# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Application of   | )                      |
|---------------------------------------|------------------------|
| Ohio Gas Company for Approval         | Case No. 22-311-GA-UEX |
| of an Adjustment to its Uncollectible | )                      |
| Expense Rider Rate.                   | )                      |
| Д                                     | APPLICATION            |

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COUNSEL FOR OHIO GAS COMPANY

**JUNE 22, 2022** 

# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Application of   | ) |                        |
|---------------------------------------|---|------------------------|
| Ohio Gas Company for Approval         | ) | Case No. 22-311-GA-UEX |
| of an Adjustment to its Uncollectible | ) |                        |
| Expense Rider Rate.                   | ) |                        |

### **APPLICATION**

Ohio Gas Company ("Ohio Gas") hereby submits its annual Uncollectible Expense ("UEX") Rider Report and respectfully requests approval to revise its Uncollectible Expense Rider ("UEX Rider") rate. In support of its Application, Ohio Gas states as follows:

- On January 25, 2006, the Public Utilities Commission of Ohio ("Commission") issued an Entry ("Entry"), in Case No. 05-1439-GA-UEX, in which it approved Ohio Gas's application for authority to establish a UEX Rider.
- In the same Entry, the Commission approved the initial UEX Rider rate for Ohio Gas. Ohio Gas filed its final tariff consistent with the Entry on January 26, 2006, effective as of that date.
- In the Entry, the Commission directed Ohio Gas to file a yearly report that identifies amounts recovered, deferred, and amortized pursuant to the UEX Rider. In its August 19, 2009, Finding and Order in Case No. 08-

1229-GA-COI, the Commission ordered that the yearly report should include the UEX balance at the beginning of the reporting year; additions to the UEX balance, including the vintage of the additions during the calendar year; and credits to the UEX balance during the calendar year. Ohio Gas has attached the required report as Attachment 1 to this Application.

- 4. Ohio Gas proposes a revised UEX Rider rate of \$(0.0047) per Mcf. The rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of March 31, 2022, and (2) an estimate of net uncollectible accounts expense for the 12 months ending March 31, 2023. Ohio Gas has included the calculation of the revised rate in Attachment 2 to this Application.
- 5. The Ohio Gas tariff for the UEX Rider states, "The Company shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent (10%) is needed to adjust for prior period over- or under-collections." The portion of the proposed UEX Rider change that is attributable to the prior period over-collection exceeds 10% of the current UEX Rider rate.
- 6. The portion of the proposed UEX Rider rate attributable to the estimated UEX is derived by subtracting from the estimated charge-off amount the

estimated dollars attributable to agency assistance and customer payments.

7. The resulting rate of \$(0.0047) per Mcf is just and reasonable and should be approved. Ohio Gas has attached copies of the redline and clean tariff sheets as Attachment 3 to this Application.

WHEREFORE, Ohio Gas respectfully requests that the Commission approve the new UEX Rider rate proposed in this Application.

Respectfully submitted,

/s/ Bryce A. McKenney

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# **CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing Application of Ohio Gas Company was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on June 22, 2022. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

