BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Application of Suburban Natural Gas Company for an Increase in Gas Distribution Rates | _ | Case No. 18-1205-GA-AIR |
|---|---|-------------------------|
| In the Matter of the Application of Suburban Natural Gas Company for Tariff Approval |) | Case No. 18-1206-GA-ATA |
| In the Matter of the Application of Suburban Natural Gas Company for Approval of Certain Accounting Authority | _ | Case No. 18-1207-GA-AAM |

MOTION OF SUBURBAN NATURAL GAS COMPANY TO ESTABLISH A TEST PERIOD AND DATE CERTAIN AND FOR A WAIVER OF A STANDARD FILING REQUIREMENT

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July 31, 2018

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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MOTION OF SUBURBAN NATURAL GAS COMPANY TO ESTABLISH A TEST PERIOD AND DATE CERTAIN AND FOR A WAIVER OF A STANDARD FILING REQUIREMENT

Pursuant to Rules 4901-1-12 and 4901-7-01, Appendix A, of the Ohio Administrative Code (O.A.C.), Suburban Natural Gas Company (Suburban) respectfully requests that the Public Utilities Commission of Ohio (Commission) issue an entry approving a test period of March 1, 2018 to February 28, 2019 and a date certain of February 28, 2019. Suburban also hereby requests a waiver of the standard filing requirement under which a natural gas company that elects to use a date certain that is beyond the application filing date must provide, within thirty (30) days after the date certain, actual valuation data and operating income statements that include no less than three months of actual data. Good cause exists to grant the requested waiver as set forth in the accompanying Memorandum in Support of the Motion.

Respectfully submitted,

/s/ Kimberly W. Bojko
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MEMORANDUM IN SUPPORT

I. <u>INTRODUCTION</u>

Pursuant to R.C. 4909.18, Suburban intends to file an application to increase its rates for gas distribution service on or about August 31, 2018. Suburban proposes a date certain of February 28, 2019 and a test period of March 1, 2018 to February 28, 2019. In addition, Suburban seeks a waiver of one standard filing requirement.

II. DATE CERTAIN AND TEST PERIOD

When establishing rates, R.C. 4928.15 requires the Commission to determine the value of property of the public utility that is used and useful in the provision of public utility service and the cost to the utility in rendering service during the test period. The test period established may be any twelve-month period beginning not more than six months prior to the date the application is filed and ending not more than nine months subsequent to that date. The date certain shall not be later than the end of the test period.

As explained previously, Suburban proposes a test period of March 1, 2018 to February 28, 2019, and intends to file its application on August 31, 2018. A test period ending February 28, 2019 complies with the requirement that the test period begin no more than six

months prior to the filing of the application and end no later than nine months subsequent to the date the application is filed. Suburban also proposes to use a date certain of February 28, 2019. The date certain occurs prior to the end of the test period. The test period and date certain proposed by Suburban comply with the requirements of R.C. 4909.15 and should be accepted.

III. WAIVER OF A STANDARD FILING REQUIREMENT

The standard filing requirements allow the Commission to waive any of its provisions for good cause shown. To determine good cause, Rule 4901-7-1, O.A.C., requires the Commission to consider (1) whether the information which the utility would provide if the waiver is granted is sufficient so that the Commission Staff can effectively and efficiently review the rate application; (2) whether the information that is the subject of the waiver request is normally maintained by the utility or reasonably available to it; and (3) the expense to the utility of providing the information. Rule 4901-7-1, Appendix A, Chapter II(A)(4)(d), O.A.C. Based on these factors, good cause exists for the Commission to waive its requirement that a natural gas company that elects to use a date certain that is beyond the application filing date provide actual valuation data and operating income statements within thirty (30) days after the date certain.

This requirement would require Suburban, a small utility, to file within thirty (30) days of the end of the test period and date certain of February 28, 2019 its actual valuation data and operating income statements. Given the abbreviated time period of thirty (30) days and the end-of-the-year accounting that must also occur during the first quarter, Suburban requests a waiver of this requirement and asks that the Commission allow it to file the actual valuation data and operating income statements within ninety (90) days of the date certain, or no later than Wednesday, May 29, 2019.

Providing Suburban with an additional sixty (60) days to provide the actual valuation data and operating income statements will not prejudice any party, and will still allow Commission Staff to review its application efficiently and effectively. Additionally, Suburban is not seeking to waive the provision of the required data altogether; rather, it intends to provide all the information by the specified date if not sooner. Suburban is a small company with limited staffing resources, and it would be extremely difficult for Suburban to provide the required information within thirty (30) days of the date certain, which will occur contemporaneously with Suburban preparing its end-of-year financials. Requiring Suburban to compile actual valuation data and the operating income statements while also preparing its end-of-year financials likely will cause Suburban to incur additional and otherwise unnecessary expense. Importantly, the end-of-year financials will need to be completed prior to compiling the actual valuation data that is required. Allowing Suburban adequate time to prepare its financials first is just and reasonable and is beneficial as doing so ensures that the Commission has the most accurate valuation data possible.

For the above reasons, Suburban's request for a brief delay is reasonable and should therefore be granted.

IV. <u>CONCLUSION</u>

For the reasons discussed, Suburban Natural Gas Company requests that the Commission issue an order adopting Suburban's proposed test period and date certain. Suburban also requests that the Commission grant its limited waiver request as set forth herein.

Respectfully submitted,

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Case No(s). 18-1205-GA-AIR, 18-1206-GA-ATA, 18-1207-GA-AAM

Summary: Motion Of Suburban Natural Gas Company To Establish A Test Period And Date Certain And For A Waiver Of A Standard Filing Requirement electronically filed by Mrs. Kimberly W. Bojko on behalf of Suburban Natural Gas Company