

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The East)	
Ohio Gas Company d/b/a Dominion Energy)	
Ohio to Adjust its Pipeline Infrastructure)	Case No. 19-1944-GA-RDR
Replacement Cost Recovery Charge and)	
Related Matters)	

**APPLICATION TO ADJUST THE
PIPELINE INFRASTRUCTURE REPLACEMENT COST RECOVERY CHARGE**

In accordance with the Public Utilities Commission of Ohio's (the Commission) October 15, 2008 Opinion and Order in Case No. 07-829-GA-AIR, the Commission's August 3, 2011 Opinion and Order in Case No. 11-2401-GA-ALT, and the Commission's September 14, 2016 Opinion and Order in Case No. 15-0362-GA-ALT, The East Ohio Gas Company d/b/a Dominion Energy Ohio (DEO or the Company) respectfully requests that the Commission approve: (i) the adjustment to DEO's Pipeline Infrastructure Replacement (PIR) Cost Recovery Charge set forth in Attachment A, Schedule 1, to this Application, which reflects costs associated with capital investments placed in service from January 1, 2019, through December 31, 2019, and cumulatively; and (ii) the revised PIR Cost Recovery Charge tariff sheet attached to this Application as Attachment B. In support of its 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 northeast, western, and southeast Ohio and, as such, is a public utility as defined by R.C. 4905.02, and a natural gas company as defined by R.C. 4905.03(E).

2. On February 22, 2008, DEO filed an application to establish a PIR Cost Recovery Charge via an automatic adjustment mechanism pursuant to R.C. 4929.11 in Case No. 08-169-

GA-UNC. DEO's application was consolidated with Case No. 07-829-GA-AIR, and the Commission approved DEO's use of an automatic adjustment mechanism to recover costs associated with the PIR program. *See* 07-829 Order at 9–10. The Order contemplated periodic filings of applications and adjustments of the rate for the PIR Cost Recovery Charge. *See id.*

3. Although the PIR Cost Recovery Charge mechanism was approved as an alternative rate plan under R.C. 4929.05, DEO's application to adjust the PIR Cost Recovery Charge will not constitute an application for an increase in rates pursuant to R.C. 4909.18. *See* Case No. 09-458-GA-RDR, Entry at 2 (July 8, 2009).

4. The current PIR Cost Recovery Charge was approved in the Commission's April 24, 2019 Order in Case No. 18-1587-GA-RDR.

5. In Case No. 15-0362-GA-ALT, the Commission approved a Stipulation and Recommendation that eliminated the cost-sharing mechanism approved in Case No. 11-2401-GA-ALT. Accordingly, the actual amount of operations and maintenance (O&M) expense savings of \$2,246,810.71 is reflected as a credit to the PIR Cost Recovery Charge revenue requirement in this filing. O&M expense savings have been calculated in accordance with the Commission's Opinion and Order in Case No. 09-458-GA-RDR.

6. On November 27, 2019, DEO submitted its Pre-Filing Notice in this case, including schedules reflecting estimated figures supporting a PIR Cost Recovery Charge.

7. Schedule 1 of this filing continues to reflect impacts of the Tax Cuts and Jobs Act of 2017 through (a) revision of the pre-tax rate of return for the 21-percent federal income tax rate and (b) credits to the revenue requirement to flow through to customers the amortization of PIR-related excess deferred income tax (EDIT) grossed up for federal income tax and a corresponding reduction of the EDIT amount in the PIR rate base without the tax gross up.

8. In accordance with the Commission's Orders, DEO hereby submits the following schedules supporting its requested PIR Cost Recovery Charge, which are attached collectively as

Attachment A:

- a. Schedule 1, which is a summary schedule reflecting the PIR revenue requirement and the proposed PIR Cost Recovery Charge by rate schedule;
- b. Schedule 2, which reflects the cumulative and incremental monthly capital additions for pipeline replacement projects, associated main-to-curb service line replacements, curb-to-meter service line replacements, and other associated PIR Program investment for the period beginning January 1, 2019, and ending December 31, 2019;
- c. Schedule 3, which reflects the cumulative and incremental monthly cost of removal associated with pipeline replacement projects, associated main-to-curb service line replacements, curb-to-meter service line replacements, and other associated PIR Program investment for the period beginning January 1, 2019, and ending December 31, 2019;
- d. Schedule 4, which reflects the cumulative and incremental monthly capital retirements associated with pipeline replacement projects, associated main-to-curb service line replacements, curb-to-meter service line replacements, and other associated PIR Program investment for the period beginning January 1, 2019, and ending December 31, 2019;
- e. Schedule 5, which reflects the incremental monthly and cumulative provision for depreciation of the capital additions;
- f. Schedule 5A, which reflects the incremental depreciation expense to be deferred and amortized over the lives of the associated assets;
- g. Schedule 6, which reflects the incremental monthly and cumulative post-in-service carrying costs, amortization of prior year post-in-service carrying costs, and the associated net regulatory asset;
- h. Schedule 7, which reflects the incremental monthly and cumulative net deferred tax balance related to post-in-service carrying costs;
- i. Schedule 8, which reflects cumulative and incremental deferred taxes on liberalized depreciation, the amortization for 2019 of the associated EDIT balance, and the EDIT amortization grossed up for federal income tax;
- j. Schedule 9, which reflects annualized depreciation expense associated with capital additions through December 31, 2019;
- k. Schedule 10, which reflects annualized amortization of post-in-service

carrying costs;

- l. Schedule 11, which reflects incremental and annualized property tax expense;
 - m. Schedule 12, which reflects the approved rate of return on rate base on a pre-tax basis adjusted for the TCJA federal income tax rate change;
 - n. Schedule 13, which reflects the allocation of the PIR revenue requirement by rate schedule on a cost of service basis;
 - o. Schedule 14, which reflects the number of bills issued to customers on applicable rate schedules from January 1, 2019, through December 31, 2019, and the volumes transported for DTS customers between the same dates;
 - p. Schedule 15, which reflects O&M expense savings directly associated with the PIR program for the period January 1, 2019, through December 31, 2019;
 - q. Schedule 16, which provides a reconciliation of costs recoverable and costs actually recovered in accordance with the Stipulation and Recommendation approved in Case No. 11-2401-GA-ALT;
 - r. Schedule 16A, which shows the determination of the true-up reflected on Schedule 16 between estimates included in the reconciliation of costs recoverable and costs actually recovered in Case No. 18-1587-GA-RDR and actual PIR Cost Recovery Charge recoveries;
 - s. Schedule 17, which reflects the pass back to customers of the over-recovery of PIR revenue for the period January through April 2018 due to the reduction of the federal income tax rate from 35 percent to 21 percent; and
 - t. Schedule 18, which reflects the amortization for 2019 of the EDIT balance related to post-in-service carrying costs and the EDIT amortization grossed up for federal income tax.
9. As reflected in Schedule 1:
- a. The total rate base through December 31, 2019, is \$1,368,686,559.50;
 - b. The annualized return on rate base is \$135,636,838.05;
 - c. The Revenue Adjustment – Tax Reform true-up amount is a credit of \$0.00.
 - d. The PISCC EDIT amortization credit is \$1,770,827.94
 - e. The depreciation-related EDIT amortization credit is \$635,116.89.
 - f. The annualized PIR-related revenue requirement is \$218,084,446.64;

g. The resulting PIR Cost Recovery Charge by rate schedule is:

GSS/ECTS:	\$13.45 per month;
LVGSS/LVECTS:	\$68.32 per month;
GTS/TSS:	\$565.38 per month;
DTS:	\$0.0567 per Mcf, capped at \$1,000 per month.

10. Schedule 1 also reflects a “Reconciliation Adjustment” to the revenue requirement. This adjustment is the difference between costs recoverable and costs actually recovered as determined on Schedule 16. Section 1.j of the Stipulation approved in Case No. 11-2401-GA-ALT, which states, “The PIR Cost Recovery Charge shall include a reconciliation of costs recoverable and costs actually recovered. Any resulting reconciliation adjustment, plus or minus, shall be made to the revenue requirement of the subsequent PIR Cost Recovery Charge filing only.” And Section 1.k states, “The [rate-increase] limitations to the PIR Cost Recovery Charge do not include any adjustments attributable to the reconciliation of costs recoverable and costs actually recovered.”

11. A revised version of DEO’s tariff sheet PIR No. 1, reflecting the proposed adjustment to the PIR Cost Recovery Charge, and a scored version of this tariff sheet are attached to this Application as Attachment B.

12. The Direct Testimony of Lori S. Parker in support of this Application is attached as Attachment C.

WHEREFORE, DEO respectfully requests that the Commission approve DEO’s Application to Adjust the PIR Program Cost Recovery Charge; approve the revised PIR Cost Recovery Charge tariff sheet attached as Application Attachment B; and order all other necessary and proper relief.

Dated: February 28, 2020 Respectfully submitted,

/s/ Christopher T. Kennedy

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application was served by electronic mail to the following on this 28th day of February, 2020:

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One of the Attorneys for The East Ohio Gas
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ATTACHMENT A

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
REVENUE REQUIREMENT

Attachment A
Schedule 1

Line No.		Approved Cumulative Through 12/31/18	2019 Activity	Cumulative Through 12/31/19	Reference
1	Return on Investment				
2	Plant In Service				
3	Capital Additions	\$1,594,014,440.46	\$209,419,323.65	\$1,803,433,764.11	Schedule 2
4	Cost of Removal	(31,464,273.63)	(2,375,570.14)	(33,839,843.77)	Schedule 3
5	Retirements	(75,658,402.36)	(12,902,972.90)	(88,561,375.26)	Schedule 4
6	Total Plant In Service	1,486,891,764.47	194,140,780.61	1,681,032,545.08	
7	Less: Accumulated Provision for Depreciation				
8	Depreciation Expense	152,771,471.90	38,653,586.69	191,425,058.59	Schedule 5
9	Cost of Removal	(31,464,273.63)	(2,375,570.14)	(33,839,843.77)	Line 4
10	Retirements	(75,658,402.36)	(12,902,972.90)	(88,561,375.26)	Line 5
11	Total Accumulated Provision for Depreciation	45,648,795.91	23,375,043.65	69,023,839.56	
12	Subtotal: Net Capital Additions	\$1,441,242,968.56	\$170,765,736.96	\$1,612,008,705.52	Line 6 less Line 11
13	Net Regulatory Asset - Post-In-Service Carrying Costs	69,419,776.51	9,399,575.72	78,819,352.23	Schedule 6
14	Net Deferred Tax Balance - PISCC	(14,578,153.09)	(1,973,910.88)	(16,552,063.97)	Schedule 7
15	Excess Deferred Income Tax (EDIT) on PISCC	(6,994,770.35)	1,398,954.07	(5,595,816.28)	Schedule 18
16	Deferred Taxes on Liberalized Depreciation	(180,821,243.28)	(2,300,918.72)	(183,122,162.00)	Schedule 8, Line 6
17	Excess Deferred Income Tax (EDIT) on Depreciation	(117,373,198.34)	501,742.34	(116,871,456.00)	Schedule 8, Line 6
18	Rate Base	\$1,190,895,380.01	\$177,791,179.49	\$1,368,686,559.50	Lines 12 - 17
19	Pre-Tax Rate of Return			9.91%	Schedule 12
20	Annualized Return on Rate Base			\$135,636,838.05	Line 18 x Line 19
21	Operating Expense				
22	Incremental Depreciation Expense			560,274.32	Schedule 5A
23	Annualized Depreciation on Assets through 12/31/2019			41,237,548.37	Schedule 9
24	Annualized Amortization of PISCC			1,287,197.62	Schedule 10
25	Incremental Property Tax Expense			238,974.81	Schedule 11
26	Annualized Property Tax Expense on Assets through 12/31/2019			40,243,919.13	Schedule 11
27	O&M Expense Savings			(2,246,810.71)	Schedule 15
28	Revenue Adjustment - Tax Reform			0.00	Schedule 17
29	Excess Deferred Income Tax (EDIT) on PISCC Amortization			(1,770,827.94)	Schedule 18
30	Excess Deferred Income Tax (EDIT) Amortization			(635,116.89)	Schedule 8, Line 11
31	Rate Cap Adjustment			(2,860,000.00)	Schedule 13
32	Revenue Requirement Before Reconciliation Adjustment			\$211,691,996.76	
33	Reconciliation Adjustment			6,392,449.88	Schedule 16
34	Annualized Revenue Requirement			\$218,084,446.64	
35	PIR Cost Recovery Charge by Rate Schedule				
36	GSS / ECTS			\$13.45	Per Customer Per Month - Schedule 13
37	LVGSS / LVECTS			\$68.32	Per Customer Per Month - Schedule 13
38	GTS / TSS			\$565.38	Per Customer Per Month - Schedule 13
39	DTS			\$0.0567	Per Mcf - Schedule 13

