

**OCC EXHIBIT NO. \_\_\_\_\_**

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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

**DIRECT TESTIMONY  
OF  
ROBERT B. FORTNEY**

**On Behalf of**  
**The Office of the Ohio Consumers' Counsel**  
*65 East State Street, 7th Floor*  
*Columbus, Ohio 43215*

**March 8, 2019**

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*Direct Testimony of Robert B. Fortney  
On Behalf of the Office of the Ohio Consumers' Counsel  
PUCO Case No. 18-1205-GA-AIR et al.*

1    **I.        INTRODUCTION**

2

3    ***Q1.    PLEASE STATE YOUR NAME, ADDRESS AND POSITION.***

4    ***A1.***    My name is Robert B. Fortney. My business address is 65 East State Street, Suite  
5            700, Columbus, Ohio 43215. I am a Rate Design and Cost of Service Analyst for  
6            the Office of the Ohio Consumers' Counsel ("OCC").

7

8    ***Q2.    WHAT ARE YOUR RESPONSIBILITIES AS A RATE DESIGN AND COST***  
9            ***OF SERVICE ANALYST?***

10   ***A2.***    I am responsible for investigating utility applications regarding rate and tariff  
11            activities related to tariff language, cost of service studies, revenue distribution,  
12            cost allocation, and rate design that impact the residential consumers of Ohio. My  
13            primary focus is to make recommendations to protect residential consumers from  
14            unnecessary utility rate increases and unfair regulatory practices.

15

16   ***Q3.    PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND.***

17   ***A3.***    I earned a Bachelor of Science degree in Business Administration from Ball State  
18            University in Muncie, Indiana in 1971. I earned a Master of Business  
19            Administration degree from the University of Dayton in 1979.

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1   ***Q4. PLEASE SUMMARIZE YOUR PROFESSIONAL BACKGROUND AS IT***  
2   ***RELATES TO UTILITY REGULATION.***

3   ***A4.*** From July 1985 to August 2012, I was employed by the Public Utilities  
4   Commission of Ohio (“PUCO”). During that time, I held a number of positions  
5   (e.g., Rate Analyst, Rate Analyst Supervisor, Public Utilities Administrator) in  
6   various divisions and departments that focused on utility applications regarding  
7   rates and tariff issues. In August 2012, I retired from the PUCO as a Public  
8   Utilities Administrator 2, Chief of the Rates and Tariffs Division, which focused  
9   on utility rates and tariff matters. The role of that division was to investigate and  
10   analyze the rate- and tariff-related filings and applications of the electric, gas, and  
11   water utilities regulated by the PUCO and to make Staff recommendations to the  
12   PUCO regarding those filings. I joined the OCC in December of 2015.

13

14   ***Q5. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE***  
15   ***PUCO?***

16   ***A5.*** Yes. I have testified on numerous occasions to advocate to the PUCO the  
17   positions of the PUCO Staff. Over the course of my career at the PUCO, I often  
18   recommended to the PUCO cost allocation methodologies needed to develop a  
19   reasonable distribution of revenues. I also was responsible for recommending  
20   reasonable rate designs needed to recover the revenue requirement, by class of  
21   service and in total. In addition, I testified for the OCC in five proceedings since  
22   joining its staff. A list of proceedings where I have submitted testimony to the  
23   PUCO is provided in Attachment RBF-A to this testimony.

1   **II.     PURPOSE OF TESTIMONY**

2

3   ***Q6.     WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS***  
4   ***PROCEEDING?***

5   ***A6.***   The purpose of my testimony is to explain and support OCC's position protecting  
6           residential customers as it relates to the Application of Suburban Natural Gas  
7           Company. for Approval of an Increase in Gas Distribution Rates ("Application")  
8           filed by Suburban Natural Gas Company ("Suburban" or the "Utility") in Case  
9           No. 18-1205-GA-AIR. Specifically, I will provide support for the OCC  
10          objections 4, 5, and 6 to certain recommendations made by the PUCO Staff in the  
11          Rates and Tariffs section of the February 6, 2019 Staff Report of Investigation  
12          ("Staff Report"). The Staff Report was issued in response to Suburban's  
13          Application.