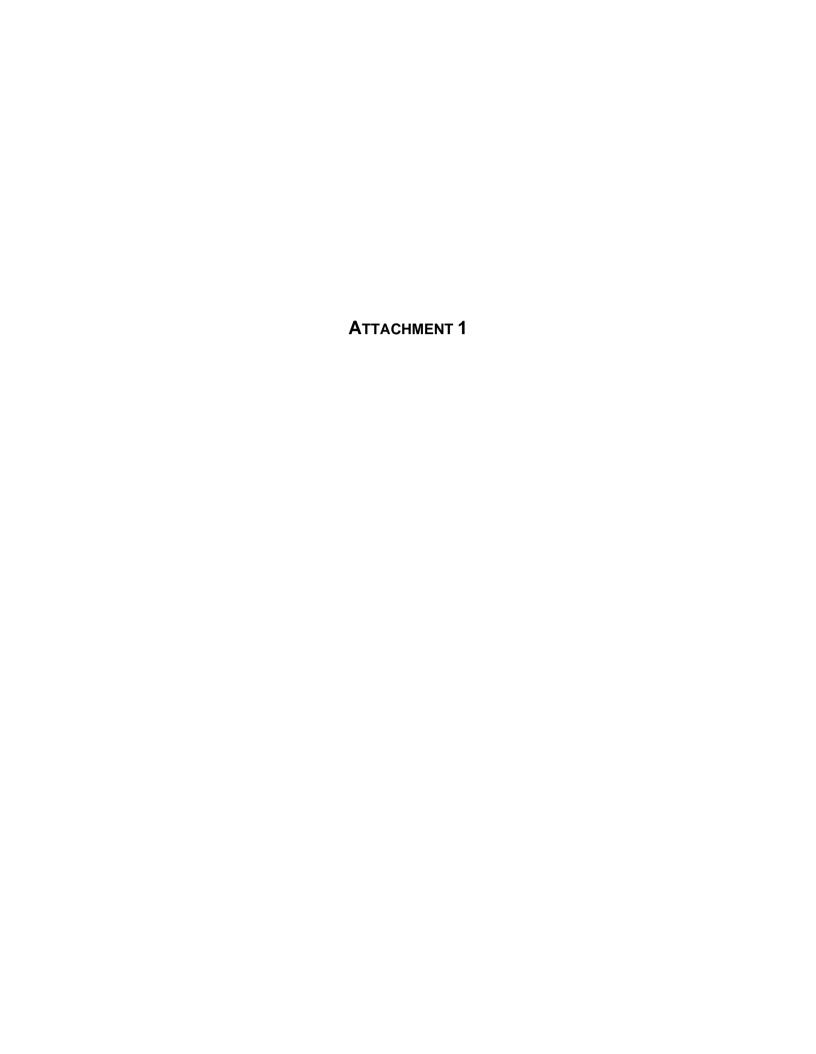
/s/ Bryce A. McKenney
Bryce A. McKenney

# **Service List**

Attorneys General:

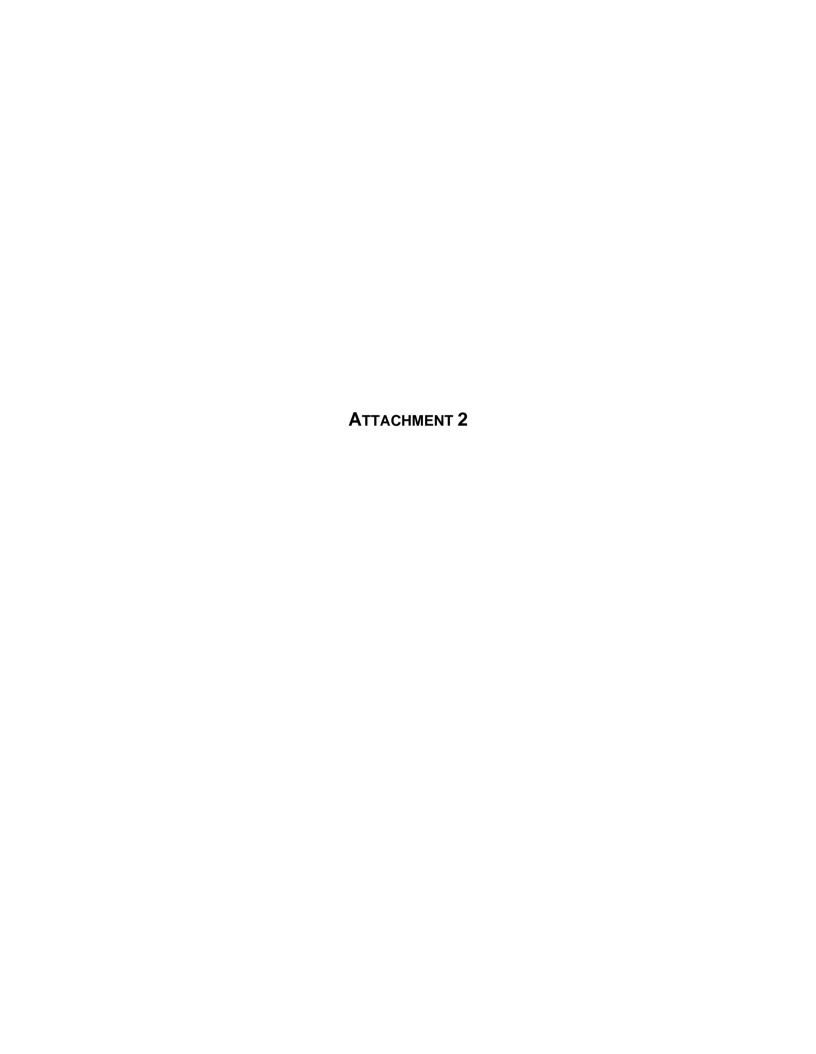
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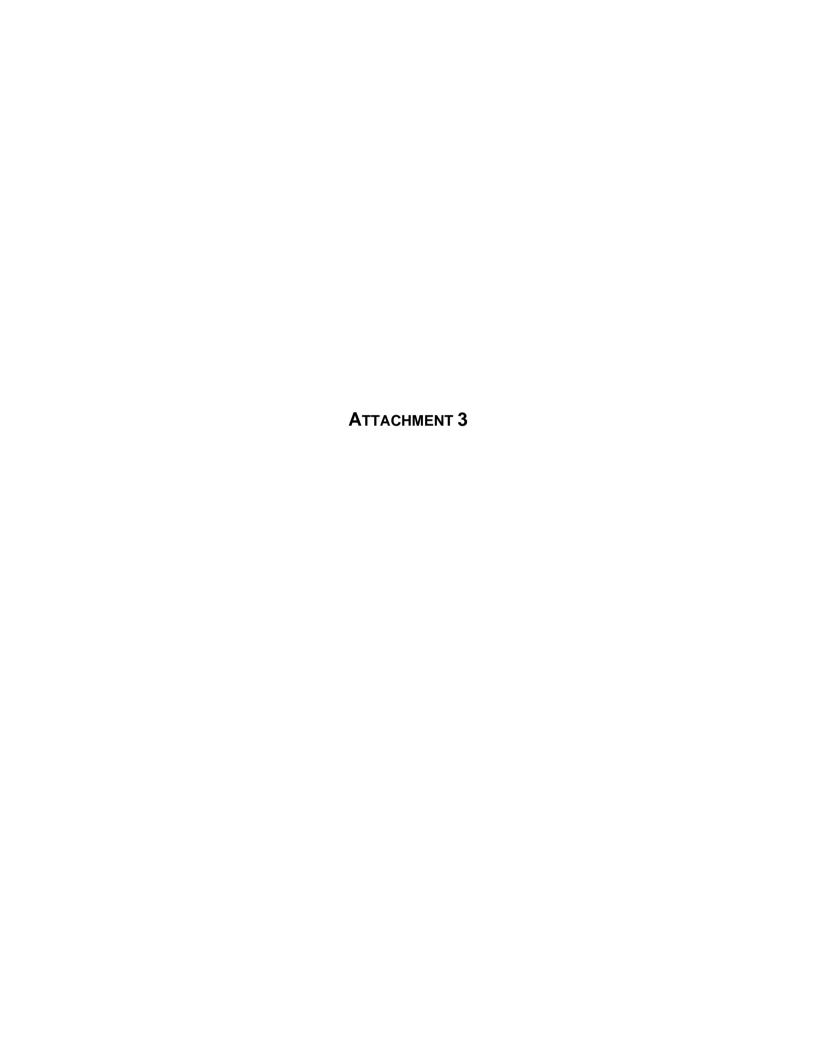