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Capital Additions

Attachment A
Schedule 2

		Approved													
No.	Capital Additions	12/31/18	01/31/19	02/28/19	03/31/19	04/30/19	05/31/19	06/30/19	07/31/19	08/31/19	09/30/19	10/31/19	11/30/19	12/31/19	
Cumulative															
1	Distribution														
2	Mainline Replacement & Relocation - LP	\$592,335,488.43	\$593,794,180.19	\$596,886,216.35	\$603,358,620.08	\$608,787,192.45	\$619,949,620.65	\$635,233,919.83	\$642,106,397.25	\$652,387,646.23	\$666,809,906.65	\$672,015,483.61	\$679,306,915.21	\$693,246,633.21	
3	Mainline Replacement & Relocation - RP	543,761,372.05	545,781,680.68	549,284,500.43	553,099,214.81	558,159,290.01	561,798,924.62	566,744,844.93	570,142,525.81	576,382,323.88	582,389,976.28	586,916,632.12	590,087,909.13	595,375,846.36	
4	M&R Structures	1,981,614.35	2,022,766.90	2,033,635.11	2,077,792.92	2,078,655.19	2,082,819.16	2,158,466.75	2,155,043.05	2,197,815.69	2,197,815.69	2,279,240.14	2,289,370.43	2,630,243.86	
5	M&R Equipment	43,831,844.27	44,418,256.72	44,488,555.39	44,629,313.68	44,702,912.99	44,729,259.56	45,050,332.09	45,051,149.04	45,363,576.52	45,409,215.46	45,863,039.44	46,440,682.95	52,116,294.33	
6	M&R Equi Other - Industrial	0.00	0.00	146.90	45.28	(526.43)	692.79	692.79	692.79	692.79	692.79	692.79	20,503.65	20,503.65	
7	Betterments - LP	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	
8	Betterments - RP	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	
9	Services - LP	205,908,563.77	206,997,807.42	207,998,428.07	210,754,890.90	213,671,979.89	216,657,755.67	221,912,395.92	224,670,832.21	227,736,212.60	231,543,083.98	235,116,284.29	237,973,456.81	242,114,059.75	
10	Services - RP	154,175,005.10	154,811,579.33	155,362,455.95	156,406,382.98	157,542,293.19	158,966,387.92	159,932,453.14	160,908,862.99	161,935,301.99	162,974,514.29	163,935,252.14	164,650,673.04	165,909,630.46	
11	Subtotal Distribution	\$1,545,207,587.45	\$1,551,039,970.72	\$1,559,267,637.68	\$1,573,539,960.13	\$1,588,155,496.77	\$1,607,399,159.85	\$1,634,246,804.93	\$1,648,249,202.62	\$1,669,217,269.18	\$1,694,538,904.62	\$1,709,340,324.01	\$1,723,983,210.70	\$1,754,626,911.10	
12	Transmission - M&R	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	
13	Transmission - Mainline Replacement	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	47,032,294.84	
14	Computer Software - Purchased	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	
15	Total	\$1,594,014,440.46	\$1,599,846,823.73	\$1,608,074,490.69	\$1,622,346,813.14	\$1,636,962,349.78	\$1,656,206,012.86	\$1,683,053,657.94	\$1,697,056,055.63	\$1,718,024,122.19	\$1,743,345,757.63	\$1,758,147,177.02	\$1,772,790,063.71	\$1,803,433,764.11	
Incremental															
16	Distribution													Total	
17	Mainline Replacement & Relocation - LP		\$1,458,691.76	\$3,092,036.16	\$6,472,403.73	\$5,428,572.37	\$11,162,428.20	\$15,284,299.18	\$6,872,477.42	\$10,281,248.98	\$14,422,260.42	\$5,205,576.96	\$7,291,431.60	\$13,939,718.00	\$100,911,144.78
18	Mainline Replacement & Relocation - RP		2,020,308.63	3,502,819.75	3,814,714.38	5,060,075.20	3,639,634.61	4,945,920.31	3,397,680.88	6,239,798.07	6,007,652.40	4,536,655.84	3,171,277.01	5,287,937.23	51,614,474.31
19	M&R Structures		41,152.55	10,868.21	44,157.81	862.27	4,163.97	75,647.59	(3,423.70)	42,772.64	0.00	81,424.45	10,130.29	340,873.43	648,629.51
20	M&R Equipment		586,412.45	70,298.67	140,758.29	73,599.31	26,346.57	321,072.53	816.95	312,427.48	45,638.94	453,823.98	577,643.51	5,675,611.38	8,284,450.06
21	M&R Equi Other - Industrial		0.00	146.90	(101.62)	(571.71)	1,219.22	0.00	0.00	0.00	0.00	0.00	19,810.86	0.00	20,503.65
22	Betterments - LP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Betterments - RP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	Services - LP		1,089,243.65	1,000,620.65	2,756,462.83	2,917,088.99	2,985,775.78	5,254,640.25	2,758,436.29	3,065,380.39	3,806,871.38	3,573,200.31	2,857,172.52	4,140,602.94	36,205,495.98
25	Services - RP		636,574.23	550,876.62	1,043,927.03	1,135,910.21	1,424,094.73	966,065.22	976,409.85	1,026,439.00	1,039,212.30	960,737.85	715,420.90	1,258,957.42	11,734,625.36
26	Subtotal Distribution		\$5,832,383.27	\$8,227,666.96	\$14,272,322.45	\$14,615,536.64	\$19,243,663.08	\$26,847,645.08	\$14,002,397.69	\$20,968,066.56	\$25,321,635.44	\$14,801,419.39	\$14,642,886.69	\$30,643,700.40	\$209,419,323.65
27	Transmission - M&R		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Transmission - Mainline Replacement		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	Computer Software - Purchased		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	Total		\$5,832,383.27	\$8,227,666.96	\$14,272,322.45	\$14,615,536.64	\$19,243,663.08	\$26,847,645.08	\$14,002,397.69	\$20,968,066.56	\$25,321,635.44	\$14,801,419.39	\$14,642,886.69	\$30,643,700.40	\$209,419,323.65
31	Cumulative Current Year Additions		\$5,832,383.27	\$14,060,050.23	\$28,332,372.68	\$42,947,909.32	\$62,191,572.40	\$89,039,217.48	\$103,041,615.17	\$124,009,681.73	\$149,331,317.17	\$164,132,736.56	\$178,775,623.25	\$209,419,323.65	

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Cost of Removal

Attachment A
Schedule 3

Line No.	Cost of Removal	Approved 12/31/18	01/31/19	02/28/19	03/31/19	04/30/19	05/31/19	06/30/19	07/31/19	08/31/19	09/30/19	10/31/19	11/30/19	12/31/19
Cumulative														
1	Distribution													
2	Mainline Replacement & Relocation - LP	(\$14,376,252.96)	(\$14,392,444.44)	(\$14,426,766.04)	(\$14,498,609.72)	(\$14,558,866.87)	(\$14,682,769.82)	(\$14,852,425.54)	(\$14,928,710.04)	(\$15,042,831.90)	(\$15,202,918.99)	(\$15,260,700.89)	(\$15,341,635.78)	(\$15,496,366.65)
3	Mainline Replacement & Relocation - RP	(10,832,550.23)	(10,854,975.66)	(10,893,856.96)	(10,936,200.29)	(10,992,367.12)	(11,032,767.06)	(11,087,666.78)	(11,125,381.04)	(11,194,642.80)	(11,261,327.74)	(11,311,573.62)	(11,346,774.79)	(11,405,470.89)
4	M&R Structures	(1,142,724.65)	(1,180,708.30)	(1,190,948.90)	(1,232,529.47)	(1,233,344.22)	(1,237,279.82)	(1,245,732.77)	(1,245,421.43)	(1,285,807.62)	(1,285,807.62)	(1,289,138.75)	(1,296,832.97)	(1,341,937.63)
5	M&R Equipment	(4,711,698.69)	(4,776,004.98)	(4,788,618.48)	(4,797,720.17)	(4,802,445.09)	(4,804,037.17)	(4,832,555.78)	(4,832,616.55)	(4,867,930.26)	(4,871,809.28)	(4,942,413.44)	(4,991,617.16)	(5,175,166.63)
6	M&R Equ Other - Industrial	0.00	0.00	(9.35)	(2.87)	33.51	(44.01)	(44.01)	(44.01)	(44.01)	(44.01)	(44.01)	(19,854.87)	(19,854.87)
7	Betterments - LP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Betterments - RP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Services - LP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Services - RP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Subtotal Distribution	(\$31,063,226.53)	(\$31,204,133.38)	(\$31,300,199.73)	(\$31,465,062.52)	(\$31,586,989.79)	(\$31,756,897.88)	(\$32,018,424.88)	(\$32,132,173.07)	(\$32,391,256.59)	(\$32,621,907.64)	(\$32,803,870.71)	(\$32,996,715.57)	(\$33,438,796.67)
12	Transmission - M&R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Transmission - Mainline Replacement	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)	(401,047.10)
14	Computer Software - Purchased	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	Total	(\$31,464,273.63)	(\$31,605,180.48)	(\$31,701,246.83)	(\$31,866,109.62)	(\$31,988,036.89)	(\$32,157,944.98)	(\$32,419,471.98)	(\$32,533,220.17)	(\$32,792,303.69)	(\$33,022,954.74)	(\$33,204,917.81)	(\$33,397,762.67)	(\$33,839,843.77)
Incremental														
16	Distribution													Total
17	Mainline Replacement & Relocation - LP		(\$16,191.48)	(\$34,321.60)	(\$71,843.68)	(\$60,257.15)	(\$123,902.95)	(\$169,655.72)	(\$76,284.50)	(\$114,121.86)	(\$160,087.09)	(\$57,781.90)	(\$80,934.89)	(\$154,730.87)
18	Mainline Replacement & Relocation - RP		(22,425.43)	(38,881.30)	(42,343.33)	(56,166.83)	(40,399.94)	(54,899.72)	(37,714.26)	(69,261.76)	(66,684.94)	(50,245.88)	(35,201.17)	(58,696.10)
19	M&R Structures		(37,983.65)	(10,240.60)	(41,580.57)	(814.75)	(3,935.60)	(8,452.95)	311.34	(40,386.19)	0.00	(3,331.13)	(7,694.22)	(45,104.66)
20	M&R Equipment		(64,306.29)	(12,613.50)	(9,101.69)	(4,724.92)	(1,592.08)	(28,518.61)	(60.77)	(35,313.71)	(3,879.02)	(70,604.16)	(49,203.72)	(183,549.47)
21	M&R Equ Other - Industrial		0.00	(9.35)	6.48	36.38	(77.52)	0.00	0.00	0.00	0.00	0.00	(19,810.86)	0.00
22	Betterments - LP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Betterments - RP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	Services - LP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25	Services - RP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Subtotal Distribution		(\$140,906.85)	(\$96,066.35)	(\$164,862.79)	(\$121,927.27)	(\$169,908.09)	(\$261,527.00)	(\$113,748.19)	(\$259,083.52)	(\$230,651.05)	(\$181,963.07)	(\$192,844.86)	(\$442,081.10)
27	Transmission - M&R		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Transmission - Mainline Replacement		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	Computer Software - Purchased		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	Total		(\$140,906.85)	(\$96,066.35)	(\$164,862.79)	(\$121,927.27)	(\$169,908.09)	(\$261,527.00)	(\$113,748.19)	(\$259,083.52)	(\$230,651.05)	(\$181,963.07)	(\$192,844.86)	(\$442,081.10)
31	Cumulative Current Year Cost of Removal		(\$140,906.85)	(\$236,973.20)	(\$401,835.99)	(\$523,763.26)	(\$693,671.35)	(\$955,198.35)	(\$1,068,946.54)	(\$1,328,030.06)	(\$1,558,681.11)	(\$1,740,644.18)	(\$1,933,489.04)	(\$2,375,570.14)

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Retirements

Attachment A
Schedule 4

		Approved													
No.	Retirements	12/31/18	01/31/19	02/28/19	03/31/19	04/30/19	05/31/19	06/30/19	07/31/19	08/31/19	09/30/19	10/31/19	11/30/19	12/31/19	
Cumulative															
1	Distribution														
2	Mainline Replacement & Relocation - LP	(\$1,960,046.34)	(\$22,386,266.27)	(\$22,401,276.28)	(\$22,451,254.22)	(\$22,634,676.14)	(\$22,634,676.14)	(\$22,980,167.14)	(\$22,980,587.39)	(\$22,980,587.39)	(\$22,983,108.09)	(\$22,983,108.09)	(\$23,001,397.78)	(\$23,001,400.03)	
3	Mainline Replacement & Relocation - RP	(20,251,358.15)	(22,724,076.60)	(22,902,127.17)	(22,902,127.17)	(22,902,127.17)	(22,902,127.17)	(23,119,860.41)	(23,119,860.41)	(23,119,860.41)	(24,289,888.23)	(24,643,882.14)	(24,643,882.14)	(24,643,882.14)	
4	M&R Structures	(288,895.13)	(290,661.97)	(290,661.97)	(290,661.97)	(290,661.97)	(290,661.97)	(290,661.97)	(296,445.39)	(296,445.39)	(296,445.39)	(297,050.55)	(299,062.22)	(299,062.22)	
5	M&R Equipment	(3,946,494.00)	(3,992,116.53)	(4,007,842.88)	(4,007,842.88)	(4,008,160.47)	(4,008,160.47)	(4,022,647.34)	(4,024,846.17)	(4,025,609.97)	(4,029,788.64)	(4,040,853.67)	(4,071,113.09)	(4,075,365.45)	
6	M&R Equ Other - Industrial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	Betterments - LP	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	(38,456.14)	
8	Betterments - RP	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	(62,122.82)	
9	Services - LP	(13,192,967.69)	(13,192,967.69)	(13,192,967.69)	(16,915,673.68)	(16,915,673.68)	(16,915,673.68)	(16,957,959.76)	(16,957,959.76)	(16,957,959.76)	(16,957,959.76)	(16,957,959.76)	(16,957,959.76)	(16,957,959.76)	
10	Services - RP	(13,227,979.70)	(13,227,979.70)	(13,227,979.70)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	(16,793,044.31)	
11	Subtotal Distribution	(\$72,968,319.97)	(\$75,914,647.72)	(\$76,123,434.65)	(\$83,461,183.19)	(\$83,644,922.70)	(\$83,644,922.70)	(\$84,264,919.89)	(\$84,273,322.39)	(\$84,274,086.19)	(\$85,450,813.38)	(\$85,816,477.48)	(\$85,867,038.26)	(\$85,871,292.87)	
12	Transmission - M&R	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	(149,418.18)	
13	Transmission - Mainline Replacement	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	(1,806,719.33)	
14	Computer Software - Purchased	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	(733,944.88)	
15	Total	(\$75,658,402.36)	(\$78,604,730.11)	(\$78,813,517.04)	(\$86,151,265.58)	(\$86,335,005.09)	(\$86,335,005.09)	(\$86,955,002.28)	(\$86,963,404.78)	(\$86,964,168.58)	(\$88,140,895.77)	(\$88,506,559.87)	(\$88,557,120.65)	(\$88,561,375.26)	
Incremental															
16	Distribution														
17	Mainline Replacement & Relocation - LP		(\$426,219.93)	(\$15,010.01)	(\$49,977.94)	(\$183,421.92)	\$0.00	(\$345,491.00)	(\$420.25)	\$0.00	(\$2,520.70)	\$0.00	(\$18,289.69)	(\$2.25)	
18	Mainline Replacement & Relocation - RP		(2,472,718.45)	(178,050.57)	0.00	0.00	0.00	(217,733.24)	0.00	0.00	(1,170,027.82)	(353,993.91)	0.00	0.00	
19	M&R Structures		(1,766.84)	0.00	0.00	0.00	0.00	0.00	(5,783.42)	0.00	0.00	(605.16)	(2,011.67)	0.00	
20	M&R Equipment		(45,622.53)	(15,726.35)	0.00	0.00	(317.59)	(14,486.87)	(2,198.83)	(763.80)	(4,178.67)	(11,065.03)	(30,259.42)	(4,252.36)	
21	M&R Equ Other - Industrial		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
22	Betterments - LP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
23	Betterments - RP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
24	Services - LP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
25	Services - RP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Subtotal Distribution		(\$2,946,327.75)	(\$208,786.93)	(\$7,337,748.54)	(\$183,739.51)	\$0.00	(\$619,997.19)	(\$8,402.50)	(\$763.80)	(\$1,176,727.19)	(\$365,664.10)	(\$50,560.78)	(\$4,254.61)	
27	Transmission - M&R		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Transmission - Mainline Replacement		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
29	Computer Software - Purchased		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
30	Total		(\$2,946,327.75)	(\$208,786.93)	(\$7,337,748.54)	(\$183,739.51)	\$0.00	(\$619,997.19)	(\$8,402.50)	(\$763.80)	(\$1,176,727.19)	(\$365,664.10)	(\$50,560.78)	(\$4,254.61)	
31	Cumulative Current Year Retirements		(\$2,946,327.75)	(\$3,155,114.68)	(\$10,492,863.22)	(\$10,676,602.73)	(\$10,676,602.73)	(\$11,296,599.92)	(\$11,305,002.42)	(\$11,305,766.22)	(\$12,482,493.41)	(\$12,848,157.51)	(\$12,898,718.29)	(\$12,902,972.90)	