1   **III.   RECOMMENDATIONS**

2

3           **A.     REVENUE DISTRIBUTION (OCC OBJECTION 4)**

4

5   ***Q7.   DID THE STAFF REPORT INCLUDE A RECOMMENDATION***  
6           ***REGARDING THE ALLOCATION OF REVENUES TO THE CLASSES AS A***  
7           ***RESULT OF THIS PROCEEDING?***

8   **A7.**   Yes. On page 20 of the Staff Report, the PUCO Staff recommended approval of  
9           Suburban's recommended revenue class allocation based upon responses to Staff  
10          Data Request 62.<sup>1</sup> In the response to Staff Data Request 62-02, Suburban stated  
11          that it applied the same percentage allocation for residential and small general  
12          service customers as approved in Case No. 17-594-GA-ALT to its proposed  
13          revenue in this proceeding. The revenue allocation in Case No. 17-594-GA-ALT  
14          case was the same as those resulting from the PUCO's Order in Case No. 07-689-  
15          GA-AIR, in order to maintain revenue neutrality. Thus, the revenue allocation in  
16          Case No. 17-595-GA-ALT was based on billing determinants that are now  
17          outdated.

18

19          In this case, Suburban asked for a waiver from the requirement that it provide a  
20          cost of service study (Schedule E-3.2), which the PUCO granted.<sup>2</sup> Without a cost

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<sup>1</sup> Staff Data Request DR-62-02, attached hereto as Attachment RBF-B.

<sup>2</sup> Entry (Oct. 10, 2018).

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1 of service study, any rate increase should be shared by customer classes in  
2 accordance with their current share of revenues.

3  
4 Instead, the Staff Report has erroneously proposed to allocate a disproportionate  
5 amount of its proposed increase to the Small General Service (“SGS”) Class,  
6 which includes residential and small business customers. The proposed revenue  
7 responsibility among classes should remain the same as it is in Suburban’s  
8 Schedule E-4, Current Revenue responsibility. As shown on Table 2, page 27 of  
9 the Staff Report, the SGS class currently contributes 79.11% of the revenues  
10 excluding gas costs. Therefore, to maintain that proportionality, the SGS class  
11 should be allocated 79.11% of any approved increase. In Table 2, Staff has  
12 proposed to allocate 93.17% of its proposed increase of \$1,849,509 (in order to  
13 maintain the revenue proportionality that was based on the outdated 2007 billing  
14 determinants), or \$1,723,103, to the SGS class. Without a cost of service study,  
15 the appropriate allocation of any proposed increase to the SGS class should be  
16 79.11%.<sup>3</sup>

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<sup>3</sup> See Attachment RBF-C. Using the numbers found on page 27 of the Staff Report, this would mean that the SGS class would be allocated \$1,463,127 instead of \$1,723,103. The Staff Report’s Table 2 allocation results in the SGS class being over-allocated \$259,976 in revenues annually (using Staff’s numbers on that page). Of course, as explained in the testimony of OCC witness Willis, OCC does not support any rate increase in this case. My analysis is based on the Staff Report and is the proper allocation, but I am not supporting the Staff Report’s proposed increase.

1           **B.       STRAIGHT FIXED VARIABLE RATE DESIGN (OCC**  
2                           **OBJECTIONS 5)**

3  
4   ***Q8.   HOW DID THE STAFF REPORT RECOMMEND THAT THE REVENUE***  
5           ***INCREASE BE RECOVERED THROUGH RATES?***

6   ***A8.***   For the Small General Service class, the Staff Report recommended that Suburban  
7           continue to utilize a full straight fixed variable (“SFV”) rate design (*i.e.*, only a  
8           fixed charge and no volumetric charge). Thus, the entire base rate increase is  
9           recovered by implementing an increased fixed customer charge.

10  
11   ***Q9.   TO RECOVER THE REVENUE PROPOSED IN ITS TABLE 2, THE***  
12           ***STAFF REPORT RECOMMENDS A FIXED CHARGE OF \$33.88 FOR***  
13           ***THE SGS CLASS. DO YOU AGREE WITH THAT***  
14           ***RECOMMENDATION?***

15   ***A9.***   No. OCC understands that the PUCO, as noted by the PUCO Staff, has approved  
16           several applications for the adoption of modified SFV rate design (a fixed  
17           customer charge accompanied by a small volumetric component) or full SFV rate  
18           design for the residential customers of gas utilities.<sup>4</sup> In fact, in Case No. 17-594-  
19           GA-ALT, OCC notified the PUCO that “while we have been opposed to the  
20           straight fixed variable rate design in the past, and remain so to this day, given the  
21           experience gained from rulings in past appeals, we will not contest the

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<sup>4</sup> Staff Report at 27.



