



Public Utilities Commission

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March 2, 2021

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

RE: *In the Matter of the Application of Suburban Natural Gas Company for Approval of an Adjustment to its Energy Efficiency Program (EEP) Rider, Case No. 21-105-GA-RDR.*

Dear Docketing Division:

Enclosed please find the Review and Recommendations of the Staff of the Public Utilities Commission of Ohio (Staff) regarding the application filed by Suburban Natural Gas Company, to adjust its Energy Efficiency Program (EEP) Rider in Case No. 21-105-GA-RDR.

Respectfully submitted,

A handwritten signature in black ink that reads "Kristin B D Pree".

Kristin DuPree
Grid Modernization & Retail Markets
Public Utilities Commission of Ohio

Enclosure
Cc: Parties of Record

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Suburban Natural Gas Company
Case No. 21-105-GA-RDR

SUMMARY

On April 25, 2017, in Case No. 17-594-GA-ALT, Suburban Natural Gas Company (Suburban or Company) filed an alternative rate plan (ALT) application, not for an increase in rates, to establish a revenue decoupling mechanism to facilitate straight-fixed-variable rate design. As part of the application, Suburban requested approval to initiate a two-year energy efficiency program pilot (EEP Pilot) and the associated cost recovery mechanism, Rider EEP. The EEP was intended to provide weatherization assistance to Percentage of Income Payment Plan-Plus customers with high usage.

On November 1, 2017, the Commission issued its Finding and Order, approving the ALT, including the proposed EEP Pilot and Rider EEP. The initial Rider EEP rate was set to zero and the Company was directed to work with Staff and other interested parties to establish the specific program design and associated charges for Commission approval in a subsequent filing.

On March 16, 2018, Suburban filed an Application in Case No. 18-376-GA-RDR outlining the design of the two-year EEP Pilot and requesting to populate Rider EEP with a per monthly bill rate of \$0.3594. As proposed, Rider EEP would be subject to an annual prudency review and reconciliation, based on the actual incurred costs, and adjusted for over- or under-recovery. On May 4, 2018, Suburban amended its application and revised the monthly per bill rate to \$0.3431. On November 7, 2018, the Commission approved Suburban's application to implement the EEP Pilot and established a Rider EEP rate of \$0.3431 per month applicable to Suburban's Small General Service Rate Schedule accounts.

On February 3, 2020, Suburban filed an application in Case No. 20-353-GA-RDR to revise its Rider EEP from \$0.3431 per month to \$0.0574 per month due to lower actual expenditures than forecasted in the first year of the EEP pilot. On April 22, 2020, the Commission approved Suburban's application.

On February 1, 2021, Suburban filed an annual reconciliation filing to revise the current Rider EEP in the current case and note the expiration of the two-year pilot program. In the application, Suburban stated that due to the Covid-19 pandemic, the EEP Pilot expenditures were lower than expected during 2020, resulting in an end of the year (and end of the two-year pilot) over recovery balance of \$78,746. The Company also stated there was an over recovery of an additional \$2,712 because Rider EEP was inadvertently extended for three months beyond the two-year program, beginning in November of 2020.

Suburban proposes in the current application to continue Rider EEP to allow the company to refund the over-collection of \$2,712 to customers over a three month period through a credit of \$0.0500 per customer per month. After the repayment period, Suburban proposes to set its Rider EEP to \$0.00. The Company submitted revised tariffs (Attachment A and Attachment B) in support of the application request. The Company also plans to file a subsequent request to continue the EEP Pilot for one additional year, subject to final reconciliation, to ensure its customers receive the intended benefits of the EEP Pilot with the remaining over recover balance of \$78,746.

On February 11, 2021, Suburban filed its updated Rider EEP tariff sheet, to set the rate at \$0.00 per customer per month, effective immediately to avoid any further overcollection, pending the outcome of the application in the current case.

Staff has reviewed the application and makes its findings and recommendations in this Staff Letter.

STAFF REVIEW

Staff's audit of Suburban's Rider EEP consisted of an analysis of the incurred costs and calculations to verify the accuracy of the revenue requirement calculation. Staff conducted this audit through a combination of document reviews and interrogatories as needed and Staff agrees with the proposed Rider EEP rate as detailed in the application. Staff notes that Suburban does not address the overcollection of \$78,746 from ratepayers through Rider EEP in this filing, but rather intends to apply those funds to a future energy efficiency program through a subsequent filing. As such, Staff is not taking a position on the future filing at this time.

STAFF RECOMMENDATION

Staff believes that Suburban's application appropriately calculates the rider charges to refund the overcollection of \$2,712 and recommends the proposed credit of \$0.05 per month be approved for three months. Following that, Staff recommends that the rate be set to \$0.00 until the subsequent application to address the outstanding overcollection of \$78,746 is addressed by the Commission.

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Case No(s). 21-0105-GA-RDR

Summary: Staff Review and Recommendation electronically filed by Kristin DuPree on behalf of PUCO Staff