| OHIO GAS COMPANY                           |                                   |               |              |           |           |           |           |           |           |           |           |           |             |          |
|--|-----------------------------------|---------------|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|----------|
| Bad Debt Rider                             |                                   |               | Attachment 1 |           |           |           |           |           |           |           |           |           |             |          |
| Annual Balance Reconciliation - 2021       |                                   |               | Page 1 of 2  |           |           |           |           |           |           |           |           |           |             |          |
|  |                                   | 2021          |              |           |           |           |           |           |           |           |           |           |             |          |
|  | January                           | February      | March        | April     | May       | June      | July      | August    | September | October   | November  | December  | Apr-Dec     | YTD      |
| (1) Balance - Beginning of Month           | (2,413                            | (13,981)      | (15,422)     | (21,224)  | (23,058)  | (21,212)  | (19,178)  | (16,337)  | (17,238)  | (13,159)  | (24,640)  | (26,305)  |             |          |
| (2) Bad Debts Written Off                  | 3,614                             | 6,758         | 3,600        | 4,899     | 6,706     | 8,091     | 7,322     | 5,781     | 6,959     | 6,679     | 5,914     | 4,208     | 56,559      | 70,5     |
| (3) Recovery - Base Rates                  | -                                 | -             | -            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -           |          |
| (4) Recovery - Bad Debt Rider (a)          | (419                              | ) (447)       | (352)        | (215)     | (127)     | (68)      | (43)      | (814)     | (881)     | (1,183)   | (3,531)   | (6,455)   | (13,317)    | (14,5    |
| (5) Recovery - Other (b)                   | 16,135                            | 9,563         | 11,076       | 7,299     | 5,160     | 6,500     | 5,484     | 7,762     | 4,183     | 19,519    | 11,802    | 8,084     | 75,793      | 112,5    |
| (6) Incremental Bad Debt (2)-[(3)+(4)+(5)] | (12,102                           | ) (2,358      | (7,124)      | (2,185)   | 1,673     | 1,659     | 1,881     | (1,167)   | 3,657     | (11,657)  | (2,357)   | 2,579     |             | (27,5    |
| (7) Balance Subtotal (1)+(6)               | (14,515                           | ) (16,339)    | (22,546)     | (23,409)  | (21,385)  | (19,553)  | (17,297)  | (17,504)  | (13,581)  | (24,816)  | (26,997)  | (23,726)  |             |          |
| (8) Commissions Paid to Collectors         | 534                               | 917           | 1,322        | 351       | 173       | 375       | 960       | 266       | 422       | 176       | 692       | 155       | 3,570       | 6,3      |
| (9) Balance - End of Month (7)+(8)         | (13,981                           | ) (15,422)    | (21,224)     | (23,058)  | (21,212)  | (19,178)  | (16,337)  | (17,238)  | (13,159)  | (24,640)  | (26,305)  | (23,571)  |             |          |
|  |                                   |               |              |           |           |           |           |           |           |           |           |           |             |          |
| (a) Calculated: actual consumption times   |                                   |               |              |           |           |           |           |           |           |           |           |           |             |          |
| (b) Consists of customer payments, ager    | cy assistance, supplier discounts | S.            |              |           |           |           |           |           |           |           |           |           |             |          |
|  |                                   |               |              |           |           |           |           |           |           |           |           |           |             |          |
| Applicable MCF Sales                       | 1,047,106.7                       | 7 1,118,336.2 | 880,805.3    | 538,345.7 | 318,152.7 | 169,798.3 | 108,699.9 | 100,527.7 | 108,806.1 | 146,087.8 | 435,933.7 | 796,899.5 | 2,723,251.4 | 5,769,49 |
| Rate of Recovery in Base Rate              | -                                 | -             | -            | -         | -         | -         | -         | -         | -         | -         | -         | -         |             |          |
| Rate of Recovery in Bad Debt Rider         | (0.0004                           | (0.0004       | (0.0004)     | (0.0004)  | (0.0004)  | (0.0004)  | (0.0004)  | (0.0081)  | (0.0081)  | (0.0081)  | (0.0081)  | (0.0081)  |             |          |