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1 implementation of SFV rate design for Suburban Natural Gas Company.”<sup>5</sup> At the  
2 same time, there have been some changes to the relevant circumstances that the  
3 PUCO originally relied upon as rationale for implementing its initial SFV policy.  
4 For this reason, OCC reasserts its objections for the PUCO to revisit.

5

6 ***Q10. WHAT CHANGES HAVE OCCURRED IN THE CIRCUMSTANCES UPON***  
7 ***WHICH THE PUCO RELIED?***

8 ***A10.*** Very simply, the price of gas has decreased significantly since 2008. In the 07-  
9 689-GA-AIR proceeding, the assumed gas cost was \$11.4267 per MCF. In the  
10 current proceeding, the assumed gas cost is \$5.6971 per MCF. The cost of gas has  
11 decreased by 50%. In Case No. 07-829-GA-AIR, the PUCO observed:  
12 “Therefore, the largest portion of the bill, the other 70%, is for the gas that the  
13 customer uses. This commodity portion, the cost of the actual gas used, is the  
14 biggest driver of the amount of a customer’s bill. Therefore, we believe that the  
15 gas usage will still have the biggest influence on the price signals received by  
16 customers when making gas consumption decisions.”<sup>6</sup>  
17 But the price of gas is no longer the biggest influence on the price signals  
18 received by consumers when making gas consumption decisions.<sup>7</sup> In fact, if  
19 Suburban’s proposed fixed charge of \$41.86 were approved, the average

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<sup>5</sup> Case No. 17-594-GA-ALT, OCC Notice to Examiners (Oct. 18, 2017).

<sup>6</sup> Case No. 07-829-GA-AIR, Opinion & Order at 24 (Oct. 15, 2008).

<sup>7</sup> Case No.18-298-GA-AIR, Testimony of Ron Nelson on Behalf of Environmental Law and Policy Center at 12 (Jan. 28, 2019).

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1 residential gas consumer using 7 MCF per month would see a base distribution  
2 bill, excluding fuel, of \$46.22, and a bill including fuel of \$88.09. The distribution  
3 portion would be over 52% of his bill. Thus, the distribution portion of the bill,  
4 not the cost of gas, would be the biggest influence on the price signals sent to  
5 consumers when they are making gas consumption decisions.

6

7 In Case No. 07-589-GA-AIR, the PUCO further observed that conditions in the  
8 natural gas industry have changed markedly in the past several years. At the time,  
9 the natural gas market was characterized by “volatile and sustained price  
10 increases, causing customers to increase their efforts to conserve gas.”<sup>8</sup> In  
11 contrast, the natural gas market is not now characterized by volatile and sustained  
12 price increases. Just as the PUCO recognized in 2008 that the gas industry had  
13 changed markedly in the past several years, thus justifying a full SFV rate design,  
14 I submit that the gas industry has once again had some significant changes, which  
15 warrant revisiting the full SFV rate design.

16

17 ***Q11. WHAT PRICE SIGNALS ARE SENT TO THE CONSUMER BY A FULL SFV***  
18 ***RATE DESIGN?***

19 ***A11.*** The SFV rate design sends an improper price signal to the consumer, fails to  
20 encourage customer-initiated conservation, and adversely affects Suburban’s and  
21 its customers’ energy efficiency efforts. High fixed rate structures promote

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<sup>8</sup> Case No. 07-589-GA-AIR, Opinion & Order at 17 (May 28, 2008).

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1 additional consumption because a customer's price of incremental consumption is  
2 less than what an efficient price structure would otherwise be. A pricing structure  
3 that is largely fixed, such that prices do not vary with consumption, promotes the  
4 inefficient utilization of resources. One of the most effective tools that a  
5 regulatory agency has to promote conservation and energy efficiency is by  
6 developing rates that send proper pricing signals to customers to conserve and  
7 utilize resources efficiently. Pricing structures that are based solely on fixed  
8 charges are inferior, from a conservation and energy efficiency standpoint, to  
9 pricing structures that require customers to pay more for additional consumption.  
10 Increasing fixed charges can significantly diminish incentives for customers to  
11 reduce consumption through energy efficiency. By reducing the value of a Ccf  
12 saved, a higher fixed charge gives customers less incentive to lower their bills by  
13 reducing consumption.

