

September 4, 2019

Ms. Barcy F. McNeal
Director, Office of Administration
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

Re: *In re Application of Dominion Energy Ohio*, Case No. 19-419-GA-PIP

Dear Ms. McNeal,

Please find attached the Independent Accountants' Report on Applying Agreed-Upon Procedures, supplied in accordance with the Commission's February 20, 2019 Entry in the above-captioned case. The East Ohio Gas Company d/b/a Dominion Energy Ohio does not object to the adoption by the Commission of the findings set forth in the audit report. Please file the report in the above-captioned docket.

Please let me know if there are any questions.

Regards,

/s/ Rebekah J. Glover
Rebekah J. Glover



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
The East Ohio Gas Company
Cleveland, Ohio

RE: Public Utility Commission of Ohio Case No. 19-419-GA-PIP

We have performed the procedures enumerated below, which were agreed to by The East Ohio Gas Company (a wholly-owned subsidiary of Dominion Energy, Inc.) (the "Company") and the Public Utility Commission of Ohio (the "PUCO") (collectively "the specified parties"), to assist the Company and the PUCO with respect to its evaluation of the Company's compliance with PUCO Case Nos. 88-1115-GE-PIP, 90-705-GE-PIP, and 90-879-GE-ORD, as amended in PUCO Case Nos. 08-723-AU-ORD and 13-274-AU-ORD, in conjunction with the calculation of the Percentage of Income Payment Plan Rider ("PIPP Rider") for the period April 1, 2018 to March 31, 2019, as described in the entry dated February 20, 2019 in PUCO Case No. 19-419- GA-PIP. The Company's management is responsible for the Company's compliance with these requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and our findings are as follows:

Percentage of Income Payment Plan Procedures

- A. We obtained from Company management the Calculation of Recommended PIPP Rider Rate for the 2019 PIPP filing, and compared the balance of accumulated deferrals as of March 31, 2019 to the sum of (1) the beginning balance of accumulated deferred PIPP on April 1, 2018 and (2) the activity obtained in B below for the periods April 1, 2018 to December 31, 2018, and January 1, 2018 to March 31, 2019, and found them to be in agreement.
- B. We obtained from Company management, and recalculated the mathematical accuracy of, the accounting schedules summarizing the deferred PIPP balances for the following items for each month within the period April 1, 2018 to March 31, 2019:
 - 1. Deferred PIPP arrearages
 - 2. PIPP Recoveries
 - i. Sales customers
 - ii. Energy Choice customers
 - iii. Transport customers

3. Firm receipt point and commodity exchange revenue sharing
4. Re-verification charges
5. Carrying charges

No exceptions were found as a result of recalculating the above accounting schedules.

C. We haphazardly selected the months of May, June, September, and December of 2018 and February of 2019 and performed the following procedures:

1. We compared the deferred PIPP arrearages for each selected month, as detailed in B.1, to the sum of (1) the monthly net activity of the PIPP arrearages over 12 months old and pre-PIPP arrearages, and (2) PIPP arrearage and repayment credits, credit balance transfers, and charge-offs, for such selected month, each as shown in a schedule obtained from Company management detailing the monthly account balance activity for the PIPP regulatory asset, and found them to be in agreement.
 - i. For each of the five selected months, we compared the beginning and ending month balances for the PIPP arrearages over 12 months old and pre-PIPP arrearages, each shown in the monthly schedule supporting the general ledger entry to record arrearages to the regulatory asset account ("HOPP File Entry schedule"), to the corresponding balances in Customer Care System ("CCS") HOPP file reports provided by Company management, and found them to be in agreement. In addition, we recalculated the monthly net activity for each selected month without exception.
 - ii. We compared (1) the PIPP arrearage and repayment credits, (2) the credit balance transfer amounts, and (3) the charge-offs to the corresponding activity reported in CCS, as shown in screen prints provided by Company management for each of the five selected months, and found them to be in agreement.
2. For each of the five selected months, we compared (1) the PIPP recoveries as shown in the schedules referenced in B.2.i, B.2.ii, and B.2.iii above to (2) supporting schedules that calculate rider recoveries based on applicable customer consumption volumes and approved rates, provided by the Company management, finding them to be in agreement, and we recalculated the mathematical accuracy of such schedules, and identified no exceptions.
3. For each month selected in C above:
 - i. We compared the PIPP recovery volumes for B.2.i in C.2 above to the respective volumes on Schedule 23 – Requirements and Supply and the PIPP recovery volumes for B.2.ii and B.2.iii, in C.2 above to reports from the applicable billing system for each selected month, obtained from Company management, and found them to be in agreement.
 - ii. We compared the PIPP Rider rate used to derive the recoveries shown in the schedules obtained in C.2 above to the applicable rate filing approved by the PUCO, and found the rates to be in agreement.