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Provision for Depreciation

Attachment A
Schedule 5

Line No.	Description	Approved 12/31/18	01/31/19	02/28/19	03/31/19	04/30/19	05/31/19	06/30/19	07/31/19	08/31/19	09/30/19	10/31/19	11/30/19	12/31/19	
Accumulated Plant Less Cost of Removal															
1	Distribution														
2	Mainline Replacement & Relocation - LP	\$577,959,235.47	\$579,401,735.75	\$582,459,450.31	\$588,860,010.36	\$594,228,325.58	\$605,266,850.83	\$620,381,494.29	\$627,177,687.21	\$637,344,814.33	\$651,606,987.66	\$656,754,782.72	\$663,965,279.43	\$677,750,266.56	
3	Mainline Replacement & Relocation - RP	532,938,821.82	534,926,705.02	538,390,643.47	542,163,014.52	547,166,922.89	550,766,157.56	555,657,178.15	559,017,144.77	565,187,681.08	571,128,648.54	575,605,058.50	578,741,134.34	583,970,375.47	
4	M&R Structures	838,889.70	842,058.60	842,686.21	845,263.45	845,310.97	845,539.34	845,539.34	912,733.98	909,621.62	912,008.07	912,008.07	990,101.39	992,537.46	1,288,306.23
5	M&R Equipment	39,120,145.58	39,642,251.74	39,699,936.91	39,831,593.51	39,900,467.90	39,925,222.39	40,217,776.31	40,218,532.49	40,495,646.26	40,537,406.18	40,920,626.00	41,449,065.79	46,941,127.70	
6	M&R Equi Other - Industrial	0.00	0.00	137.55	42.41	(492.92)	648.78	648.78	648.78	648.78	648.78	648.78	648.78	648.78	
7	Betterments - LP	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	1,372,055.27	
8	Betterments - RP	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	1,841,644.21	
9	Services - LP	205,908,563.77	206,997,807.42	207,998,428.07	210,754,890.90	213,671,979.89	216,657,755.67	221,912,395.92	224,670,832.21	227,736,212.60	231,543,083.98	235,116,284.29	237,973,456.81	242,114,059.75	
10	Services - RP	154,175,005.10	154,811,579.33	155,362,455.95	156,406,382.98	157,542,293.19	158,966,387.92	159,932,453.14	160,908,862.99	161,935,301.99	162,974,514.29	163,935,252.14	164,650,673.04	165,909,630.46	
11	Subtotal Distribution	\$1,514,144,360.92	\$1,519,835,837.34	\$1,527,967,437.95	\$1,542,074,897.61	\$1,556,568,506.98	\$1,575,642,261.97	\$1,602,228,380.05	\$1,616,117,029.55	\$1,636,826,012.59	\$1,661,916,996.98	\$1,676,536,453.30	\$1,690,986,495.13	\$1,721,188,114.43	
12	Transmission - M&R	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	1,040,613.29	
13	Transmission - Mainline Replacement	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	46,631,247.74	
14	Computer Software - Purchased	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	733,944.88	
15	Total	\$1,562,550,166.83	\$1,568,241,643.25	\$1,576,373,243.86	\$1,590,480,703.52	\$1,604,974,312.89	\$1,624,048,067.88	\$1,650,634,185.96	\$1,664,522,835.46	\$1,685,231,818.50	\$1,710,322,802.89	\$1,724,942,259.21	\$1,739,392,301.04	\$1,769,593,920.34	
Depreciation															
16	Distribution														
17	Mainline Replacement & Relocation - LP	1.73%	\$39,001,088.87	\$835,304.17	\$839,712.37	\$848,939.85	\$856,679.17	\$872,593.04	\$894,383.32	\$904,181.17	\$918,838.77	\$939,400.07	\$946,821.48	\$957,216.61	\$977,089.97
18	Mainline Replacement & Relocation - RP	1.73%	40,843,295.77	771,186.00	776,179.84	781,618.35	788,832.31	794,021.21	801,072.43	805,916.38	814,812.24	823,377.13	829,830.63	834,351.80	841,890.62
19	M&R Structures	2.00%	17,558.00	1,403.43	1,404.48	1,408.77	1,408.85	1,409.23	1,516.04	1,520.01	1,520.01	1,650.17	1,654.23	1,654.23	2,147.18
20	M&R Equipment	2.18%	3,981,877.32	72,016.76	72,121.55	72,360.73	72,485.85	72,530.82	73,062.29	73,063.67	73,567.09	73,642.95	74,339.14	75,299.14	85,276.38
21	M&R Equi Other - Industrial	2.20%	0.00	0.00	0.25	0.08	(0.90)	1.19	1.19	1.19	1.19	1.19	1.19	1.19	8.95
22	Betterments - LP	1.73%	191,590.72	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	1,978.05	215,327.32
23	Betterments - RP	1.73%	262,127.48	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	2,655.04	293,987.96
24	Services - LP	4.44%	30,745,106.22	765,891.89	769,594.18	779,793.10	790,586.33	801,633.70	821,075.86	831,282.08	842,623.99	856,709.41	869,930.25	880,501.79	895,822.02
25	Services - RP	4.00%	28,697,980.59	516,038.60	517,874.85	521,354.61	525,140.98	529,887.96	533,108.18	536,362.88	539,784.34	543,248.38	546,450.84	548,835.58	553,032.10
26	Subtotal Distribution		\$143,740,624.97	\$2,966,473.94	\$2,981,520.61	\$3,010,108.58	\$3,039,765.68	\$3,076,710.24	\$3,128,857.58	\$3,156,956.50	\$3,195,780.72	\$3,242,532.23	\$3,273,656.79	\$3,302,493.43	\$3,359,892.55
27	Transmission - M&R	2.26%	182,711.84	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	1,959.82	206,229.68
28	Transmission - Mainline Replacement	1.92%	8,114,190.21	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	74,610.00	9,009,510.21
29	Computer Software - Purchased	10.00%	733,944.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	733,944.88
30	Total		\$152,771,471.90	\$3,043,043.76	\$3,058,090.43	\$3,086,678.40	\$3,116,335.50	\$3,153,280.06	\$3,205,427.40	\$3,233,526.32	\$3,272,350.54	\$3,319,102.05	\$3,350,226.61	\$3,379,063.25	\$3,436,462.37
31	Accumulated Depreciation Expense		\$3,043,043.76	\$6,101,134.19	\$9,187,812.59	\$12,304,148.09	\$15,457,428.15	\$18,662,855.55	\$21,896,381.87	\$25,168,732.41	\$28,487,834.46	\$31,838,061.07	\$35,217,124.32	\$38,653,586.69	
32	Cumulative Provision for Depreciation		\$152,771,471.90	\$155,814,515.66	\$158,872,606.09	\$161,959,284.49	\$165,075,619.99	\$168,228,900.05	\$171,434,327.45	\$174,667,853.77	\$177,940,204.31	\$181,259,306.36	\$184,609,532.97	\$187,988,596.22	\$191,425,058.59

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE)
CASE NO. 19-1944-GA-RDR
Incremental Depreciation Expense

Attachment A
Schedule 5A

Line No.	Depreciation Tax Expense	Asset life	Amounts Included in Rates				Current Year	Cumulative	Total
			2019 Expense	Annualized Exp 2017	Annualized Exp 2018	Incremental Depreciation	Incremental Amortization	Through 12/31/18	
1	Mainline Replacement & Relocation - LP	1.33%	\$10,791,159.99	(\$2,853,708.85)	(\$6,588,735.29)	\$1,348,715.85	\$17,978.38	\$96,283.14	\$114,261.52
2	Mainline Replacement & Relocation - RP	1.33%	9,663,088.94	(2,641,120.45)	(6,075,388.57)	946,579.92	\$12,617.91	\$89,794.10	\$102,412.01
3	M&R Structures	1.54%	18,563.62	(3,122.41)	(9,283.71)	6,157.50	\$94.70	\$90.75	\$185.45
4	M&R Equipment	1.82%	889,766.37	(275,141.69)	(612,882.28)	1,742.40	\$31.68	\$10,958.77	\$10,990.45
5	M&R Equipment Other - Industrial	2.00%	8.95	0.00	0.00	8.95	\$0.18	\$0.00	\$0.18
6	Betterments - LP	1.33%	23,736.60	(7,820.72)	(15,641.43)	274.45	\$3.66	\$240.48	\$244.14
7	Betterments - RP	1.33%	31,860.48	(10,497.37)	(20,994.75)	368.36	\$4.91	\$331.31	\$336.22
8	Services - LP	2.22%	9,905,444.60	(1,961,188.15)	(4,708,442.49)	3,235,813.96	\$71,899.79	\$137,250.05	\$209,149.84
9	Services - RP	2.00%	6,411,119.30	(1,614,158.01)	(3,525,468.45)	1,271,492.84	\$25,429.86	\$85,869.31	\$111,299.17
10	Transmission - M&R	1.89%	23,517.84	(7,284.29)	(14,568.59)	1,664.96	\$31.42	\$306.73	\$338.15
11	Transmission - Mainline Replacement	1.54%	895,320.00	(287,559.36)	(575,118.72)	32,641.92	\$502.03	\$10,555.16	\$11,057.19
12	Computer Software - Purchased	10.00%	0.00	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00
13	Total		\$38,653,586.69	(\$9,661,601.30)	(\$22,146,524.28)	\$6,845,461.11	\$128,594.52	\$431,679.80	\$560,274.32

14		Case No 18-1587	Case No 17-2177
15		Annualized	Annualized
16		Depreciation	Depreciation
17	<u>Annualized Depreciation</u>	12/31/18	12/31/17
18	Distribution ML Replacement & Relocation - LP	\$9,883,102.93	\$8,561,126.54
19	Distribution ML Replacement & Relocation - RP	9,113,082.85	7,923,361.35
20	Distribution M & R Structures	13,925.57	9,367.23
21	Distribution M & R Equipment	919,323.42	825,425.06
22	M&R Equipment Other - Industrial	0.00	0.00
23	Betterments - LP	23,462.15	23,462.15
24	Betterments - RP	31,492.12	31,492.12
25	Distribution Services - LP	7,062,663.74	5,883,564.46
26	Distribution Services - RP	5,288,202.67	4,842,474.03
27	Transmission M & R	21,852.88	21,852.88
28	Transmission ML Replacement & Relocation	862,678.08	862,678.08
29	Computer Software - Purchased	0.00	0.00
30	Total	\$33,219,786.41	\$28,984,803.90
31	Portion Already Embedded in Rates	\$22,146,524.27	\$9,661,601.30
32	Rates in Effect	May-Dec 2018	Jan-Apr 2018

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Net Regulatory Asset - Post-In-Service Carrying Costs (PISCC)