14  
15 ***Q12. ARE THERE CONSUMERS WHO ARE MORE ADVERSELY IMPACTED***  
16 ***BY A SFV RATE DESIGN?***

17 ***A12.*** Yes. The SFV rate design causes a disproportionate higher bill impact (some of  
18 the increases are double digit) to low usage residential customers when compared  
19 to large residential users. Residential customers who use less energy will  
20 experience the greatest percentage jumps in their gas bill under the SFV rate  
21 design. The larger the customer charge, the lower the percentage increase in bills  
22 for high use customers. Under the rates proposed by Suburban, a residential

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1 customer using 0 Ccf would see a total bill increase of 42.12%. A customer using  
2 100 Ccf would see a total bill increase of 13.91%.<sup>9</sup> Even under the Staff Report's  
3 recommendation, a residential customer using 0 Ccf would see a total bill increase  
4 of 15.11%. A customer using 100 Ccf would see a total bill increase of 4.99%.<sup>10</sup>  
5 The SFV rate design unfairly discriminates against low-use customers.

6  
7 ***Q13. ARE THERE ANY OTHER SHORTFALLS IN THE SFV RATE DESIGN?***

8 ***A13.*** Yes. The current customer charge for residential customers is \$29.42. Suburban  
9 has proposed a residential customer charge of \$41.86. Based on its adjusted  
10 revenue requirement, the Staff Report recommended a residential customer charge  
11 of \$33.88. For residential customers, the Staff Report erred in recommending that  
12 the proposed SFV concept be fully adopted (*i.e.*, there will be no volumetric  
13 component to base distribution rates). While the SFV rate design may produce  
14 less volatile bills over the course of a year for gas consumers than those based on  
15 consumption, it is generally preferable that individual customers make their own  
16 decisions. If a gas customer wants year-round, stable bills, the customer can opt to  
17 enroll in budget billing. The SFV rate design is not easier for consumers to  
18 understand than a rate per Ccf that charges a set amount for each Ccf used. Most  
19 items in a customer's daily life are purchased on a per unit basis, and customers

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<sup>9</sup> Application, Schedule E-5, page 1 of 3.

<sup>10</sup> Staff Report, Schedule E-5, page 1 of 3.

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1 understand that concept. Customers do not understand why a customer who uses  
2 100 Ccf of gas pays the same distribution bill as one who uses no gas whatsoever.

3

4 ***Q14. WHAT SHOULD THE STAFF REPORT HAVE RECOMMENDED***  
5 ***REGARDING THE RATE DESIGN FOR CONSUMERS IN THE SGS RATE***  
6 ***CLASS?***

7 ***A14.*** The Staff Report should have recommended that any increase approved in this  
8 case should be recovered through a volumetric rate. For example, instead of  
9 recommending a fixed charge of \$33.88, Staff should have recommended that  
10 Suburban's fixed charge for consumers on the SGS rate schedule should remain at  
11 \$29.42, and the remaining proposed revenue should be recovered through a  
12 volumetric charge of \$0.6526/MCF.<sup>11</sup>

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<sup>11</sup> This calculation is provided for illustrative purposes (*see* Attachment RBF-C). As explained in the testimony of OCC witnesses Willis and Duann, OCC recommends a rate decrease in this case, so I am not testifying that the PUCO should approve the Staff Report's proposed increase.