| OHIO GAS COMPANY                                   |              |            | Attack mark 4 |          |          |          |          |         |           |         |          |          |             |
|--|--------------|------------|---------------|----------|----------|----------|----------|---------|-----------|---------|----------|----------|-------------|
| Bad Debt Rider                                     |              |            | Attachment 1  |          |          |          |          |         |           |         |          |          |             |
| Annual Balance Reconciliation - 1st Quarter 202    | 22           |            | Page 2 of 2   |          |          |          |          |         |           |         |          |          |             |
|  |              | 2022       |               |          |          |          |          |         |           |         |          |          |             |
|  |              |            |               |          |          |          |          |         |           |         |          |          |             |
| (0.2.1 2 (11)                                      | January      | February   | March         | April    | May      | June     | July     | August  | September | October | November | December | Jan-Mar     |
| (1) Balance - Beginning of Month                   | (23,571)     | (23,771)   | (15,794)      | (4,967)  | (4,967)  | (4,967)  | (4,967)  | (4,967) | (4,967)   | (4,967) | (4,967)  | (4,967)  |             |
| (2) Bad Debts Written Off                          | 8,705        | 3,721      | 7,246         | -        | -        | -        | -        | -       | -         | -       | -        | -        | 19,672      |
| (3) Recovery - Base Rates                          | -            | -          | -             | -        | -        | -        | -        | -       | -         | -       | -        | -        | -           |
| (4) Recovery - Bad Debt Rider (a)                  | (8,665)      | (9,716)    | (7,371)       |          |          |          |          |         |           | _       |          |          |             |
| (4) Necovery - Dad Debt Nider (a)                  | (0,000)      | (3,710)    | (1,511)       | -        | -        | -        | -        |         | -         |         |          |          |             |
| (5) Recovery - Other (b)                           | 18,112       | 6,265      | 3,946         | -        | -        | -        | -        | -       | -         | -       | -        | -        | 28,323      |
| (6) Incremental Bad Debt (2)-[(3)+(4)+(5)]         | (742)        | 7,172      | 10,671        | -        | -        | -        | -        | -       | -         | -       | -        | -        |             |
| (7) Balance Subtotal (1)+(6)                       | (24,313)     | (16,599)   | (5,123)       | (4,967)  | (4,967)  | (4,967)  | (4,967)  | (4,967) | (4,967)   | (4,967) | (4,967)  | (4,967)  |             |
| (8) Commissions Paid to Collectors                 | 542          | 805        | 156           | -        | -        | -        | -        | -       | -         | -       | -        | -        | 1,503       |
| (9) Balance - End of Month (7)+(8)                 | (23,771)     | (15,794)   | (4,967)       | (4,967)  | (4,967)  | (4,967)  | (4,967)  | (4,967) | (4,967)   | (4,967) | (4,967)  | (4,967)  |             |
|  |              |            |               |          |          |          |          |         |           |         |          |          |             |
| (a) Calculated: actual consumption times authorize | d rider rate |            |               |          |          |          |          |         |           |         |          |          |             |
| (b) Consists of customer payments, agency assist   |              |            |               |          |          |          |          |         |           |         |          |          |             |
|  |              |            |               |          |          |          |          |         |           |         |          |          |             |
|  |              |            |               |          |          |          |          |         |           |         |          |          |             |
| Applicable MCF Sales                               | 1,069,747.8  |            | 910,024.7     | -        | -        | -        |          | -       | -         | -       | -        | -        | 3,179,218.8 |
| Rate of Recovery in Base Rate                      | (0.0004)     | - (0.0004) | - (0.0004)    | (0.0004) | (0.0004) | (0.0004) | (0.0004) | -       | -         | -       | -        | -        |             |
| Rate of Recovery in Bad Debt Rider                 | (0.0081)     | (0.0081)   | (0.0081)      | (0.0081) | (0.0081) | (0.0081) | (0.0081) | -       | -         | -       | -        | -        |             |