Attachment A
Schedule 6

Line	Approved	Rate Change												
No.	Description	12/31/18	01/31/19	02/28/19	03/31/19	04/30/19	05/31/19	06/30/19	07/31/19	08/31/19	09/30/19	10/31/19	11/30/19	12/31/19
1	Accumulated Plant Less Cost of Removal													
2	Distribution ML Replacement & Relocation - LP	\$77,308,560.47	\$78,751,060.75	\$81,808,775.31	\$88,209,335.36	\$93,577,650.58	\$27,307,615.36	\$42,422,258.82	\$49,218,451.74	\$59,385,578.86	\$73,647,752.19	\$78,795,547.25	\$86,006,043.96	\$99,791,031.09
3	Distribution ML Replacement & Relocation - RP	69,574,357.03	71,572,240.23	75,036,178.68	78,808,549.73	83,812,458.10	17,837,335.74	22,728,356.33	26,088,322.95	32,258,859.26	38,199,826.72	42,676,236.68	45,812,312.52	51,041,553.65
4	M&R Structures	274,598.62	277,767.52	278,395.13	280,972.37	281,019.89	6,649.64	73,844.28	70,731.92	73,118.37	73,118.37	151,211.69	153,647.76	449,416.53
5	M&R Equipment	3,995,675.06	4,517,781.22	4,575,466.39	4,707,122.99	4,775,997.38	805,076.81	1,097,630.73	1,098,386.91	1,375,500.68	1,417,260.60	1,800,480.42	2,328,920.21	7,820,982.12
6	M&R Equ Other - Industrial	0.00	0.00	137.55	42.41	(492.92)	648.78	648.78	648.78	648.78	648.78	648.78	648.78	648.78
7	Betterments - LP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Betterments - RP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Distribution Services - LP	34,376,072.31	35,465,315.96	36,465,936.61	39,222,399.44	42,139,488.43	10,749,191.90	16,003,832.15	18,762,268.44	21,827,648.83	25,634,520.21	29,207,720.52	32,064,893.04	36,205,495.98
10	Distribution Services - RP	12,995,004.25	13,631,578.48	14,182,455.10	15,226,382.13	16,362,292.34	4,791,382.82	5,757,448.04	6,733,857.89	7,760,296.89	8,799,509.19	9,760,247.04	10,475,667.94	11,734,625.36
11	Transmission M & R	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Transmission ML Replacement & Relocation	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Computer Software - Purchased	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	Total Accumulated Plant Less Cost of Removal	\$198,524,267.74	\$204,215,744.16	\$212,347,344.77	\$226,454,804.43	\$240,948,413.80	\$61,497,901.05	\$88,084,019.13	\$101,972,668.63	\$122,681,651.67	\$147,772,636.06	\$162,392,092.38	\$176,842,134.21	\$207,043,753.51
15	Regulatory Asset - Deferrals (@ 6.5%)													Total
16	Distribution ML Replacement & Relocation - LP		\$418,754.70	\$426,568.25	\$443,130.87	\$477,800.57	\$506,878.94	\$147,916.25	\$229,787.24	\$266,599.95	\$321,671.89	\$398,925.32	\$426,809.21	\$465,866.07
17	Distribution ML Replacement & Relocation - RP		376,861.10	387,682.97	406,445.97	426,879.64	453,984.15	96,618.90	123,111.93	141,311.75	174,735.49	206,915.73	231,162.95	248,150.03
18	M&R Structures		1,487.41	1,504.57	1,507.97	1,521.93	1,522.19	36.02	399.99	383.13	396.06	396.06	819.06	832.26
19	M&R Equipment		21,643.24	24,471.31	24,783.78	25,496.92	25,869.99	4,360.83	5,949.60	5,949.60	7,450.63	7,676.83	9,752.60	12,614.98
20	M&R Equ Other - Industrial		0.00	0.00	0.75	0.23	(2.67)	3.51	3.51	3.51	3.51	3.51	3.51	3.51
21	Betterments - LP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	Betterments - RP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Distribution Services - LP		186,203.73	192,103.79	197,523.82	212,454.66	228,255.56	58,224.79	86,687.42	101,628.95	118,233.10	138,853.65	158,208.49	173,684.84
24	Distribution Services - RP		70,389.61	73,837.72	76,821.63	82,476.24	88,629.08	25,953.32	31,186.18	36,475.06	42,034.94	47,664.01	52,868.00	56,743.20
25	Transmission M & R		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Transmission ML Replacement & Relocation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Computer Software - Purchased		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Deferrals		\$1,075,339.79	\$1,106,168.61	\$1,150,214.79	\$1,226,630.19	\$1,305,137.24	\$333,113.62	\$477,121.77	\$552,351.95	\$664,525.62	\$800,435.11	\$879,623.82	\$957,894.89
29	Regulatory Asset - Amortization													
30	Distribution ML Replacement & Relocation - LP		\$26,819.22	\$26,819.22	\$26,819.22	\$26,819.22	\$29,739.06	\$29,739.06	\$29,739.06	\$29,739.06	\$29,739.06	\$29,739.06	\$29,739.06	\$29,739.06
31	Distribution ML Replacement & Relocation - RP		25,571.09	25,571.09	25,571.09	25,571.09	27,622.50	27,622.50	27,622.50	27,622.50	27,622.50	27,622.50	27,622.50	27,622.50
32	M&R Structures		19.04	19.04	19.04	19.04	27.70	27.70	27.70	27.70	27.70	27.70	27.70	27.70
33	M&R Equipment		1,895.70	1,895.70	1,895.70	1,895.70	2,479.14	2,479.14	2,479.14	2,479.14	2,479.14	2,479.14	2,479.14	2,479.14
34	M&R Equ Other - Industrial		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	Betterments - LP		78.71	78.71	78.71	78.71	72.78	72.78	72.78	72.78	72.78	72.78	72.78	72.78
36	Betterments - RP		108.50	108.50	108.50	108.50	100.28	100.28	100.28	100.28	100.28	100.28	100.28	100.28
37	Distribution Services - LP		19,579.41	19,579.41	19,579.41	19,579.41	18,130.44	18,130.44	18,130.44	18,130.44	18,130.44	18,130.44	18,130.44	18,130.44
38	Distribution Services - RP		17,686.52	17,686.52	17,686.52	17,686.52	12,643.91	12,643.91	12,643.91	12,643.91	12,643.91	12,643.91	12,643.91	12,643.91
39	Transmission M & R		59.79	59.79	59.79	59.79	69.23	69.23	69.23	69.23	69.23	69.23	69.23	69.23
40	Transmission ML Replacement & Relocation		2,859.88	2,859.88	2,859.88	2,859.88	2,860.09	2,860.09	2,860.09	2,860.09	2,860.09	2,860.09	2,860.09	2,860.09
41	Computer Software - Purchased		77.30	77.30	77.30	77.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Total Amortization		\$94,755.16	\$94,755.16	\$94,755.16	\$94,755.16	\$93,745.13	\$93,745.13	\$93,745.13	\$93,745.13	\$93,745.13	\$93,745.13	\$93,745.13	\$93,745.13
43	Regulatory Asset - Net Change													
44	Distribution ML Replacement & Relocation - LP		\$391,935.48	\$399,749.03	\$416,311.65	\$450,981.35	\$477,139.88	\$118,177.19	\$200,048.18	\$236,860.89	\$291,932.83	\$369,186.26	\$397,070.15	\$436,127.01
45	Distribution ML Replacement & Relocation - RP		351,290.01	362,111.88	380,874.88	401,308.55	426,361.65	68,996.40	95,489.43	113,689.25	147,112.99	179,293.23	203,540.45	220,527.53
46	M&R Structures		1,468.37	1,485.53	1,488.93	1,502.89	1,494.49	8.32	372.29	355.43	368.36	368.36	791.36	804.56
47	M&R Equipment		19,747.54	22,575.61	22,888.08	23,601.22	23,390.85	1,881.69	3,466.36	3,470.46	4,971.49	5,197.69	7,273.46	10,135.84
48	M&R Equ Other - Industrial		0.00	0.00	0.75	0.23	(2.67)	3.51	3.51	3.51	3.51	3.51	3.51	3.51
49	Betterments - LP		(78.71)	(78.71)	(78.71)	(78.71)	(72.78)	(72.78)	(72.78)	(72.78)	(72.78)	(72.78)	(72.78)	(72.78)
50	Betterments - RP		(108.50)	(108.50)	(108.50)	(108.50)	(100.28)	(100.28)	(100.28)	(100.28)	(100.28)	(100.28)	(100.28)	(100.28)
51	Distribution Services - LP		166,624.32	172,524.38	177,944.41	192,875.25	210,125.12	40,094.35	68,556.98	83,498.51	100,102.66	120,723.21	140,078.05	155,554.40
52	Distribution Services - RP		52,703.09	56,151.20	59,135.11	64,789.72	75,985.17	13,309.41	18,542.27	23,831.15	29,391.03	35,020.10	40,224.09	44,099.29
53	Transmission M & R		(59.79)	(59.79)	(59.79)	(59.79)	(69.23)	(69.23)	(69.23)	(69.23)	(69.23)	(69.23)	(69.23)	(69.23)
54	Transmission ML Replacement & Relocation		(2,859.88)	(2,859.88)	(2,859.88)	(2,859.88)	(2,860.09)	(2,860.09)	(2,860.09)	(2,860.09)	(2,860.09)	(2,860.09)	(2,860.09)	(2,860.09)
55	Computer Software - Purchased		(77.30)	(77.30)	(77.30)	(77.30)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
56	Net		\$980,584.63	\$1,011,413.45	\$1,055,459.63	\$1,131,875.03	\$1,211,392.11	\$239,368.49	\$383,376.64	\$458,606.82	\$570,780.49	\$706,689.98	\$785,878.69	\$864,149.76
57	Cumulative	Approved 12/31/18												
58	Distribution ML Replacement & Relocation - LP	\$25,732,919.13	\$26,124,854.61	\$26,524,603.64	\$26,940,915.29	\$27,391,896.64	\$27,869,036.52	\$27,987,213.71	\$28,187,261.89	\$28,424,122.78	\$28,716,055.61	\$29,085,241.87	\$29,482,312.02	\$29,918,439.03
59	Distribution ML Replacement & Relocation - RP	23,724,159.03	24,075,449.04	24,437,560.92	24,818,435.80	25,219,744.35	25,646,106.00	25,715,102.40	25,810,591.83	25,924,281.08	26,071,394.07	26,250,687.30	26,454,227.75	26,674,755.28
60	M&R Structures	21,330.85	22,799.22	24,284.75	25,773.68	27,276.57	28,771.06	28,779.38	29,151.67	29,507.10	29,875.46	30,243.82	31,035.18	31,839.74
61	M&R Equipment	1,523,985.76	1,543,733.30	1,566,308.91	1,589,196.99	1,612,798.21	1,636,189.06	1,638,070.75	1,641,537.11	1,645,007.57	1,649,979.06	1,655,176.75	1,662,450.21	1,672,586.05
62	M&R Equ Other - Industrial	0.00	0.00	0.00	0.75	0.98	(1.69)	1.82	5.33	8.84	12.35	15.86	19.37	22.88
63	Betterments - LP	59,527.30	59,448.59	59,369.88	59,291.17	59,212.46	59,139.68	59,066.90	58,994.12	58,921.34	58,848.56	58,775.78	58,703.00	58,630.22
64	Betterments - RP	81,777.18	81,668.68	81,560.18	81,451.68	81,343.18	81,242.90	81,142.62	81,042.34	80,942.06	80,841.78	80,741.50	80,641.22	80,540.94
65	Distribution Services - LP	9,222,942.73	9,389,567.05	9,562,091.43	9,740,035.84	9,932,911.09	10,143,036.21	10,183,130.56	10,251,687.54	10,335,186.05	10,435,288.71	10,556,011.92	10,696,089.97	10,851,644.37
66	Distribution Services - RP	7,049,088.92	7,101,792.01	7,157,943.21	7,217,078.32	7,281,868.04	7,357,853.21	7,371,162.62	7,389,704.89	7,413,536.04	7,442,927.07	7,477,947.17	7,518,171.26	7,562,270.57
67	Transmission M & R	38,056.83	37,997.04	37,937.25	37,877.46	37,817.67	37,748.44	37,679.21	37,609.98	37,540.75	37,471.52	37,402.29	37,333.06	37,263.83
68	Transmission ML Replacement & Relocation	1,961,968.89	1,959,109.01	1,956,249.13	1,953,389.									

Attachment A
Schedule 7

[illegible]

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Deferred Income Taxes on Liberalized Depreciation

Attachment A
Schedule 8

Line No.	Description	Deferred Tax		Excess Deferred Income Tax	
		ARAM*	@ 21%		
1	Beginning of Year Timing Difference	\$861,053,539	\$861,053,539		
2	Deferred Tax	298,194,442	180,821,243	\$117,373,198.34	(a)
3	Corrected Beginning EDIT Balance			117,364,302.00	(b)
4	Adjusted EDIT amount booked in 2019			(\$8,896.34)	(c=b-a)
5	End of Year Timing Difference	\$872,010,295	\$872,010,295		
6	Deferred Tax	299,993,618	183,122,162	\$116,871,456.00	(d)
7	Change in Plant Timing Difference	\$10,956,756			
8	Change in FAS109 Deferred Income Tax		\$2,300,919		
9	Change in Excess Deferred Income Tax 2019 Activity			(\$492,846.00)	(e=d-b)
10	Total Change in EDIT Amort booked in 2019			(\$501,742.34)	(f=e+c)
11	Excess Deferred Income Tax (EDIT) Amortization			(\$635,116.89)	Sch 1, Line 30

*Average Rate Assumption Method

Note: Tax system reports are rounded.

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Annualized Depreciation Associated With Capital Additions

Attachment A
Schedule 9

Line No.	Accumulated Plant Less Cost of Removal	Cumulative Through 12/31/19
1	Distribution ML Replacement & Relocation - LP	\$677,750,266.56
2	Distribution ML Replacement & Relocation - RP	583,970,375.47
3	Distribution M & R Structures	1,288,306.23
4	Distribution M & R Equipment	46,941,127.70
5	M&R Equ Other - Industrial	648.78
6	Betterments - LP	1,372,055.27
7	Betterments - RP	1,841,644.21
8	Distribution Services - LP	242,114,059.75
9	Distribution Services - RP	165,909,630.46
10	Transmission M & R	1,040,613.29
11	Transmission ML Replacement & Relocation	46,631,247.74
12	Computer Software - Purchased	733,944.88
13	Total	<u>\$1,769,593,920.34</u>

Schedule 5

Line No.	Annualized Depreciation	Depr Rate	Annualized Depreciation 12/31/19
14	Distribution ML Replacement & Relocation - LP	1.73%	\$11,725,079.61
15	Distribution ML Replacement & Relocation - RP	1.73%	10,102,687.50
16	Distribution M & R Structures	2.00%	25,766.12
17	Distribution M & R Equipment	2.18%	1,023,316.58
18	M&R Equ Other - Industrial	2.20%	14.27
19	Betterments - LP	1.73%	23,736.56
20	Betterments - RP	1.73%	31,860.44
21	Distribution Services - LP	4.44%	10,749,864.25
22	Distribution Services - RP	4.00%	6,636,385.22
23	Transmission M & R	2.26%	23,517.86
24	Transmission ML Replacement & Relocation	1.92%	895,319.96
25	Computer Software - Purchased	10.00%	0.00
26	Total		<u>\$41,237,548.37</u>

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Annualized Amortization of PISCC