1   ***Q15. OCC WITNESS WILLIS RECOMMENDS A REVENUE DECREASE OF***  
2       ***\$826,210. IF THE PUCO WERE TO ADOPT HIS RECOMMENDATION,***  
3       ***HOW WOULD THAT AFFECT YOUR RATE DESIGN***  
4       ***RECOMMENDATION?***

5   ***A15.*** If the PUCO were to approve a revenue decrease of \$826,810, then I recommend,  
6       based on my proposed rate design, that SGS customers (which includes residential  
7       customers) pay a fixed charge of \$22.84.<sup>12</sup>

8

9       **C.     TARIFF PROVISIONS (OCC OBJECTION 6)**

10

11   ***Q16. SHOULD CUSTOMERS HAVE ALL PAYMENT OPTIONS AVAILABLE TO***  
12   ***THEM TO AVOID DISCONNECTION?***

13   ***A16.*** Yes. The Staff Report recommends that customers be allowed to make payments  
14       to Suburban personnel in the field to avoid disconnection. But the Staff Report  
15       recommends that such payments only be allowed by cash, check, or money order.  
16       I was somewhat surprised by the Staff Report's recommendation. In Case No. 15-  
17       1830-EL-AIR, DP&L recommended that the option to pay by cash be eliminated,  
18       and the PUCO Staff did not object to this proposal.<sup>13</sup> OCC supported continuing  
19       to allow the cash option in addition to the credit card option. The PUCO Staff is

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<sup>12</sup> See Attachment RBF-D.

<sup>13</sup> Case No. 15-1830-EL-AIR, OCC Objections at 11 (Apr. 11, 2018).

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1       now recommending that Suburban should accept cash payments to avoid  
2       disconnection, but not credit card payments.

3  
4       In the DP&L case, OCC agreed with the proposal to offer a credit card option *in*  
5       *addition* to payment by cash, check or money order. Residential customers should  
6       not have their payment options limited. They should be given as many options as  
7       possible to avoid disconnection. They should not be deprived of the option to pay  
8       by credit card. If they haven't already, Suburban should develop procedures where  
9       its personnel are trained and capable and have the necessary tools to accept credit  
10      card payments in the field. In lieu of that, Suburban should provide a call-in  
11      number where a customer can use a credit card over the phone to make a payment  
12      to avoid disconnection. The PUCO should not adopt the Staff Report's  
13      recommendation regarding this provision.

14

15    ***Q17. DOES THAT CONCLUDE YOUR TESTIMONY?***

16    ***A17.*** Yes, it does. However, I reserve the right to incorporate new information that may  
17      subsequently become available. I also reserve the right to supplement my  
18      testimony in the event that Suburban, the PUCO Staff, or any other party submits  
19      new or corrected information in connection with this proceeding.

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing *Direct Testimony of Robert B. Fortney on behalf of the Office of the Ohio Consumers' Counsel* has been served upon those persons listed below via electronic service this 8th day of March 2019.

/s/ Christopher Healey  
Counsel of Record

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Robert Fortney

Proceedings with Testimony Submitted to the Public Utilities Commission of Ohio

Company	Docket No.	Date
Cleveland Electric Illuminating Company	85-675-EL-AIR	1986
Cleveland Electric Illuminating Company	86-2025-EL-AIR	1987
Toledo Edison Company	86-2026-EL-AIR	1987
Ohio Edison Company	87-689-EL-AIR	1987
Cleveland Electric Illuminating Company	88-170-EL-AIR	1988
Toledo Edison Company	88-171-EL-AIR	1988
Ohio Edison Company	89-1001-EL-AIR	1990
Cincinnati Gas & Electric Company	91-410-EL-AIR	1991
Columbus Southern Power Company	91-418-EL-AIR	1992
Cincinnati Gas & Electric Company	92-1464-EL-AIR	1993
Ohio Power Company	94-996-EL-AIR	1994
Toledo Edison Company	94-1987-EL-CSS	1995
Cleveland Electric Illuminating Company	94-1964-EL-CSS	1995
Toledo Edison Company	95-299-EL-AIR	1995
Cleveland Electric Illuminating Company	95-300-EL-AIR	1996
All Electric Companies (Rulemaking Proceeding)	96-406-EL-COI	1998
Cleveland Electric Illuminating Company	97-358-EL-ATA	1998
Toledo Edison Company	97-359-EL-ATA	1998
Cleveland Electric Illuminating Company	97-1146-EL-COI	1998
Toledo Edison Company	97-1147-EL-COI	1998
FirstEnergy	96-1211-EL-UNC	1998
Columbus Southern Power Company	01-1356-EL-ATA	2002
Columbus Southern Power Company	01-1357-EL-AAM	2002
Rulemaking Proceeding	01-2708-EL-COI	2002
FirstEnergy	01-3019-EL-UNC	2002
Ohio Power Company	01-1358-EL-ATA	2002
Ohio Power Company	01-1359-EL-AAM	2002
The Dayton Power and Light Company	02-0570-EL-ATA	2003
Dayton Power and Light Company	02-2364-EL-CSS	2003
Dayton Power and Light Company	02-2879-EL-AAM	2003
Dayton Power and Light Company	02-2779-EL-ATA	2003
FirstEnergy Corporation	03-2144-EL-ATA	2004
Cincinnati Gas & Electric Company	03-0093-EL-ATA	2004
Cincinnati Gas & Electric Company	03-2079-EL-AAM	2004
Cincinnati Gas & Electric Company	03-2081-EL-AAM	2004
Monongahela Power Company	04-0880-EL-UNC	2004

