

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE PROCUREMENT
OF NATURAL GAS SUPPLY FOR THE
STANDARD SERVICE OFFER AND
STANDARD CHOICE OFFER CUSTOMERS
OF THE EAST OHIO GAS COMPANY D/B/A
DOMINION ENERGY OHIO.

CASE NO. 19-119-GA-UNC

FINDING AND ORDER

Entered in the Journal on February 6, 2019

I. SUMMARY

{¶ 1} The Commission authorizes The East Ohio Gas Company d/b/a Dominion Energy Ohio to file tariffs that incorporate the rate resulting from the auction to secure natural gas supply for standard service offer and standard choice offer customers.

II. DISCUSSION

{¶ 2} The East Ohio Gas Company d/b/a Dominion Energy Ohio (Dominion) is a natural gas company as defined in R.C. 4905.03 and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4929.04 authorizes the Commission, upon the application of a natural gas company, to exempt any commodity sales service or ancillary service from all provisions of R.C. Chapters 4905, 4909, and 4935, with certain exceptions; from specified sections of R.C. Chapter 4933; and from any rule or order issued under those chapters or sections, including the obligation under R.C. 4905.22 to provide the commodity sales service or ancillary service, and subject to certain requirements.

{¶ 4} On December 28, 2007, in Case No. 07-1224-GA-EXM (*Dominion Exemption Case*), Dominion filed an application, pursuant to R.C. 4929.04, for approval of a general exemption of certain natural gas commodity sales from specified provisions contained in R.C. Chapters 4905, 4909, 4933, and 4935.

{¶ 5} On June 18, 2008, in the *Dominion Exemption Case*, the Commission approved the terms of a stipulation and recommendation (stipulation) filed by various parties on April 10, 2008, in response to Dominion's application. On February 14, 2012, in Case No. 11-6076-GA-EXM, and on January 9, 2013, in Case No. 12-1842-GA-EXM, the Commission approved amendments to the stipulation, which, as amended, provides that Dominion will hold auctions to secure natural gas supplies for standard service offer (SSO) and standard choice offer (SCO) customers.

{¶ 6} On February 5, 2019, in the above-captioned case, Staff filed a post-auction report (Staff Report), detailing the results of Dominion's auction held on February 5, 2019, to establish the SSO/SCO rates for the period of April 1, 2019, through March 31, 2020. The Staff Report contains a round-by-round description of the auction. Based on its observations, Staff concludes that the auction was fair and devoid of any indications of collusion or other anomalies and was an accurate reflection of the natural gas market at the time of the auction, resulting in a retail price adjustment (RPA) of \$0.22 per thousand cubic feet (Mcf).¹ The Staff Report recommends that the Commission approve the auction results and authorize Dominion to revise its current SSO/SCO rates to incorporate the RPA of \$0.22 per Mcf, beginning April 1, 2019.

{¶ 7} The Commission has reviewed the Staff Report and the auction results and agrees with Staff's conclusion that the auction results are reasonable and should be approved. Dominion is authorized to implement its SSO/SCO rates based on the RPA of \$0.22 per Mcf and to enter into the necessary arrangements with the winning bidders. Dominion is further authorized to file the final tariffs necessary to implement the terms of this Finding and Order.

{¶ 8} Unless otherwise ordered by the Commission, the SSO/SCO rates are approved for the period of April 1, 2019, through March 31, 2020. During that time, the

¹ The SSO/SCO rate is determined by adding the RPA determined through the auction to the monthly New York Mercantile Exchange settlement price for natural gas futures.

Commission reserves all authority to exercise its oversight and specifically reserves the right to terminate the SSO/SCO mechanisms and to implement an alternative pricing methodology at any time, if circumstances warrant.

{¶ 9} On February 5, 2019, Staff filed a motion for protective order, pursuant to Ohio Adm.Code 4901-1-24, requesting that the names of the participating or winning bidders be kept confidential for a period of 15 days from the date of the Finding and Order. In support of its motion, Staff states that this confidentiality should be maintained in order to protect the bidders' positions in negotiations with pipelines for the incremental capacity necessary to meet their obligations as SSO/SCO suppliers. The Commission finds that Staff's motion for protective order is reasonable and should be granted.

III. ORDER

{¶ 10} It is, therefore,

{¶ 11} ORDERED, That Dominion is authorized to revise its existing SSO/SCO rates, consistent with Paragraphs 7 and 8, for a 12-month period beginning April 1, 2019. It is, further,

{¶ 12} ORDERED, That Dominion is authorized to file tariffs, in final form, consistent with this Finding and Order. Dominion shall file one copy in this case docket and one copy in its TRF docket. It is, further,

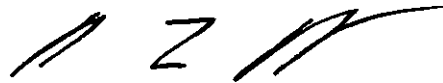
{¶ 13} ORDERED, That the effective date of the new tariffs shall be a date not earlier than April 1, 2019. It is, further,

{¶ 14} ORDERED, That Dominion shall notify all affected customers via bill message or bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division, at least ten days prior to its distribution to customers. It is, further,

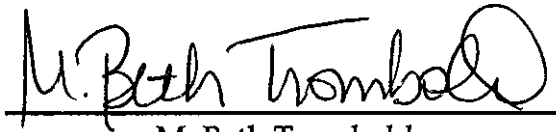
{¶ 15} ORDERED, That, in accordance with Paragraph 9, Staff's motion for protective order be granted and the identities of the participating bidders be treated as confidential for a period of 15 days from the date of this Finding and Order. It is, further,

{¶ 16} ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record in this proceeding.

THE PUBLIC UTILITIES COMMISSION OF OHIO



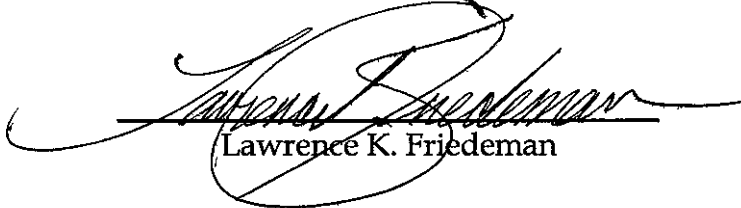
Asim Z. Haque, Chairman



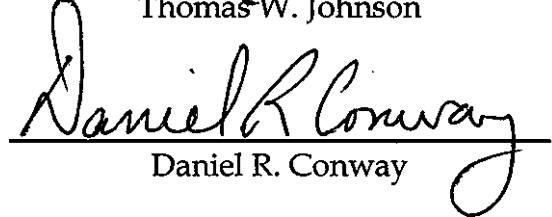
M. Beth Trombold



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Daniel R. Conway

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Entered in the Journal
FEB - 6 2019



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Secretary