4. We compared the firm receipt point and commodity exchange revenue sharing amounts for each selected month, as detailed in the schedules obtained in B.3 above, to supporting schedules provided by Company management, and found them to be in agreement.
5. For each of the five selected months in C. above, we compared the re-verification charges, incurred within each of the selected months, included in schedules obtained in B.4 above to the corresponding invoices provided by Company management, and found them to be in agreement.
6. We obtained from Company management the Company's monthly annualized money pool interest rates for each selected month, and compared such interest rates to the interest rates utilized by the Company to calculate the monthly carrying charges as detailed in the schedules obtained in B.5 above and found them to be in agreement.
7. For each selected month, using (1) the rates obtained in C.6 above, net of the impact of the statutory federal income tax rate of 21 percent, as applicable, when the regulatory asset balance shows an under-recovery, and (2) the average of the previous month and current month net PIPP deferral balance before interest reported in the Company's schedule of deferred balances used to calculate the PIPP Rider obtained in B.5 above, we recalculated the carrying charges for such selected months shown on the applicable schedules obtained in B.5.

We performed the following procedure related to the application of the PIPP Riders in effect during the period April 1, 2018 through March 31, 2019:

- D. We haphazardly selected five individual customer billings from each month selected in C. above (25 selections in total, including 20 selections from the CCS billing system and 5 selections from the SBS billing system) and compared the PIPP Rider rate used in each customer's bill calculation to the applicable rate filing approved by the PUCO, and found them to be in agreement.

We performed the following procedures related to the application of credits to customer balances in accordance with Chapter 4901:1-18-14 of the Ohio Administrative Code ("the Ohio Administrative Code") for the period April 1, 2018 through March 31, 2019:

- E. We haphazardly selected four individual PIPP Plus customer payments and one individual Graduate PIPP customer payment made within each of the months selected in C. above (25 selected payments in total, all from the CCS billing system) from a detail of such payments reported by CCS. For each payment selected, we obtained the customer's bill for which the payment was made, noted whether the required PIPP payment was made in full and by the due date stated on the bill based on review of the customer's account detail in CCS, and performed the procedures enumerated below.

Note: for the purposes of the procedures below, the term "Anniversary Date" as applied to each customer is defined as the calendar date each year corresponding with the date on which the customer became a PIPP customer.

1. For each PIPP Plus customer payment selected above, if the required payment was made in full and on time, we found that the customer's account balance was reduced by (1) the difference between (a) the amount of the required payment as

shown on the bill for which the payment was made, obtained from Company management, and (b) the current monthly bill amount, also as shown on the bill for which the payment was made, plus (2) one twenty-fourth of the customer's accumulated arrearages, as shown on the customer's account detail in CCS, obtained from Company management, calculated as of the customer's enrollment in the PIPP program or, if late or missed payments occurred, at the time of the PIPP customer's last Anniversary Date.

2. For each Graduate PIPP customer payment selected above, if the required payment was made in full and on time, we found that the customer's account balance was reduced by (1) the difference between (a) the amount of the required payment as shown on the bill for which the payment was made, obtained from Company management, and (b) the current monthly bill amount, also as shown on the bill for which the payment was made, plus (2) one twelfth of the customer's accumulated arrearages, as shown on the customer's account detail in CCS, obtained from Company management, calculated as at the time of the customer's enrollment in the Graduate PIPP Plus program.
3. For each customer payment selected above, if the required payment was not made both in full and on time, we found that the credits described in F.1 or F.2 were not applied to the associated customer arrearage balance as a result of that customer payment.

We performed the following procedure related to the planned billed volumes used to calculate the PIPP Rider rate:

- F. We compared the planned billed volumes subject to the PIPP Rider used in the Calculation of Recommended PIPP Rider Rate obtained in A. above to the schedule of total planned volumes for the 12-months ending June 30, 20120 provided by Company management, and found them to be in agreement.

We performed the following procedure related to the balance of accumulated deferrals for the PIPP rider (SAP account numbers 1171162/2171137) as of March 31, 2019:

- G. We obtained from Company management a reconciliation of the balance of accumulated deferrals for the PIPP Rider at March 31, 2019 to SAP account numbers 1171162/2171137, and found that the Company has identified reconciling items for activity during the period ended March 31, 2019. The Company has informed us that these reconciling differences relate to timing differences that result from the estimated amounts recorded to the SAP general ledger each month, in accordance with the Company's policies, which are updated with the actual balances in the subsequent month.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the Company's compliance with PUCO Case Nos. 88-1115-GE-PIP, 90-705-GE-PIP, and 90-879-GE-ORD, as amended in PUCO Case Nos. 08-723-AU-ORD and 13-274-AU-ORD, in conjunction with the calculation of the Percentage of Income Payment Plan Rider for the period April 1, 2018 through March 31, 2019. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

August 29, 2019

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Case No(s). 19-0419-GA-PIP

Summary: Text Independent Accountants' Report on Applying Agreed-Upon Procedures electronically filed by Ms. Rebekah J. Glover on behalf of The East Ohio Gas Company d/b/a Dominion Energy Ohio