Monongahela Power Company	05-0765-EL-UNC	2005
Dayton Power and Light Company	05-0276-EL-AIR	2005
FirstEnergy	07-0551-EL-AIR	2008
FirstEnergy	08-0936-EL-SSO	2008
FirstEnergy	08-0935-EL-SSO	2008
Ormet Primary Aluminum Corporation	09-0119-EL-AEC	2009
Cleveland Electric Illuminating Company	08-1238-EL-AEC	2009
Columbus Southern Power Company	09-0516-EL-AEC	2009
FirstEnergy	10-0388-EL-SSO	2010
FirstEnergy	10-0176-EL-ATA	2011
Columbus Southern Power Company	11-0346-EL-SSO	2011
Ohio Power Company	11-0348-EL-SSO	2011
Columbus Southern Power Company	10-0343-EL-ATA	2011
Ohio Power Company	10-0344-EL-ATA	2011
AEP Ohio	10-2376-EL-UNC	2011
AEP Ohio	10-2929-EL-UNC	2011
AEP Ohio	11-4921-EL-RDR	2011
FirstEnergy	12-1230-EL-SSO	2012
AEP Ohio	14-1693-EL-RDR	2015
Aqua	16-0907-WW-AIR	2016
Dayton Power and Light Company	16-0395-EL-SSO	2017

Suburban Natural Gas Company  
Case Nos. 18-1205-GA-AIR, et al.  
Staff Data Request No. 62

Date Received: November 8, 2018  
Date Due: November 22, 2018  
Person Responsible: Nichole Clement

**STAFF-DR-62-02:**

In reference to the Company's Schedule E-4 explain why the revenue responsibility for the residential and small general service shifts from 79.11% in the current annualized revenue to 82.56% in the proposed annualized revenue.

**RESPONSE:**

In the Company's Application for an Alternative Rate Plan, Case No. 17-594-GA-ALT, the Company sought approval of a straight fixed variable ("SFV") rate design. In that case, the Commission approved an allocation of revenue at 82.56% to residential and small commercial customers and 17.44% to large commercial customers. The Company applied the same percentage allocation for residential and small general service customers as approved in the SFV Case to the proposed annualized revenue on Schedule E-4.

## Attachment RBF-C

Suburban Revenue Distribution  
18-1205-GA-AIR

17-594-GA-ALT Based on 07-689-GA-AIR				Application		Application		Staff		Staff		Staff		Staff		OCC		OCC		OCC		OCC			
Class	Revenue Excluding Fuel	% to Total		Current Revenue Excluding Fuel	% to Total		Proposed Revenue Excluding Fuel	% to Total		Proposed Revenue Excluding Fuel	% to Total		Proposed Revenue Incr	Proposed % Incr	Proposed Dist of Increase		Proposed Revenue Incr	Proposed % Incr	Pro Dist of Increase		Proposed Revenue Excluding Fuel	% to Total		EXCL Fuel OCC - Staff Variance	
SGS	\$ 4,581,026	82.56%		\$ 5,573,659	79.11%		\$ 8,595,393	82.56%	SGS	\$ 7,296,762	82.03%		\$ 1,723,103	30.92%	93.17%		\$ 1,463,127	26.25%	79.11%		\$ 7,036,786	79.11%		\$ (259,976)	
LGS				\$ 1,196,753	16.99%		\$ 1,521,925	14.62%	LGS	\$ 1,310,664	14.73%		\$ 113,911	9.52%	6.16%		\$ 314,157	26.25%	16.99%		\$ 1,510,910	16.99%		\$ 200,246	
LGST				\$ 275,135	3.91%		\$ 293,668	2.82%	LGTS	\$ 287,630	3.23%		\$ 12,495	4.54%	0.68%		\$ 72,225	26.25%	3.91%		\$ 347,360	3.91%		\$ 59,730	
Total LGS + LGST	\$ 967,641	17.44%		\$ 1,471,888	20.89%		\$ 1,815,593	17.44%	SUB T	\$ 1,598,294	17.97%		\$ 126,406	8.59%	6.83%		\$ 386,382	26.25%	20.89%		\$ 1,858,270	20.89%		\$ 259,976	
Total	\$ 5,548,667	100.00%		\$ 7,045,547	100.00%		\$ 10,410,986	100.00%	Total	\$ 8,895,056	100.00%		\$ 1,849,509	26.25%	100.00%		\$ 1,849,509	26.25%	100.00%		\$ 8,895,056	100.00%		\$ -	

