	\$ 3,528,335.64	
Total DSM Recoveries		\$ 91,592.01	\$ 239,856.47	\$ 660,241.36	\$ 991,689.84	\$ 815,948.76	\$ 651,247.09	\$ 577,561.77	\$ 338,802.00	\$ 196,196.76	\$ 97,523.43	\$ 77,159.46	\$ 71,955.66	\$ 87,979.70	\$ 2,914,374.63	\$ 3,906,064.47	

**Dominion Energy Ohio
Demand Side Management Rider Calculation
Normalized Plan Volumes Through September 2018**

	<u>SBS</u>		<u>CCS</u>		<u>Total</u>		<u>Grand Total</u>
	<u>GSS</u>	<u>ECTS</u>	<u>GSS</u>	<u>ECTS</u>	<u>GSS</u>	<u>ECTS</u>	
October 2017	190	7,426	943,460	6,552,092	943,650	6,559,518	7,503,168
November	-	13,291	1,525,020	11,519,794	1,525,020	11,533,085	13,058,105
December	358	20,418	2,469,377	18,585,394	2,469,735	18,605,812	21,075,547
January 2018	206	25,051	2,465,324	22,498,832	2,465,530	22,523,883	24,989,413
February	362	21,161	2,126,677	20,442,880	2,127,039	20,464,041	22,591,080
March	-	17,963	1,843,063	17,400,272	1,843,063	17,418,235	19,261,298
April	-	9,439	857,775	9,467,473	857,775	9,476,912	10,334,687
May	69	3,302	396,315	4,094,957	396,384	4,098,259	4,494,643
June	29	1,309	296,775	2,907,403	296,804	2,908,712	3,205,516
July	11	1,088	210,589	2,256,689	210,600	2,257,777	2,468,377
August	11	1,088	196,399	2,131,995	196,410	2,133,083	2,329,493
September	65	1,863	291,565	2,947,317	291,630	2,949,180	3,240,810
Plan 12-Months	1,301	123,399	13,622,339	120,805,098	13,623,640	120,928,497	134,552,137

Dominion Energy Ohio
Demand Side Management Rider Calculation
Actual Historical Volumes October 2016 - September 2017

	<u>SBS</u>		<u>CCS</u>		<u>Total</u>		<u>Grand</u>
	<u>GSS</u>	<u>ECTS</u>	<u>GSS</u>	<u>ECTS</u>	<u>GSS</u>	<u>ECTS</u>	<u>Total</u>
October 2016	2,438	31,141	371,378	3,097,365	373,815	3,128,505	3,502,321
November	1,664	80,996	1,023,482	8,052,616	1,025,146	8,133,612	9,158,758
December	3,569	155,343	2,158,493	18,436,425	2,162,063	18,591,768	20,753,831
January 2017	2,354	195,082	2,494,164	22,054,802	2,496,518	22,249,884	24,746,402
February	2,272	160,076	1,833,215	17,749,568	1,835,486	17,909,644	19,745,130
March	31,306	147,185	1,633,202	15,729,593	1,664,507	15,876,778	17,541,285
April	26,690	98,355	872,682	9,298,828	899,372	9,397,183	10,296,554
May	378	64,822	529,277	5,356,730	529,655	5,421,552	5,951,206
June	-	35,044	249,063	2,678,643	249,063	2,713,688	2,962,750
July	468	29,533	172,210	2,145,068	172,679	2,174,601	2,347,279
August	414	27,472	162,324	1,998,973	162,738	2,026,445	2,189,183
September	169	30,027	224,527	2,417,364	224,696	2,447,392	2,672,087
Historical 12-Months	71,723	1,055,075	11,724,015	109,015,975	11,795,738	110,071,050	121,866,788

Normalized Plan Volumes October 2016 - September 2017

	<u>SBS</u>		<u>CCS</u>		<u>Total</u>		<u>Grand</u>
	<u>GSS</u>	<u>ECTS</u>	<u>GSS</u>	<u>ECTS</u>	<u>GSS</u>	<u>ECTS</u>	<u>Total</u>
October 2016	190	7,407	955,215	6,530,436	955,405	6,537,843	7,493,248
November	-	13,267	1,539,523	11,539,691	1,539,523	11,552,958	13,092,481
December	358	20,385	2,489,713	18,609,047	2,490,071	18,629,432	21,119,503
January 2017	658	23,565	2,844,096	22,179,186	2,844,754	22,202,751	25,047,505
February	185	19,493	2,537,010	20,201,195	2,537,195	20,220,688	22,757,883
March	644	17,586	2,118,346	17,355,865	2,118,990	17,373,451	19,492,441
April	460	9,723	1,082,411	9,198,684	1,082,871	9,208,407	10,291,278
May	96	3,608	476,034	4,016,217	476,130	4,019,825	4,495,955
June	12	1,372	362,281	2,838,696	362,293	2,840,068	3,202,361
July	-	1,109	266,735	2,197,585	266,735	2,198,694	2,465,429
August	-	1,099	251,934	2,072,870	251,934	2,073,969	2,325,903
September	107	1,860	384,133	2,875,333	384,240	2,877,193	3,261,433
Plan 12-Months	2,710	120,474	15,307,431	119,614,805	15,310,141	119,735,279	135,045,420

Demand Side Management Rider

An additional charge of \$0.0340 per Mcf to recover the cost of demand side management programs shall be applied to all volumes delivered under the following rate schedules:

- a) General Sales Service – Residential
- b) General Sales Service – Nonresidential
- c) Energy Choice Transportation Service – Residential
- d) Energy Choice Transportation Service – Nonresidential

Issued:

Effective: With bills rendered on or after

Filed under authority of The Public Utilities Commission of Ohio in Case No. 09-654-GA-UNC

Jeffrey A. Murphy, Vice President and General Manager

THE EAST OHIO GAS COMPANY

~~Eighth-Ninth~~ Revised Sheet No. DSM 1
Superseding ~~Seventh-Eighth~~ Revised Sheet No. DSM 1

Demand Side Management Rider

An additional charge of \$~~0.0332~~0.0340 per Mcf to recover the cost of demand side management programs shall be applied to all volumes delivered under the following rate schedules:

- a) General Sales Service – Residential
- b) General Sales Service – Nonresidential
- c) Energy Choice Transportation Service – Residential
- d) Energy Choice Transportation Service – Nonresidential

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Jeffrey A. Murphy, Vice President and General Manager

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Summary: Text In the Matter of the Application to Adjust Demand Side Management Rider Rate electronically filed by Ms. Rebekah J. Glover on behalf of The East Ohio Gas Company d/b/a Dominion Energy Ohio