

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
NORTHEAST OHIO NATURAL GAS
CORPORATION FOR APPROVAL TO
AMEND TRANSPORTATION IMBALANCE
PROCEDURES.

CASE No. 22-960-GA-ATA

FINDING AND ORDER

Entered in the Journal on January 24, 2024

I. SUMMARY

{¶ 1} The Commission approves Northeast Ohio Natural Gas Corporation's application to amend its tariff.

II. DISCUSSION

{¶ 2} The Northeast Ohio Natural Gas Corporation (NEO) is a natural gas company and a public utility as defined by R.C. 4905.03 and R.C. 4905.02, respectively. As such, NEO is subject to the jurisdiction of this Commission.

{¶ 3} On July 27, 2022, the Commission approved an application filed by Northern Industrial Energy Development, Inc. (NIED) to purchase assets formerly owned by Cobra Pipeline Company, Ltd. (Cobra) in Case Nos. 21-803-GA-ATR and 21-1186-GA-ATA. *In re Joint Application of Utility Pipeline Ltd., Cobra Pipeline, Ltd., and Knox Energy Cooperative Association, Inc. (Joint Application Case)*, Case Nos. 21-803-GA-ATR and 21-1186-GA-ATA, Finding and Order (July 27, 2022). As part of the Cobra purchase, NIED adopted the tariffs under which it currently serves NEO.

{¶ 4} On October 18, 2022, NEO filed an application seeking to amend its transportation imbalance procedures (Application). NEO requests authority to amend its transportation imbalance procedures to mirror the tariff changes made as a result of the

applications approved by the Commission in the *Joint Application Case*. In the Application, NEO states that NIED's new tariffs made significant changes to the imbalance process. NEO explains that NIED's new system for dealing with imbalances would make NEO responsible for imbalances caused by NEO's customers, including suppliers operating on NEO's system. NEO further explains that its proposed tariffs match the new imbalance rules established by NIED in all material respects. Per NEO, standardizing the imbalance rules between NEO and NIED will ensure that end-users of gas have only one set of compliance rules. It will also ensure that any imbalance costs are properly allocated to the cost-causer. Additionally, NEO indicates that the proposed tariff will not involve an increase in rates.

{¶ 5} No motions to intervene were filed in this proceeding.

{¶ 6} On November 1, 2023, Staff filed its review and recommendation regarding the Application. Staff states that NIED's new tariffs changed how NEO would be charged for customer imbalances. According to Staff, under the Cobra tariffs that NEO was serviced by, NEO was not financially responsible for imbalances, whereas Staff finds that the proposed tariff changes would ensure that any imbalance costs are properly allocated to the party which caused the cost and are not subsidized by gas cost recovery customers. Furthermore, Staff represents that it reviewed NEO's Application and recommends it be approved by the Commission.

{¶ 7} Upon review of NEO's Application and Staff's review and recommendation, the Commission finds that the proposed changes to NEO's tariff do not appear to be unjust or unreasonable and should be approved. We recognize that the proposed tariffs will ensure that end-users of NEO and NIED's gas have only one set of compliance rules and properly allocate imbalance costs to the cost-causer. Further, the Commission finds that it is unnecessary to hold a hearing in this matter. Accordingly, we find that the Application should be approved.

III. ORDER

{¶ 8} It is, therefore,

{¶ 9} ORDERED, That the Application filed by NEO on October 18, 2022, be approved. It is, further,

{¶ 10} ORDERED, That NEO be authorized to file in final form complete copies of the tariff pages consistent with this Finding and Order and to cancel and withdraw its superseded tariff pages. NEO shall file one copy in its TRF docket and one copy in this docket. It is, further,

{¶ 11} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariffs are filed with the Commission. It is, further,

{¶ 12} ORDERED, That NEO shall notify all affected customers via a bill message or via a bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division, at least ten days prior to its distribution to customers. It is, further,

{¶ 13} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

{¶ 14} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair
Daniel R. Conway
Lawrence K. Friedeman
John D. Williams

IMM/dmh

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Case No(s). 22-0960-GA-ATA

Summary: Finding & Order approving Northeast Ohio Natural Gas Corporation's application to amend its tariff. electronically filed by Ms. Mary E. Fischer on behalf of Public Utilities Commission of Ohio.