Attachment A
Schedule 10

Line No.	Description	PISCC Deferrals												Accumulated Deferrals at 12/31/19
		07/01/08 - 06/30/09	07/01/09 - 06/30/10	07/01/10 - 06/30/11	07/01/11 - 12/31/11	2012	2013	2014	2015	2016	2017	2018	2019	
Regulatory Asset--Deferrals														
1	Distribution ML Replacement & Relocation - LP	\$457,884.68	\$1,023,600.62	\$1,157,940.60	\$1,010,374.68	\$1,909,875.05	\$2,896,257.22	\$3,056,558.26	\$3,327,578.58	\$3,706,556.84	\$3,976,449.16	\$4,363,830.38	\$4,530,709.26	\$31,417,615.33
2	Distribution ML Replacement & Relocation - RP	678,829.36	1,572,823.41	1,775,395.45	1,474,909.81	2,139,225.74	2,633,116.86	2,436,270.05	2,391,824.16	3,076,790.55	3,296,272.28	3,514,041.30	3,273,860.61	28,263,359.58
3	Distribution M & R Structures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,163.92	10,828.40	5,564.65	10,806.65	32,363.62
4	Distribution M & R Equipment	0.00	\$2,515.47	124,900.11	124,820.70	85,082.92	163,508.85	349,197.63	231,977.84	198,936.47	152,466.08	132,289.69	176,016.21	1,791,711.97
5	M&R Equ Other - Industrial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.88	22.88
6	Betterments - LP	0.00	12,887.87	20,123.00	23,651.52	9,447.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66,109.64
7	Betterments - RP	0.00	14,076.51	44,719.02	35,234.72	(2,910.25)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	91,120.00
8	Distribution Services - LP	215,901.50	706,803.16	708,346.15	449,812.62	641,798.01	801,754.80	808,049.35	853,566.78	1,292,892.21	1,744,751.78	1,905,688.51	1,852,062.80	11,981,427.67
9	Distribution Services - RP	245,525.10	803,782.75	805,537.46	511,530.88	729,858.34	911,762.61	918,920.82	970,683.66	846,045.52	603,186.83	622,413.59	685,078.99	8,654,326.55
10	Transmission M & R	0.00	4,151.81	18,354.19	20,945.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,451.25
11	Transmission ML Replacement & Relocation	287,101.58	1,213,798.91	558,792.25	144,749.37	25,556.53	12,221.55	0.00	0.00	0.00	0.00	0.00	0.00	2,242,220.19
12	Computer Software - Purchased	0.00	27,828.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27,828.71
13	Total	\$1,885,242.22	\$5,432,269.22	\$5,214,108.23	\$3,796,029.55	\$5,537,933.59	\$7,418,621.89	\$7,568,996.11	\$7,775,631.02	\$9,126,385.51	\$9,783,954.53	\$10,543,828.12	\$10,528,557.40	\$84,611,557.39

Annual Amortization of PISCC Through														Total
Amortization %		07/01/08 - 06/30/09	07/01/09 - 06/30/10	07/01/10 - 06/30/11	07/01/11 - 12/31/11	2012	2013	2014	2015	2016	2017	2018	2019	
14	Annualized Amortization of PISCC													
15	Distribution ML Replacement & Relocation - LP	1.33%	\$6,032.15	\$13,493.87	\$15,286.63	\$13,360.43	\$25,285.18	\$38,368.54	\$40,557.41	\$44,174.23	\$49,276.95	\$52,920.39	\$58,112.88	\$417,263.01
16	Distribution ML Replacement & Relocation - RP	1.33%	8,942.87	20,734.14	23,438.00	19,503.09	28,321.60	34,882.55	32,326.82	31,751.91	40,904.50	43,868.29	46,796.28	375,110.61
17	Distribution M & R Structures	1.54%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	79.72	166.94	85.73	498.60
18	Distribution M & R Equipment	1.82%	0.00	967.97	2,305.39	2,307.13	1,573.95	3,029.26	6,446.89	4,269.23	3,649.04	2,788.54	2,412.32	32,949.69
19	M&R Equipment Other - Industrial	2.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.46
20	Betterments - LP	1.33%	0.00	169.90	265.65	312.75	125.07	0.00	0.00	0.00	0.00	0.00	0.00	873.37
21	Betterments - RP	1.33%	0.00	185.57	590.36	465.92	(38.53)	0.00	0.00	0.00	0.00	0.00	0.00	1,203.32
22	Distribution Services - LP	2.22%	4,354.20	14,423.72	14,617.90	9,379.60	13,513.89	17,033.11	17,315.49	18,439.36	28,145.29	38,264.02	42,078.75	258,718.17
23	Distribution Services - RP	2.00%	4,532.70	14,908.66	15,005.44	9,566.70	13,701.21	17,171.79	17,501.65	18,691.05	16,460.74	11,846.45	12,340.52	165,428.49
24	Transmission M & R	1.89%	0.00	79.32	350.89	400.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	830.78
25	Transmission ML Replacement & Relocation	1.54%	4,386.45	18,570.09	8,563.36	2,220.56	392.62	188.04	0.00	0.00	0.00	0.00	0.00	34,321.12
26	Computer Software - Purchased	10.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Total--Annualized Amortization PISCC		\$28,248.37	\$83,533.24	\$80,423.62	\$57,516.75	\$82,874.99	\$110,673.29	\$114,148.26	\$117,325.78	\$138,516.24	\$149,854.63	\$161,826.48	\$1,287,197.62
28	Monthly Amortization		\$2,354.03	\$6,961.11	\$6,701.96	\$4,793.06	\$6,906.24	\$9,222.77	\$9,512.36	\$9,777.15	\$11,543.02	\$12,487.89	\$13,485.54	\$93,745.13

(a) Amortization of 2019 Incremental PISCC will begin when the rate from this application will be implemented

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Incremental and Annualized Property Tax Expense

Attachment A
Schedule 11

Line No.	Property Tax Expense	Incremental			Annualized
		Through 12/31/18	Less Prior Annualized	Total	Through 12/31/19
1	Plant in Service, Net of Cost of Removal and Retirements	\$1,486,891,764.47			\$1,681,032,545.08
2	Effective Property Tax Rate	2.374%			2.394%
3	Tax on Property Through 12/31/2018 - Expensed in 2019 (a)	35,298,810.49		35,298,810.49	
4	Annualized Tax recovered in rates January 2019 - April 2019		(10,422,188.66)	(10,422,188.66)	
5	Annualized Tax recovered in rates May 2019 - December 2019		(23,532,540.33)	(23,532,540.33)	
6	Tax on Property Through 12/31/2019 - Expensed Jan-Dec 2020				40,243,919.13
7	Total	\$35,298,810.49	(\$33,954,728.99)	\$1,344,081.50	\$40,243,919.13

Schedule 1

	Amortization of Incremental Property Tax:	Asset Life	Amortization for Prior Year Deferrals	2019	Amortization Through 2019
8	Distribution Mainline Replacement & Relocation - LP	1.33%	\$52,570.11	\$6,699.63	\$59,269.74
9	Distribution Mainline Replacement & Relocation - RP	1.33%	61,234.38	6,177.61	67,411.99
10	Distribution M&R Structures	1.54%	10.45	7.65	18.10
11	Distribution M&R Equipment	1.82%	4,037.69	578.04	4,615.73
12	M&R Equ Other - Industrial	2.00%	0.00	0.00	0.00
13	Betterments	1.33%	791.26	37.51	828.77
14	Services - LP	2.22%	40,087.83	3,870.86	43,958.69
15	Services - RP	2.00%	40,563.71	2,548.19	43,111.90
16	Transmission M&R	1.89%	234.70	15.20	249.90
17	Transmission Mainline Replacement & Relocation	1.54%	17,727.62	623.19	18,350.81
18	Software - Purchased	10.00%	1,159.18	0.00	1,159.18
19	Total Amortization		\$218,416.93	\$20,557.88	\$238,974.81

(a) Calculated by Dominion Tax Department on assets by tax jurisdiction.

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Rate of Return on Rate Base

Attachment A
Schedule 12

<u>Line No.</u>		
1	Capital Structure	
2	Debt	48.66%
3	Equity	51.34%
4	Cost of Capital	
5	Debt	6.50%
6	Equity	10.38%
7	Return on Rate Base	<u>8.49%</u>
8	Pre-Tax Return on Rate Base	<u>9.91%</u>
		(a)

(a) The Pre-Tax Rate of Return on Rate Base was adjusted to reflect the federal income tax rate of 21% in accordance with the Tax Cuts and Jobs Act.

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Cost Allocation

Attachment A
Schedule 13

Ln No.	Description	Dist ML LP	Dist ML RP	Betterments	Dist M&R	Trans M&R	Trans ML	Services	Software	Total
	Plant Additions	\$693,246,633.21	\$595,375,846.36	\$3,213,699.48	\$54,767,041.84	\$1,040,613.29	\$47,032,294.84	\$408,023,690.21	\$733,944.88	\$1,803,433,764.11
	Cost of Removal	(15,496,366.65)	(11,405,470.89)	0.00	(6,536,959.13)	0.00	(401,047.10)	0.00	0.00	(33,839,843.77)
	Retirements	(23,001,400.03)	(24,643,882.14)	(100,578.96)	(4,374,427.67)	(149,418.18)	(1,806,719.33)	(33,751,004.07)	(733,944.88)	(88,561,375.26)
	Total Plant In-Service	\$654,748,866.53	\$559,326,493.33	\$3,113,120.52	\$43,855,655.04	\$891,195.11	\$44,824,528.41	\$374,272,686.14	\$0.00	\$1,681,032,545.08
1	Total Plant In-Service	\$654,748,866.53	\$559,326,493.33	\$3,113,120.52	\$43,855,655.04	\$891,195.11	\$44,824,528.41	\$374,272,686.14	\$0.00	\$1,681,032,545.08
	Depreciation Expense	49,792,248.86	50,506,384.71	509,315.28	4,907,774.26	206,229.68	9,009,510.21	75,759,650.71	733,944.88	191,425,058.59
	Cost of Removal	(15,496,366.65)	(11,405,470.89)	0.00	(6,536,959.13)	0.00	(401,047.10)	0.00	0.00	(33,839,843.77)
	Retirements	(23,001,400.03)	(24,643,882.14)	(100,578.96)	(4,374,427.67)	(149,418.18)	(1,806,719.33)	(33,751,004.07)	(733,944.88)	(88,561,375.26)
2	Total Accumulated Provision for Depreciation	11,294,482.18	14,457,031.68	408,736.32	(6,003,612.54)	\$6,811.50	6,801,743.78	42,008,646.64	0.00	69,023,839.56
3	Net Plant in Service	643,454,384.35	544,869,461.65	2,704,384.20	49,859,267.58	834,383.61	38,022,784.63	332,264,039.50	0.00	1,612,008,705.52
4	PISCC	29,918,439.03	26,674,755.28	139,171.16	1,704,448.67	37,263.83	1,927,648.65	18,413,914.92	3,710.69	78,819,352.23
5	Less: Net Deferred Tax Balance - PISCC	(6,282,872.20)	(5,601,698.61)	(29,225.94)	(357,934.22)	(7,825.40)	(404,806.22)	(3,866,922.14)	(779.24)	(16,552,063.97)
6	Excess Deferred Income Tax (EDIT) on PISCC	(2,179,526.14)	(1,861,884.42)	(10,362.95)	(145,986.58)	(2,966.61)	(149,211.76)	(1,245,877.84)	0.00	(5,595,816.28)
7	Deferred Taxes on Liberalized Depreciation	(70,135,788.05)	(60,430,313.46)	(329,619.89)	(5,127,420.53)	(109,873.30)	(4,761,176.21)	(42,227,970.56)	0.00	(183,122,162.00)
8	Excess Deferred Income Tax (EDIT) on Depreciation	(44,761,767.65)	(38,567,580.48)	(210,368.62)	(3,272,400.77)	(70,122.87)	(3,038,657.86)	(26,950,557.75)	0.00	(116,871,456.00)
9	Rate Base	550,012,869.34	465,082,739.96	2,263,977.96	42,659,974.15	680,859.26	31,596,581.23	276,386,626.13	2,931.45	1,368,686,559.50
10	Return on Rate Base	54,506,275.35	46,089,699.53	224,360.22	4,227,603.44	67,473.15	3,313,221.20	27,389,914.65	290.51	135,636,838.05
<u>Operating Expense</u>										
11	Incremental Depreciation Expense	114,261.52	102,412.01	580.36	11,176.08	338.15	11,057.19	320,449.01	0.00	560,274.32
12	Annualized Depreciation	11,725,079.61	10,102,687.50	55,597.00	1,049,096.97	23,517.86	895,319.96	17,386,249.47	0.00	41,237,548.37
13	Annualized Amortization of PISCC	417,263.01	375,110.61	2,076.69	33,448.75	830.78	34,321.12	424,146.66	0.00	1,287,197.62
14	Incremental Property Tax Expense	59,269.74	67,411.99	828.77	4,633.83	249.90	18,350.81	87,070.59	1,159.18	238,974.81
15	Annualized Property Tax Expense	15,674,687.87	13,390,276.26	74,528.10	1,049,904.38	21,335.21	1,073,099.21	8,960,088.10	0.00	40,243,919.13
16	O&M Expense Savings	(875,114.98)	(747,576.70)	(4,160.89)	(58,615.97)	(1,191.14)	(59,910.93)	(500,240.10)	0.00	(2,246,810.71)
16	Revenue Adjustment - Tax Reform	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Excess Deferred Income Tax (EDIT) on PISCC Amortization	(689,723.46)	(589,203.93)	(3,279.41)	(46,198.28)	(938.80)	(47,218.92)	(394,265.14)	0.00	(1,770,827.94)
18	Excess Deferred Income Tax (EDIT) Amortization	(247,373.00)	(211,321.13)	(1,176.18)	(16,569.26)	(336.71)	(16,935.31)	(141,405.30)	0.00	(635,116.89)
19	Revenue Requirement Before Adjustments	80,684,625.66	68,579,496.14	349,354.66	6,254,479.94	111,278.40	5,039,304.33	53,532,007.94	1,449.69	214,551,996.76
20	Rate Cap Adjustment - GSS/ECTS	(1,113,947.36)	(951,601.90)	(5,296.46)	(74,613.17)	(1,516.22)	(76,261.55)	(636,763.34)	0.00	(2,860,000.00)
21	Revenue Requirement with Rate Cap Adj	79,570,678.30	67,627,894.24	344,058.20	6,179,866.77	109,762.18	4,963,042.78	52,895,244.60	1,449.69	211,691,996.76
22	Reconciliation Adjustment	2,489,808.62	2,126,946.67	11,838.24	166,769.57	3,388.94	170,453.90	1,423,243.94	0.00	6,392,449.88
23	Annualized Revenue Requirement	\$82,060,486.92	\$69,754,840.91	\$355,896.44	\$6,346,636.34	\$113,151.12	\$5,133,496.68	\$54,318,488.54	\$1,449.69	\$218,084,446.64
<u>Allocation of Revenue Requirement by Investment</u>										
24	Allocators	Distribution Plant: Total Services p 13 of 16	Non-Customer Distribution Plant p 13 of 16	Non-Customer Distribution Plant p 13 of 16	Distribution Plant: Total Services p 13 of 16	Transmission Plant Total p 13 of 16	Transmission Plant Total p 13 of 16	Distribution Plant: Total Services p 13 of 16	Distribution Plant Total p 13 of 16	
25	Source: Schedule E 3.2 (Cost of Service Study)									
<u>Allocators by Rate Schedule</u>										
26	GSS/ECTS	\$299,593,978.85	\$635,329,885.43	\$635,329,885.43	\$299,593,978.85	\$148,785,233.17	\$148,785,233.17	\$299,593,978.85	\$1,066,956,163.95	
27	LVGSS/LVECTS	527,084.89	37,360,064.50	37,360,064.50	527,084.89	8,749,196.34	8,749,196.34	527,084.89	38,792,919.52	
28	GTS/TSS	1,024,258.53	128,432,826.91	128,432,826.91	1,024,258.53	30,077,143.45	30,077,143.45	1,024,258.53	133,171,379.54	
29	DTS	32,959.28	91,291,183.74	91,291,183.74	32,959.28	21,379,098.28	21,379,098.28	32,959.28	91,624,688.81	
30	Total	\$301,178,281.55	\$892,413,960.58	\$892,413,960.58	\$301,178,281.55	\$208,990,671.24	\$208,990,671.24	\$301,178,281.55	\$1,330,545,151.82	
<u>% of Plant Type by Rate Schedule</u>										
31	GSS/ECTS	99.47%	71.19%	71.19%	99.47%	71.19%	71.19%	99.47%	80.19%	
32	LVGSS/LVECTS	0.18%	4.19%	4.19%	0.18%	4.19%	4.19%	0.18%	2.92%	
33	GTS/TSS	0.34%	14.39%	14.39%	0.34%	14.39%	14.39%	0.34%	10.01%	
34	DTS	0.01%	10.23%	10.23%	0.01%	10.23%	10.23%	0.01%	6.89%	
35	Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	