| OHIO GAS COMPANY                            |             |              |     |           |              |
|---|-------------|--------------|-----|-----------|--------------|
| Bad Debt Rider                              |             |              |     |           | Attachment 2 |
| Uncollectible Expense Rider Calculation 202 | 22          |              |     |           |              |
| Balance of Deferred Uncollectible Accounts  | Expense @ 3 | 3/31/2022    | \$  | (4,967)   |              |
| Estimated Uncollectible Accounts Expense    | for         |              |     |           |              |
| Twelve Months Ending 3/31/2023              |             |              |     |           |              |
| Recoveries                                  |             | \$ (104,116) |     |           |              |
| Charge-off Amount                           |             | 76,231       |     |           |              |
| Commissions Paid to Collectors              |             | 5,073        |     |           |              |
| Net Amount                                  |             |              |     | (22,812)  |              |
| Total to be Collected                       |             |              | \$  | (27,779)  |              |
| Applicable Volumes                          |             |              | 5,9 | 902,470.2 | MCF          |
| Proposed Rate                               |             |              | \$  | (0.0047)  |              |
| Current Rate                                |             |              |     | (0.0081)  |              |
| Proposed Uncollectible Expense Rider Adju   | stment      |              | \$  | 0.0034    |              |



## OHIO GAS COMPANY

ANY Fifth Revised Sheet No.13 (Cancels Fourth Revised Sheet No. 13)
Page 1 of 1

P.U.C.O. No. 2 Tariff for Gas Service

### **UNCOLLECTIBLE EXPENSE RIDER**

Applicable to all volumes served under the General Service (Sheet No. 9) and Transportation Service (Sheet No. 10) rate schedules. An additional charge shall be applied to all volumes for service rendered to recover costs associated with uncollectible accounts arising from those Customers responsible for paying the Uncollectible Expense Rider. The Company shall file an application with the Public Utilities Commission of Ohio requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent (10%) is needed to adjust for prior period over- or under-collections. In addition to the periodic update and reconciliation process, the Uncollectible Expense Rider may also include Customer refunds if the Commission or Supreme Court of Ohio determines, as a result of the Commission's biennial audit of the rider, that the Company's Uncollectible Expense Rider was unlawful or unreasonable or included imprudent amounts. The current Uncollectible Expense Rider rate is \$(0.0047) per Mcf.

#### **OHIO GAS COMPANY**

**ANY** Fifth Revised Sheet No.13 (Cancels Fourth Revised Sheet No. 13)

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P.U.C.O. No. 2 Tariff for Gas Service

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in

Case No(s). 22-0311-GA-UEX

Summary: Application of Ohio Gas Company for Approval of an Adjustment to its Uncollectible Expense Rider Rate electronically filed by Bryce A McKenney on behalf of Ohio Gas Company