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 for Approval : Case No. 21-1094-GA-RDR

of Tariffs to Adjust its Automated

Meter Reading Cost Recovery Charge

and Related Matters

COMMENTS SUBMITTED ON BEHALF OF THE STAFF OF THE PUBLIC UTILITIES COMMISSION OF OHIO

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INTRODUCTION

In accordance with the Public Utilities Commission of Ohio's (Commission) Opinion and Order adopting the Stipulation and Recommendation filed in Case No. 07- 829-GA-AIR et al., the Staff of the Public Utilities Commission of Ohio (Staff) conducted its investigation in the above-referenced matter and submits its findings and recommendations to the Commission in these Comments.

The Commission's Rates and Analysis Department Staff prepared these Comments. Included are findings and recommendations resulting from financial reviews of The East Ohio Gas Company d/b/a Dominion Energy Ohio's (DEO or Company): proposed revenue requirement, matters related to its program to install automated meter reading (AMR) equipment on customer meters throughout its service area, and the associated AMR Cost Recovery Charge (AMR Rider).

Pursuant to the Commission's Entry dated March 2, 2022, these Comments are being filed with the Commission's Docketing Division. These Comments contain the results of Staff's investigation. These Comments do not reflect the views of the Commission and the Commission is not bound by Staff's representations and/or recommendations.

BACKGROUND

DEO is an Ohio corporation engaged in the business of providing natural gas service to approximately 1.2 million customers in northeastern, western, and southeastern Ohio communities.

In its October 15, 2008, Opinion and Order in Case No. 07-829-GA-RDR adopting the Stipulation and Recommendation (2007 Stipulation) filed by the parties, the Commission authorized the Company to establish an automated adjustment mechanism to recover the costs associated with an AMR program. The recovery mechanism, in the form of an annual rider, is designed to permit the Company to recover its annual costs to install AMR equipment on each of the nearly 1.3 million meters in its system over a five-year period. AMR equipment enables the Company to remotely read customers' meters, which promotes billing accuracy and customer convenience. The AMR program also lessens the need for estimated meter reads and for scheduling appointments to read inside meters.

The 2007 Stipulation established a process that called for annual filings to support proposed increases to the AMR Rider. The process involves a pre-filing notice (PFN) being filed in November of each year. The filing must contain schedules with nine months of actual and three months of projected costs and related data in support of the rider

increase. Also, the filing shall include a date certain of December 31st of the applicable year for property valuation. By February 28th of the following year, the Company must then file an application updating the data provided to include a full year of actual data. The process then provides that, unless Staff finds DEO's filing to be unjust or unreasonable or another party files an objection that is not resolved by DEO, Staff will recommend the Commission approve the Company's application. If approved by the Commission, the resulting increase to the AMR rider will take effect with the first billing cycle following the Commission order.

In accordance with the application process, on November 29, 2021, the Company issued a PFN in this case that included preliminary schedules containing projected data related to AMR costs incurred in 2021. On February 24, 2022, the Company filed its Application and supporting schedules with actual data for AMR device costs incurred in calendar year 2021 (Application). Although the Company completed installation of AMR devices throughout its system in 2012, it will continue to incur recoverable AMR-related costs such as depreciation and property tax expenses and continue to reduce the AMR Rider by the annual operation and maintenance savings resulting from the AMR deployment. As a result, the Company will continue to file annual applications until the AMR costs are included in its base rates in its next base rate case.

On March 2, 2022, the Commission issued an Entry establishing the following procedural schedule:

- (a) March 23, 2022 Deadline for filing of motions to intervene.
- (b) March 23, 2022 Deadline for Staff and intervenors to file comments on the Application.
- (c) March 29, 2022 Deadline for DEO to file a statement, informing the Commission whether the issues raised in the comments have been resolved.
- (d) March 31, 2022 Deadline for the parties and Staff to file expert testimony.
- (e) In the event that some or all of the parties enter into a stipulation resolving some or all of the issues in this case, the parties must file such stipulation with the Commission by 9:00 a.m. on April 4, 2022.
- (f) In the event that all of the issues are not resolved or the parties enter into a stipulation, a hearing shall commence on April 6, 2022, at 10:00 a.m. EST, at the offices of the Commission, 180 East Broad Street, 11th Floor, Hearing Room 11-D, Columbus, Ohio 43215. The parties should register at the lobby desk and then proceed to the 11th floor to participate in the hearing. Any party requesting a continuance of the hearing must file a motion to continue the hearing with the Commission by no later than 10:00 a.m., on April 4, 2022.

DEO'S APPLICATION

For recovery of 2021 AMR costs, the Company's Application and supporting schedules propose an annualized revenue requirement of (\$177,996.30), which when allocated to customers, results in a proposed AMR Rider of (\$0.01) per customer per month. The current rate that is being paid monthly by customers (as set previously in Case No. 20-1624-GA-RDR) is \$0.00 per customer.

STAFF'S REVIEW, COMMENTS, AND RECOMMENDATIONS

Staff reviewed the Company's Application, schedules, testimony, and related documentation and confirmed the Company properly calculated the annualized revenue

requirement proposed in this case. Pursuant to the Commission's Finding and Order in Case No. 20-1624-GA-RDR, the Company's states in its Application, it intends to include this reconciliation component as part of the Company's AMR application for recovery of 2022 costs (pre-filing in November 2022 and actual filing in February 2023) with respect to the over-or under-recovery of 2021 AMR costs. Staff has no additional objections to DEO's Application and supporting documentation, and recommends the Commission approve DEO's Application, subject to Staff's proposed modification.

Respectfully Submitted,

Dave Yost Ohio Attorney General

John H. Jones
Section Chief

/s/Jodi J. Bair

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On behalf of the Staff of The Public Utilities Commission of Ohio

PROOF OF SERVICE

I certify that a copy of the foregoing Comments was served via electronic mail and/or regular U.S. mail, postage prepaid upon the following parties of record this 23rd day of March 2022.

/s/ Jodi J. Bair

Jodi J. Bair

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Summary: Comments Submitted on Behalf of the Staff of the Public Utilities Commission of Ohio electronically filed by Mrs. Kimberly M. Naeder on behalf of PUCO