Allocation by Rate Schedule of Revenue Requirement Before Reconciliation Adjustment											Cost Recovery Charge	
	Dist ML Low Pres	Dist ML Reg Pres	Betterment	Dist M&R	Trans M&R	Trans ML	Services	Software	Total	Bills Issued	Mcf	
36	GSS/ECTS	\$79,146,249.06	\$47,871,708.08	\$243,417.10	\$6,146,966.03	\$77,705.42	\$3,511,334.32	\$52,613,647.59	\$1,162.50	\$189,612,190.09	14,524,800	\$13.05
37	LVGSS/LVECTS	141,204.23	2,871,015.60	14,625.40	10,945.82	4,658.56	210,965.70	93,685.08	42.27	3,347,142.66	50,517	\$66.26
38	GTS/TSS	274,395.34	9,869,700.55	50,277.80	21,270.47	16,014.76	725,237.53	182,053.68	145.10	11,139,095.23	20,315	\$548.32
39	DTS	8,829.68	7,015,470.02	35,737.90	684.46	11,383.44	515,505.22	5,858.25	99.83	7,593,568.78	138,123,370	\$0.0550
40	Total	\$79,570,678.30	\$67,627,894.24	\$344,058.20	\$6,179,866.77	\$109,762.18	\$4,963,042.78	\$52,895,244.60	\$1,449.69	\$211,691,996.76	14,595,632	\$138,123,370
Allocation by Rate Schedule of Revenue Requirement With Reconciliation Adjustment											Cost Recovery Charge	
	Dist ML Low Pres	Dist ML Reg Pres	Betterment	Dist M&R	Trans M&R	Trans ML	Services	Software	Total	Bills Issued	Mcf	
41	GSS/ECTS	\$81,622,960.41	\$49,385,930.00	\$251,845.02	\$6,312,858.33	\$80,118.08	\$3,632,684.35	\$54,029,404.77	\$1,162.50	\$195,316,963.46	14,524,800	\$13.45
42	LVGSS/LVECTS	145,561.58	2,960,058.20	15,121.00	11,237.67	4,800.44	218,101.59	96,175.87	42.27	3,451,098.62	50,517	\$68.32
43	GTS/TSS	282,862.77	10,175,802.63	51,981.51	21,837.63	16,502.49	749,768.61	186,893.91	145.10	11,485,794.66	20,315	\$565.38
44	DTS	9,102.15	7,233,050.07	36,948.91	702.71	11,730.11	532,942.12	6,014.00	99.83	7,830,589.90	138,123,370	\$0.0567
45	Total	\$82,060,486.91	\$69,754,840.90	\$355,896.44	\$6,346,636.34	\$113,151.12	\$5,133,496.67	\$54,318,488.55	\$1,449.70	\$218,084,446.64	14,595,632	\$138,123,370

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
 PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
 CASE NO. 19-1944-GA-RDR
 Actual Bills Issued and DTS Volumes for Twelve Months Ended December 31, 2019

Attachment A
Schedule 14

Line No.	Rate Class	Billing System		
		CCS	SBS	Total
1	GSS / ECTS	14,523,453	1,347	14,524,800
2	LVGSS / LVECTS	48,378	2,139	50,517
3	GTS / TSS	12,730	7,585	20,315
4	Total Bills Issued	14,584,561	11,071	14,595,632
5	DTS Volumes			138,123,370

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
O&M Expense Savings

Attachment A
Schedule 15

Line No.	PIR O&M Baseline Categories	Recovery Period 2019	Baseline Period 7/1/07-6/30/08	Change from Baseline	Savings
1	Leak Repair	\$8,797,237.00	\$10,403,110.35	(\$1,605,873.35)	(\$1,605,873.35)
2	Leak Surveillance	3,798,765.00	2,623,474.30	1,175,290.70	0.00
3	Corrosion Monitoring	2,018,335.00	945,998.39	1,072,336.61	0.00
4	Corrosion Remediation	3,492,868.00	4,087,204.47	(594,336.47)	(594,336.47)
5	Total Expense/Savings	<u>\$18,107,205.00</u>	<u>\$18,059,787.51</u>	<u>\$47,417.49</u>	<u>(\$2,200,209.82)</u>
	DOT Savings - Case 17-2177			(\$42,359.08)	
	DOT Savings - Case 18-1587			(\$44,050.40)	
	DOT Savings - Case 19-1944			(\$53,393.18)	
	Average			(\$46,600.89)	
6	DOT Inspections				<u>(46,600.89)</u>
7	Total O&M Savings				<u>(\$2,246,810.71)</u>

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
 PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
 CASE NO. 19-1944-GA-RDR
 Revenue Reconciliation Adjustment

Attachment A
Schedule 16

Line
No.

1	January - April 2019 True-up to Actual		(\$429,034.69)	Schedule 16A, Line 6
2	Revenue Requirement- Case 18-1587-GA-RDR		190,364,061.18	
3	Total Revenue Requirement		<u>\$189,935,026.49</u>	
4	Recovery:			
5	May 2019	Actual	(\$15,369,152.18)	
6	June 2019	Actual	(15,302,427.19)	
7	July 2019	Actual	(15,243,942.77)	
8	August 2019	Actual	(15,215,575.78)	
9	September 2019	Actual	(15,156,630.31)	
10	October 2019	Actual	(15,166,424.50)	
11	November 2019	Actual	(15,282,629.03)	
12	December 2019	Actual	(15,361,158.97)	
13	January 2020	Estimated	(15,361,158.97)	
14	February 2020	Estimated	(15,361,158.97)	
15	March 2020	Estimated	(15,361,158.97)	
16	April 2020	Estimated	<u>(15,361,158.97)</u>	
17	Total Recovery:		<u>(\$183,542,576.61)</u>	
18	(Over-) Under-Recovery		<u>\$6,392,449.88</u>	

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
 PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
 CASE NO. 19-1944-GA-RDR
 Revenue Reconciliation Adjustment True Up Adjustment

Attachment A
Schedule 16A

Line No.		Case 18-1587-GA-RDR		
		Estimate as Filed	Actual	Actual vs. Estimate Difference
1	Recovery:			
2	January 2019	(\$13,262,009.24)	(\$13,354,673.12)	(\$92,663.88)
3	February 2019	(13,262,009.24)	(13,372,390.85)	(110,381.61)
4	March 2019	(13,262,009.24)	(13,365,113.84)	(103,104.60)
5	April 2019	(13,262,009.24)	(13,384,893.84)	(122,884.60)
6	Total Recovery for January through April 2018	(\$53,048,036.96)	(\$53,477,071.65)	(\$429,034.69)
7	January - April 2019 True-up to Actual			<u>(\$429,034.69)</u>

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Revenue Adjustment - Tax Reform

Attachment A
Schedule 17

Line No.	Rate Class	As Filed in Case No. 18-1587	True-Up Adjustment	As Filed in Case No. 17-2177	Total Refunded through Credits to Revenue Requirement	Remainder
		Actual January - April 2018 PIR Income Tax Over-Recovery		Estimated Credit to Revenue Requirement		
		a.	b.	c.	d. = b. + c.	a. - d.
1	GSS / ECTS	(\$3,835,992.73)	(\$7,090.25)	(\$3,828,902.48)	(\$3,835,992.73)	\$0.00
2	LVGSS / LVECTS	(79,815.68)	(2,237.44)	(77,578.24)	(79,815.68)	0.00
3	GTS / TSS	(201,177.60)	3,028.48	(204,206.08)	(201,177.60)	0.00
4	DTS	(217,246.46)	5,995.25	(223,241.71)	(217,246.46)	0.00
5	Total	(\$4,334,232.47)	(\$303.96)	(\$4,333,928.51)	(\$4,334,232.47)	\$0.00

Sch 1, Line 28

THE EAST OHIO GAS COMPANY d/b/a DOMINION ENERGY OHIO
PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE
CASE NO. 19-1944-GA-RDR
Excess Deferred Income Tax (EDIT) Amortization - PISCC

Attachment A
Schedule 18

Line No.	Description	PISCC Deferred Tax		Difference (EDIT)	
		@ 35%	@ 21%		
1	Timing Difference at December 31, 2017	\$59,955,174.47	\$59,955,174.47		
2	PISCC Deferred Tax	20,984,311.06	12,590,586.64	\$8,393,724.42	(a)
3	Amortize over 6 years			6	(b)
4	PISCC EDIT Amortization (6-Year Amortization)			<u>\$1,398,954.07</u>	(c=a/b)
5	PISCC EDIT Amortization (c) Grossed Up for Federal Income Tax			<u>\$1,770,827.94</u>	Sch 1, Line 29
				Unamortized	
			Amortization (c)	Balance	
6	Case No. 18-1587-GA-RDR	Year 1	\$1,398,954.07	\$6,994,770.35	
7	Case No. 19-1944-GA-RDR	Year 2	\$1,398,954.07	\$5,595,816.28	Sch 1, Line 15
8		Year 3	\$1,398,954.07		
9		Year 4	\$1,398,954.07		
10		Year 5	\$1,398,954.07		
11		Year 6	\$1,398,954.07		
12		Total	<u>\$8,393,724.42</u>		

ATTACHMENT B

**PIPELINE INFRASTRUCTURE REPLACEMENT (PIR)
COST RECOVERY CHARGE**

APPLICABILITY

Applicable to all customers receiving service under East Ohio's sales and transportation rate schedules.

PIR COST RECOVERY CHARGE

All customers receiving service under the following rate schedules shall be assessed a monthly charge, regardless of gas consumed, in addition to the otherwise applicable monthly service charge to recover the revenue requirement associated with East Ohio's pipeline infrastructure replacement program:

- General Sales Service – Residential ("GSS-R")
- General Sales Service – Nonresidential ("GSS-NR")
- Energy Choice Transportation Service – Residential ("ECTS-R")
- Energy Choice Transportation Service – Nonresidential ("ECTS-NR")
- Large Volume General Sales Service ("LVGSS")
- Large Volumes Energy Choice Transportation Service ("LVECTS")
- General Transportation Service ("GTS")
- Transportation Service for Schools ("TSS")

Customers receiving service under the Daily Transportation Service ("DTS") rate schedule shall be assessed a volumetric charge in addition to their volumetric delivery charge for that purpose. The maximum monthly PIR Cost Recovery Charge for any DTS customer shall be \$1,000.00 per account.

The PIR Cost Recovery Charge shall be updated annually to reflect pipeline infrastructure replacement expenditures during the most recent calendar year. East Ohio shall submit a prefiling notice by November 30 each year, and an updated filing with actual data by February 28, with the revised PIR Cost Recovery Charge becoming effective as of the first billing cycle in May.

The charges for the respective gas service schedules are:

Rate Schedules GSS-R and GSS-NR	\$13.45/month
Rate Schedules ECTS-R and ECTS-NR	\$13.45/month
Rate Schedules LVGSS and LVECTS	\$68.32/month
Rate Schedules GTS and TSS	\$565.38/month
Rate Schedule DTS	\$0.0567/Mcf

This Rider is subject to reconciliation or adjustment, including, but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to: (1) the twelve-month period of expenditures upon which the rates were calculated, if determined to be unlawful, unreasonable, or imprudent by the Commission in the docket in which those rates were approved or by the Supreme Court of Ohio; and (2) those implementing the Commission's orders in Case No. 18-47-AU-COI or in any other case ordered by the Commission to address the impacts of federal income tax reform.

Issued:

Effective: With bills rendered on or after

Filed under authority of The Public Utilities Commission of Ohio in Case No. 19-1944-GA-RDR
James E. Eck, Vice President and General Manager

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PIPELINE INFRASTRUCTURE REPLACEMENT (PIR) COST RECOVERY CHARGE

APPLICABILITY

Applicable to all customers receiving service under East Ohio's sales and transportation rate schedules.

PIR COST RECOVERY CHARGE

All customers receiving service under the following rate schedules shall be assessed a monthly charge, regardless of gas consumed, in addition to the otherwise applicable monthly service charge to recover the revenue requirement associated with East Ohio's pipeline infrastructure replacement program:

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 General Sales Service – Nonresidential ("GSS-NR")
 Energy Choice Transportation Service – Residential ("ECTS-R")
 Energy Choice Transportation Service – Nonresidential ("ECTS-NR")
 Large Volume General Sales Service ("LVGSS")
 Large Volumes Energy Choice Transportation Service ("LVECTS")
 General Transportation Service ("GTS")
 Transportation Service for Schools ("TSS")

Customers receiving service under the Daily Transportation Service ("DTS") rate schedule shall be assessed a volumetric charge in addition to their volumetric delivery charge for that purpose. The maximum monthly PIR Cost Recovery Charge for any DTS customer shall be \$1,000.00 per account.

The PIR Cost Recovery Charge shall be updated annually to reflect pipeline infrastructure replacement expenditures during the most recent calendar year. East Ohio shall submit a prefiling notice by November 30 each year, and an updated filing with actual data by February 28, with the revised PIR Cost Recovery Charge becoming effective as of the first billing cycle in May.