GAS COST REV			Current Rev Incl Fuel		Proposed Rev Incl Fuel		Staff Pro Rev Incl Fuel						OCC Proposed Rev Incl Fuel*				OCC - Staff Variance								
SGS	\$	8,389,208	\$	13,962,867	77.79%	\$	16,984,601	79.69%	SGS	\$	15,685,970	79.23%	\$	1,723,103	12.34%	93.17%	\$	1,438,759	10.30%	77.79%	\$	15,401,626	77.79%	\$	(284,344)
LGS	\$	2,514,364	\$	3,711,117	20.68%	\$	4,036,289	18.94%	LGS	\$	3,825,028	19.32%	\$	113,911	3.07%	6.16%	\$	382,400	10.30%	20.68%	\$	4,093,517	20.68%	\$	268,489
LGST			\$	275,135	1.53%	\$	293,668	1.38%	LGTS	\$	287,630	1.45%	\$	12,495	4.54%	0.68%	\$	28,350	10.30%	1.53%	\$	303,485	1.53%	\$	15,855
Total LGS+LGST	\$	2,514,364	\$	3,986,252	22.21%	\$	4,329,957	20.31%	Sub T	\$	4,112,658	20.77%	\$	126,406	3.17%	6.83%	\$	410,750	10.30%	22.21%	\$	4,397,002	22.21%	\$	284,344
												0.00%					\$	-		\$					
Total	\$	10,903,572	\$	17,949,119	100.00%	\$	21,314,558	100.00%	Total	\$	19,798,628	100.00%	\$	1,849,509	10.30%	100.00%	\$	1,849,509	10.30%	100.00%	\$	19,798,628	100.00%	\$	-
Staff Pro rev Incl Fuel	\$	19,798,628											CHECK												
Cur Rev Incl Fuel	\$	17,949,119											Staff Rec Rev				\$	19,798,628							
% Incr Incl Fuel		10.30%											Cur SGS Proportion					77.79%							
													SGS Rev				\$	15,401,626							
Staff Pro Rev Excl Fuel	\$	8,895,056											If a volumetric component is added:												
Cur Rev Excl Fuel	\$	7,045,547											cc				\$29.42*215,356	\$	6,335,774						
% Incr Excl Fuel		26.25%											Tot				Staff pro SGS Rev	\$	7,296,762						
															* In order to maintain the same proportionality including fuel										

Suburban  
Case No. 18-1205-GA-AIR  
Revenue Decrease of \$826,810

Current Revenue	\$ 7,045,547	
OCC Proposed Increase	\$ (826,810)	Willis Testimony
OCC Proposed Revenue	\$ 6,218,737	
OCC Recommended Distribution to SGS Class	79.109%	Fortney Testimony
OCC Recommended SGS Revenue	\$ 4,919,581	
Customer Bills	215,356	Staff Report at 12
Fixed Charge	\$ 22.84	

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

**Commission of Ohio Docketing Information System on**

**3/8/2019 3:20:29 PM**

**in**

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

Summary: Testimony Direct Testimony of Robert B. Fortney on behalf of The Office of the Ohio Consumers' Counsel electronically filed by Ms. Jamie Williams on behalf of Healey, Christopher Mr.