The charges for the respective gas service schedules are:

Rate Schedules GSS-R and GSS-NR	\$13.45/month
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Rate Schedules LVGSS and LVECTS	\$68.32/month
Rate Schedules GTS and TSS	\$565.38/month
Rate Schedule DTS	\$0.0567/Mcf

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Issued: _____ Effective: With bills rendered on or after _____
 Filed under authority of The Public Utilities Commission of Ohio in Case No. 19-1944-GA-RDR
 James E. Eck, Vice President and General Manager

ATTACHMENT C

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The East)	
Ohio Gas Company d/b/a Dominion Energy)	
Ohio to Adjust its Pipeline Infrastructure)	Case No. 19-1944-GA-RDR
Replacement Program Cost Recovery)	
Charge and Related Matters)	

**DIRECT TESTIMONY OF LORI S. PARKER
ON BEHALF OF
THE EAST OHIO GAS COMPANY D/B/A DOMINION ENERGY OHIO**

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IV.	CONCLUSION	18

**Direct Testimony of
Lori S. Parker**

I. INTRODUCTION

Q1. Please state your name, occupation and business address.

A. My name is Lori S. Parker. I am employed by The East Ohio Gas Company d/b/a Dominion Energy Ohio (DEO) as a Regulatory Specialist in Regulatory & Pricing. My business address is 1201 East 55th Street, Cleveland, Ohio 44103-1028.

Q2. Please briefly describe your education and professional experience.

A. I graduated from Missouri State University with a Master of Accountancy degree. Upon graduation, I spent seven years with two public accounting firms, where I provided accounting, auditing, business consulting, and tax services for privately held businesses. During this time, I became a licensed CPA and held positions of increasing responsibility. I've been employed by Dominion Energy for over twelve years, starting as Senior Accountant in our retail gas and electric business. I have also worked as a Senior Financial Analyst in Alternative Energy Solutions and Electric Transmission and as a Senior Controls Specialist in Gas Transmission. In 2020, I joined DEO's Regulatory Affairs department as a Regulatory Specialist. I continue to hold an active CPA license and am a member of the Virginia Society of CPAs.

Q3. In your capacity as Regulatory Specialist, are you generally familiar with DEO's books and records?

A. Yes. I am responsible for preparing and making a variety of regulatory filings that include financial information derived from DEO's financial records, including the general ledger, annual reports, income statements, and balance sheets.

Q4. Are you familiar with DEO's Application to adjust its Pipeline Infrastructure Replacement (PIR) Cost Recovery Charge?

A. Yes. I supervised and coordinated the preparation of DEO's Application, including the collection of the data and assembly of the schedules supporting the PIR Cost Recovery Charge (PIR Charge), which were submitted as part of DEO's PIR filing.

Q5. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to explain the adjustment to the PIR Charge set forth in DEO's Application in this case.

II. BACKGROUND

Q6. What is the PIR Program?

A. The PIR Program, approved by the Commission for an initial period of five years in Case No. 08-169-GA-ALT, facilitates the accelerated replacement, maintenance and repair of aging pipelines and related infrastructure. It also permits DEO to recover the costs associated with replacement, maintenance and repair of such infrastructure through the PIR Charge. In its August 3, 2011 Opinion and Order in Case No. 11-2401-GA-ALT, the Commission approved a Stipulation and Recommendation modifying certain aspects of the PIR Program and the calculation of the PIR Charge and extending the program for an additional five years or until DEO files its next base rate case, whichever comes first. Among the modifications approved was the transition from a fiscal period ending June 30 of each year to an annual filing based on each calendar year.

In its September 14, 2016 Opinion and Order in Case No. 15-0362-GA-ALT, the Commission approved a Stipulation and Recommendation extending the PIR Program for an additional five-year term through December 31, 2021, with revised rate increase caps.

Q7. Does the PIR Program benefit customers?

- A. Yes. DEO's customers are realizing several benefits from the PIR Program including: (i) enhanced service reliability and safety well into the future resulting from the replacement of aging infrastructure; (ii) reduced operations and maintenance (O&M) costs that have occurred to date and will continue to occur over time resulting from a lower leak repair rate as compared to the O&M costs that would have been incurred if DEO had not accelerated the replacement of its pipelines; and (iii) lower service line costs because DEO now installs and maintains the curb-to-meter service lines that were previously the responsibility of customers.

Q8. What is the significance of the PIR Charge to DEO?

- A. The PIR Program involves a significant capital investment. Timely recovery of associated costs and a return on its investment is necessary for DEO to secure the capital funds necessary to address its infrastructure needs within 25 years rather than the approximately 89 years it would otherwise take to complete the pipeline replacements through DEO's normal capital budgeting process. The combination of the 25-year replacement time-frame and a book depreciation rate of 1.71 percent in prior years and 1.73 percent effective in 2019 on the largest portion of the required investment allows the costs of the program to be spread over a very long period of time, which ensures that customers will not be burdened by substantial annual cost increases.

Q9. What is the established process to obtain the Commission approvals necessary for DEO to adjust its PIR Charge?

- A. DEO's current Application to adjust the PIR Charge is part of an established process before the Commission, with certain modifications approved in Case Nos. 11-2401-GA-ALT and 15-0362-GA-ALT. The Commission approved the cost recovery mechanism in

its October 15, 2008 Opinion and Order in Case No. 08-169-GA-ALT. The Commission approved the initial PIR Charge on December 16, 2009, in Case No. 09-458-GA-RDR.

Subsequent adjustments were approved as follows:

- On November 3, 2010, in Case No. 10-733-GA-RDR;
- On October 26, 2011, in Case No. 11-3238-GA-RDR;
- On April 25, 2012, in Case No. 12-812-GA-RDR;
- On April 24, 2013, in Case No. 12-3125-GA-RDR;
- On April 23, 2014 in Case No. 13-2320-GA-RDR;
- On April 22, 2015, in Case No. 14-2134-GA-RDR;
- On April 20, 2016, in Case No. 15-1987-GA-RDR;
- On April 19, 2017, in Case No. 16-2205-GA-RDR;
- On April 18, 2018, in Case No. 17-2177-GA-RDR;
- On April 24, 2019, in Case No. 18-1587-GA-RDR regarding the current PIR Charge.

The Application in this case reflects the twelve-month period from January 1 through December 31, 2019. A Pre-Filing Notice was filed on November 27, 2019, in this case, with the Application to be filed no later than February 28, 2020. Staff is to conduct an investigation of DEO's filing and determine whether the filing might be unjust or unreasonable. If Staff does not find DEO's filing to be unjust or unreasonable and no other party files an objection, the PIR Charge is to be effective as of the first billing cycle in May 2020. If Staff finds DEO's filing may be unjust or unreasonable, or another party that filed for intervention objects and DEO is unable to resolve the objection by April 1, the Commission will schedule an expedited hearing to resolve any remaining issues.

III. DEO'S PIR COST RECOVERY CHARGE

Q10. Please describe DEO's proposed PIR Charge by rate schedule.

- A. The proposed PIR Charge by rate schedule, based on the cost of service used in DEO's last rate case, is set forth at Application Attachment A, Schedule 1 at lines 34 through 37. The PIR Charges by rate schedule are listed below.

<u>Rate Schedule</u>	<u>PIR Charge</u>
GSS/ECTS:	\$13.45 per month
LVGSS/LVECTS:	\$68.32 per month
GTS/TSS:	\$565.38 per month
DTS:	\$0.0567 per Mcf, capped at \$1,000 per month

These rates were determined by spreading the revenue requirement shown on Schedule 1 at line 34 to rate schedules based on the class cost of service study submitted in DEO's last rate case, as shown on Schedule 13, except for the Rate Cap Adjustment on Schedule 1 at line 31. In accordance with the Stipulation approved in Case No. 11-2401-GA-ALT, this adjustment would be allocated solely to the GSS/ECTS class of customers to ensure that the revised rate does not exceed the maximum increase allowed. Because DEO exceeded the maximum increase of \$1.68 (determined as described below) based on capital additions and associated costs in 2019, this Application includes a Rate Cap Adjustment of \$2,860,000, as shown on Schedule 1, Line 31.

The net rate base by type of PIR investment was determined using the data shown on Schedules 2 through 8 and 18. The return on investment was calculated for each investment type in the same manner shown for total rate base on Schedule 1 at lines 18 through 20. Operating expenses were allocated to each investment type based on total plant in service for each investment type. The resulting revenue requirement for each

investment type was then allocated to the rate classes using the allocators from DEO's rate case cost of service study to determine the rates for each rate class before application of the Reconciliation Adjustment. As noted above, the Rate Cap Adjustment was allocated solely to the GSS/ECTS rate class.

The revenue requirement by rate class for GSS/ECTS, LVGSS/LVECTS, and GTS/TSS determined before applying the Reconciliation Adjustment was divided by the total number of actual bills issued for each rate class, respectively, for the twelve-month period ended December 31, 2019, from Schedule 14 to arrive at the monthly PIR Charge. The resulting GSS/ECTS rate calculated before the Reconciliation Adjustment is \$13.05, which is equal to the maximum rate allowed of \$13.05 (\$11.37 before the Reconciliation Adjustment approved in last year's PIR case plus the revised rate increase cap for 2019 of \$1.68). The total revenue requirement for the DTS rate class was divided by the total DTS volumes for the twelve-month period ended December 31, 2019, from Schedule 14 to arrive at the PIR Charge per Mcf.

The Reconciliation Adjustment, discussed later in this testimony, was also allocated to the rate classes using the allocators from the rate case cost of service study. The final rates for each rate class were then calculated based on the total revenue requirement by rate class, including the Reconciliation Adjustment, as described above. The allocations and rate calculations are shown on Schedule 13.

Q11. How was the maximum allowed increase in the GSS/ECTS rate in this filing determined?

- A. To ensure that customers receive the full benefit of the tax reform adjustments resulting from the Tax Cuts and Jobs Act of 2017 (TCJA), DEO recalculated the GSS/ECTS rate increase caps approved by the Commission in Case No. 15-0362-GA-ALT for 2018

through 2021, which were set assuming the previous 35 percent federal income tax rate, to reflect the pre-tax rate of return revised for the 21 percent federal income tax rate. To the extent that DEO's capital spending produces a revenue requirement that exceeds the amount that could be recovered within the recalculated rate increase cap in any year, DEO will reduce the proposed PIR revenue requirement so as not to exceed that amount. DEO has utilized the revised rate increase cap for 2019 to ensure that the level of 2019 capital additions in this filing does not result in an offset of the tax savings owed to customers.

The maximum allowable rate increase of \$1.68 was determined by recalculating the rate increase cap of \$1.83 for 2019 in accordance with the Stipulation approved in Case No. 15-0362-GA-ALT to reflect the 21-percent federal income tax rate. There was no shortfall from the rate approved in Case No. 18-1587-GA-RDR, excluding the impact of tax reform reflected in that filing. Accordingly, \$1.68 is the maximum rate increase permitted by the Stipulation approved in Case No. 11-2401-GA-ALT.

Q12. Did the new depreciation rates approved by the Commission and implemented for 2019 contribute to the need for a Rate Cap Adjustment, which reduced the revenue requirement in this filing?

- A. Yes. The new depreciation rates approved late in 2019 resulted in an increase in PIR depreciation expense. Because the impact of that increase on the PIR Charge calculation was not known until late in 2019, it was not possible to offset it by reducing capital investment. DEO is in the process of reviewing the impact of the new depreciation rates and considering whether this warrants modification of the rate caps originally approved in Case No. 15-0362-GA-ALT and revised by DEO for the change in federal income tax rates due to the TCJA. For purposes of this Application, however, DEO is not seeking

recovery of the above-cap amounts, although it reserves the right to seek recovery of such amounts in a future proceeding.

Q13. Has DEO reflected any impacts of the TCJA in this filing?

- A. Yes. In addition to the use of a revised rate increase cap described above, DEO has recalculated the Pre-Tax Rate of Return to include the federal income tax rate of 21 percent, which became effective January 1, 2018. The revenue requirement in this filing includes credit adjustments to refund to customers the amount of amortization during 2019 of PIR-related excess deferred income tax (EDIT) on depreciation and post-in-service carrying costs (PISCC), grossed up for federal income tax, and corresponding reductions of the respective EDIT amounts without the tax gross up in the PIR rate base. These tax reform impacts are described further below.

Q14. Please describe the components used to calculate the PIR Program revenue requirement.

- A. DEO has calculated the PIR Program revenue requirement in a manner consistent with the revenue requirement calculation in the last PIR Charge case with adjustments to reflect the inclusion of further impacts of the TCJA. The formula, shown on Application Attachment A at Schedule 1, is rate base times rate of return plus operating expenses, minus EDIT amortization during 2019 to be refunded to customers, plus or minus the Rate Cap Adjustment, and plus or minus the Reconciliation Adjustment. Each component of the formula is supported by a schedule or schedules.

Q15. Please identify the rate components and schedules that support the calculation of rate base shown on Application Attachment A at Schedule 1.

- A. Rate base consists of the following components: Total Capital Additions shown on Schedule 2, net of Cost of Removal and Retirements shown on Schedules 3 and 4; Accumulated Provision for Depreciation shown on Schedule 5, net of Cost of Removal

and Retirements shown on Schedules 3 and 4; the Net Regulatory Asset - PISCC shown on Schedule 6; Net Deferred Taxes on PISCC shown on Schedule 7; Deferred Taxes on Liberalized Depreciation shown on Schedule 8, Excess Deferred Income Tax on Depreciation shown on Schedule 8, and Excess Deferred Income Tax on PISCC shown on Schedule 18.

Q16. Please explain the information set forth on Schedules 2, 3, and 4 and how that information is shown on Schedule 1.

- A. Schedule 2 shows the Capital Additions associated with the PIR Program cumulatively and for the year ended December 31, 2019. These Capital Additions represent capital investments by DEO in pipelines, associated infrastructure, and computer software. Capital Additions from Schedule 2 appear on Schedule 1 at line 3.

Schedule 3 shows the Cost of Removal associated with the PIR Program cumulatively and for the year ended December 31, 2019. Cost of Removal represents the expense incurred in dismantling and removing an asset from its original location or the cost of activities necessary to abandon a pipeline in place. Cost of Removal from Schedule 3 appears on Schedule 1 at lines 4 and 9.

Schedule 4 shows the capital Retirements associated with the PIR Program cumulatively and for the year ended December 31, 2019. Retirements represent the removal of an asset from service after replacement. Retirements from Schedule 4 appear on Schedule 1 at lines 5 and 10.

Q17. Please explain the information set forth on Schedule 5 and how that information is shown on Schedule 1.

- A. Schedule 5 shows the Provision for Depreciation associated with the PIR Program cumulatively and for the year ended December 31, 2019. The Provision for Depreciation, sometimes known as “Accumulated Depreciation,” represents the depreciation expense

accumulated since inception of the PIR Program and during the year ended December 31, 2019, on the PIR Program Capital Additions shown on Schedule 2, net of Cost of Removal shown on Schedule 3. The accumulated Provision for Depreciation from Schedule 5 appears on Schedule 1 at line 8.¹

Q18. Please explain the information set forth on Schedules 6 and 7, and how that information is shown on Schedule 1.

- A. Schedule 6 shows the Net Regulatory Asset - PISCC associated with the PIR Program cumulatively and for the year ended December 31, 2019. PISCC represents carrying charges calculated at 6.5 percent on cumulative PIR Capital Additions, net of Cost of Removal, for which the Commission has authorized cost recovery through the PIR Charge, but for which cost recovery has not yet begun. The 6.5 percent rate is DEO's cost of long-term debt from the last rate case. The Net Regulatory Asset - PISCC represents accumulated PISCC net of the amortization of PISCC amounts deferred in prior years. The Net Regulatory Asset - PISCC from Schedule 6 appears on Schedule 1 at line 13.

Schedule 7 shows the Net Deferred Tax Balance - PISCC associated with the PIR Program cumulatively and for the year ended December 31, 2019. The Net Deferred Tax Balance - PISCC represents a tax liability resulting from a book versus tax timing difference associated with PISCC on PIR investments. This balance reflects the federal income tax rate of 21 percent. EDIT on PISCC is shown on Schedule 18, which is described below. The Net Deferred Tax Balance - PISCC from Schedule 7 appears on Schedule 1 at line 14.

¹ The filing reflects application of the new depreciation rates approved by the Commission in its December 4, 2019 Finding and Order in Case No. 19-1639-GA-AAM.

Q19. Please explain the information set forth on Schedule 8 and how that information is shown on Schedule 1.

Schedule 8 shows Deferred Income Taxes on Liberalized Depreciation associated with the PIR Program cumulatively and for the year ended December 31, 2019. The Deferred Income Taxes on Liberalized Depreciation represent the federal income tax liability associated with the difference between depreciation allowed for income tax purposes, which is determined in accordance with tax rules, compared with depreciation calculated for book purposes, which is determined in accordance with accounting rules. Such taxes are calculated based on PIR Capital Additions, net of Cost of Removal. The calculation of Deferred Income Taxes on Liberalized Depreciation on Schedule 8 of this filing includes bonus tax depreciation allowed for capital additions in 2008 through December 2017. This schedule has been simplified to reflect calculations generated by Dominion Energy's tax system of the accumulated deferred income tax balance at 21% in accordance with the TCJA and the EDIT balance, as well as the change in these balances during 2019. The schedule also shows the amount of EDIT amortization for 2019 grossed up for federal income tax. Further, Schedule 8 reflects an adjustment identified by DEO's Tax Department needed with regarding to the cumulative balance of EDIT as of December 31, 2018, which is shown on Schedule 8. The adjustment reflects finalization of the prior year-end balance identified at the time the 2018 tax return was finalized in late 2019.

Deferred Income Taxes on Liberalized Depreciation from Schedule 8 appears on Schedule 1 at line 16. Excess Deferred Income Tax on Depreciation from Schedule 8 appears on Schedule 1 at line 17.

Q20. What is bonus tax depreciation and how has it impacted the PIR Charge?

- A. Various federal laws passed over the course of DEO's PIR program have enacted provisions for bonus tax depreciation on certain eligible capital investments. Bonus tax depreciation at a rate of 50 percent of the cost of capital investments placed in service was permitted for capital investments from 2008 through September 8, 2010. The bonus tax depreciation rate was increased to 100 percent of the cost of capital investments for the period after September 8, 2010, through December 31, 2011. For capital investments placed in service in 2012 through September 2017, the bonus depreciation was 50 percent of the cost of capital investments. Bonus depreciation for the period of October 2017 through December 2017 was increased to 100 percent of the cost of capital investments. In accordance with the TCJA, no bonus tax depreciation is allowed for capital investments beginning in 2018.

Bonus tax depreciation increases accumulated deferred income taxes, thereby reducing the PIR Program rate base. This reduction is significant and will remain through future years, to the benefit of DEO's customers.

Q21. Please identify the schedule that supports the Pre-Tax Rate of Return that DEO applies to the PIR Program rate base shown on Application Attachment A at Schedule 1.

- A. Schedule 12 shows the Rate of Return on Rate Base as determined by the Commission in its December 19, 2008 Entry on Rehearing in Case No. 07-829-GA-AIR. The Pre-Tax Return on Rate Base in this filing is calculated using the federal income tax rate of 21 percent in accordance with the TCJA. The Pre-Tax Return on Rate Base is shown as the Pre-Tax Rate of Return on Schedule 1 at line 19.

Q22. Please identify the rate components and schedules that support the calculation of Operating Expense shown on Application Attachment A at Schedule 1.

- A. Operating Expense consists of seven rate components: Incremental Depreciation Expense shown on Schedule 5A; Annualized Depreciation shown on Schedule 9; Annualized Amortization of PISCC shown on Schedule 10; Incremental Property Tax Expense and Annualized Property Tax Expense shown on Schedule 11; O&M Expense Savings shown on Schedule 15; Revenue Adjustment – Tax Reform shown on Schedule 17; and Excess Deferred Income Tax Amortization shown on Schedule 18.

Q23. Please explain the information set forth on Schedule 5A and how that information is shown on Schedule 1.

- A. Schedule 5A sets forth the Incremental Depreciation Expense, which is the amortization of depreciation expense actually incurred during the year ended December 31, 2019, net of recovery of prior annualized depreciation expense, and incremental expense accumulated in prior years, and deferred for subsequent recovery through the PIR Charge. This schedule has been streamlined to reflect Incremental Depreciation Expense in a format similar to that of Incremental Property Tax Expense. It starts with 2019 actual depreciation expense by asset class calculated on Schedule 5 and deducts the amount of Annualized Depreciation recovered through rates during 2019 to arrive at the amount of the 2019 depreciation expense deferral. Amortization of the 2019 deferred expense was determined using the asset lives approved by the Commission in Case No. 19-1639-GA-AAM. The resulting 2019 amortization plus the sum of the annual amortization for each program year is shown as Incremental Depreciation Expense on Schedule 1 at line 22.

Q24. How does the information shown on Schedule 5A differ from the information shown on Schedule 5?

- A. Schedule 5 shows the Provision for Depreciation that is included on Schedule 1 as a component of rate base. The Provision for Depreciation includes the accumulation of actual monthly depreciation expense calculated on all PIR Capital Additions, net of Cost of Removal, since inception of the PIR Program and during the year ended December 31, 2019. The Incremental Depreciation Expense calculation on Schedule 5A reflects the cumulative amortization of all current and prior year depreciation expense not already recovered through the PIR Charge. Accordingly, the incremental depreciation expense on which annual amortization is calculated is less than the total amount of accumulated depreciation through December 31, 2019, included in the Provision for Depreciation on Schedule 5.

Q25. Please explain the information set forth on Schedule 9 and how that information is shown on Schedule 1.

- A. Schedule 9 sets forth the Annualized Depreciation Associated With Capital Additions as of December 31, 2019. The Annualized Depreciation Expense Associated With Capital Additions represents the depreciation expense on cumulative Capital Additions, net of Cost of Removal, as of December 31, 2019, for the twelve-month period that the adjusted PIR Charge will be in effect. This expense allows DEO to reduce regulatory lag by matching revenues received through the PIR Charge with depreciation expense being incurred in the same twelve-month period. The Annualized Depreciation Expense Associated With Capital Additions from Schedule 9 is shown on Schedule 1 at line 23 as Annualized Depreciation on Assets through December 31, 2019.

Q26. Please explain the information set forth on Schedule 10 and how that information is shown on Schedule 1.

- A. Schedule 10 sets forth the Annualized Amortization of PISCC deferred for recovery in prior years and during the year ended December 31, 2019. The Annualized Amortization of PISCC represents the amortization during the twelve-month period the adjusted PIR Charge will be in effect of PISCC accumulated during each fiscal period of the PIR Program through December 31, 2019. This amortization spreads each year's accumulated PISCC to expense over the lives of the related assets. The Annualized Amortization of PISCC from Schedule 10 is shown on Schedule 1 at line 24.

Q27. Please explain the information set forth on Schedule 11 and how that information is shown on Schedule 1.

- A. Schedule 11 sets forth the Incremental and Annualized Property Tax Expense, including the Incremental Property Tax Expense for the year ended December 31, 2019, and the Annualized Property Tax Expense on Assets through December 31, 2019. The Incremental Property Tax Expense is property tax expense for PIR-related assets recognized on DEO's books in the year ended December 31, 2019, and deferred for recovery through the PIR Charge, less the amount of prior year Annualized Property Tax Expense recovered through rates during 2019. Property tax expense recognized in any calendar year is based on plant assets as of the preceding year end. As a result, property tax expense incurred during 2019 reflects a year's tax on cumulative PIR Capital Additions, net of Cost of Removal and Retirements, as of December 31, 2018. Schedule 11 also shows the calculation of the annual amortization of each year's deferred Incremental Property Tax Expense over the lives of the associated capital additions. The amortization of Incremental Property Tax Expense is shown on Schedule 1 at line 25.

The Annualized Property Tax Expense represents the property tax expense calculated on cumulative PIR Capital Additions, net of Cost of Removal and Retirements, as of December 31, 2019, which will be recognized on DEO's books during the twelve-month period the adjusted PIR Charge will be in effect. This expense allows DEO to reduce regulatory lag by matching revenues received through the PIR Charge with property tax expense being incurred in the same twelve-month period. The Annualized Property Tax Expense on Assets through December 31, 2019 is shown on Schedule 1 at line 26.

Q28. Please explain the information set forth on Schedule 15 and how that information is shown on Schedule 1.

- A. Schedule 15 sets forth the O&M Expense Savings calculation for the year ended December 31, 2019. The Stipulation and Recommendation approved by the Commission in Case No. 15-0362-GA-ALT eliminated the O&M Expense Savings cost-sharing mechanism approved by the Commission in Case No. 11-2401-GA-ALT. Accordingly, the O&M Expense Savings amount reflected in this filing is the actual O&M Expense Savings incurred for 2019. The actual O&M Expense Savings associated with the PIR Program for the year ended December 31, 2019, was determined by measuring the reduction in expenses incurred during 2019 for leak surveillance and repair and corrosion monitoring and remediation as compared with the same expenses in the baseline year, which is the twelve-month period from July 1, 2007, through June 30, 2008. The actual O&M Expense Savings also includes any reduction in costs associated with Department of Transportation inspections on inside meters relocated to outside. The O&M Expense Savings amount determined in this manner is shown on Schedule 1 at line 27.

Q29. Does the proposed PIR Charge include any O&M Expense Savings?

A. Yes. The calculation of the PIR Charge proposed in the Application includes a reduction in the PIR Program revenue requirement for O&M Expense Savings of \$2,246,810.71.

Q30. How does the proposed increase in the PIR Charge compare with the maximum allowable increase for 2019 costs, which was reflected in the PIR Pre-Filing Notice?

A. As previously described, the maximum allowable increase in the PIR Charge for the GSS/ECTS rate class for 2019 was \$1.68 per customer per month. Including the Rate Cap Adjustment described above, the GSS/ECTS rate calculated before the Reconciliation Adjustment is \$13.05, which reflects the maximum allowable increase.

Q31. Please explain the information set forth on Schedules 16 and 16A and how that information is shown on Schedule 1.

A. Schedule 16 sets forth the Reconciliation Adjustment that results from the reconciliation of costs recoverable (as determined in the preceding PIR Charge adjustment case, Case No. 18-1587-GA-RDR) and costs actually recovered during the twelve-month period that the current PIR charge is in effect. Accordingly, Schedule 16 includes actual costs recovered from May through December 2019 and estimates of the amounts to be recovered from January through April 2020, plus a true-up of estimates for the period January through April 2019 compared with actual recoveries as shown on Schedule 16A. The Reconciliation Adjustment determined in this manner is shown on Schedule 1 at line 33.

Q32. Please explain the information set forth on Schedule 17 and how that information is shown on Schedule 1.

A. Schedule 17 was included in the last two PIR filings to reflect the pass back to customers of the impact the reduction of the federal income tax rate from 35 percent to 21 percent on PIR rates charged during the period January through April 2018. In Case No. 17-

2177, the estimated credit amount for the period of January through April 2018 was \$4,333,928.51, which was incorporated into the PIR Charge effective in May 2018. The actual amount for the period was \$4,334,232.47. The true-up adjustment in the amount of (\$303.96) was incorporated into the PIR Charge determined in Case No. 18-1587 implemented May 2019. In this filing, Line 5 of Schedule 17 shows that no further adjustment is needed at line 28 on Schedule 1.

Q33. Please explain the information set forth on Schedule 18 and how that information is shown on Schedule 1.

- A. Schedule 18 summarizes the determination of Excess Deferred Income Tax on PISCC as of December 21, 2017 as well as the amortization of that amount over six years. The EDIT amortization at line 4 on Schedule 18 and the remaining balance of EDIT at line 7 are shown on Schedule 1 at line 15. The EDIT amortization to be refunded to customers is grossed up for federal income tax at 21 percent. This amount on Schedule 18, line 5, is shown on Schedule 1, Line 29.

Q34. Has DEO afforded Staff and other parties the opportunity to review the PIR Charge proposal set forth in DEO's Application?

- A. Yes. Staff performed an investigation of DEO's Pre-Filing Notice that has included numerous data requests served upon DEO, which responded to each request in a timely manner. The Office of the Ohio Consumers' Counsel (OCC) intervened in this proceeding and has not yet served data requests on DEO.

IV. CONCLUSION

Q35. Does this conclude your testimony?

- A. Yes.

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Summary: Application Application to Adjust the Pipeline Infrastructure Replacement Cost Recovery Charge electronically filed by Mr. Christopher T Kennedy on behalf of The East Ohio Gas Company d/b/a Dominion Energy Ohio