



**McNees Wallace & Nurick LLC**  
attorneys at law

**FILE**

4  
RECEIVED-DOCKETING DIV  
2007 JUN 28 PM 12:33  
PUCO

Daniel J. Neilsen  
(614) 719-2843--Direct Dial  
dneilsen@mwncmh.com

June 28, 2007

Renee J. Jenkins  
Secretary, Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, Ohio 43215

**RE: Case Nos. 05-1444-GA-UNC and 89-8005-GA-TRF**

Dear Secretary Jenkins:

By this letter, Vectren Energy Delivery of Ohio, Inc. ("VEDO") formally notifies the Public Utilities Commission of Ohio ("Commission") of its intention to implement the alternative regulation plan as approved and directed by the Commission in its June 27, 2007 Supplemental Opinion and Order in the above-referenced case. This notice is provided pursuant to Section 4929.07, Revised Code, and is predicated on VEDO's implementation plan as further explained below.

Also pursuant to Section 4929.07, Revised Code, and such June 27, 2007 Supplemental Opinion and Order, VEDO hereby submits four complete copies of its revised tariff sheet. The revised tariff sheet effectuates the alternative regulation plan authority provided by the Commission in the above-referenced order and complies in all material respects with the Supplemental Opinion and Order. The new sheet (First Revised Sheet No. 43) transmitted with this letter shall be effective in conjunction with the accounting authority previously provided by the Commission. The new tariff sheet transmitted with this letter shows an issued date and effective date of June 28, 2007.

Pursuant to the alternative regulation plan approved by the Commission, the new tariff sheet submitted with this letter shows an initial charge of \$0.00 per Ccf which shall be replaced by a positive (or negative) charge in accordance with the deferral and subsequent amortization schedule which is part of the decoupling mechanism approved by the Commission in this proceeding. More specifically, the tariff sheet accommodates an amortization process applied to amounts deferred pursuant to the accounting authority previously provided by the Commission and continued in the Supplemental Opinion and Order. VEDO shall update this tariff sheet in accordance with the deferral

{C23520;2}

21 EAST STATE STREET, 17<sup>TH</sup> FLOOR, COLUMBUS, OHIO 43215 • TEL: 614-469-8000 • FAX: 614-469-4653 • WWW.MWN.COM

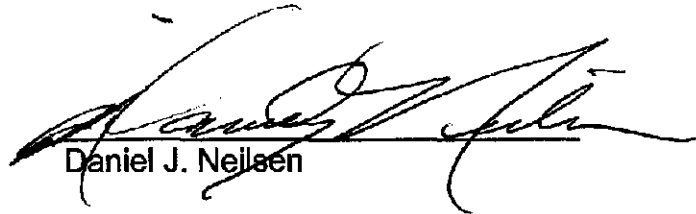
HAZLETON, PA • LANCASTER, PA • STATE COLLEGE, PA • HARRISBURG, PA • WASHINGTON, DC

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician *[Signature]* Date Processed 6-28-07

and amortization schedule, file the updated tariff sheet in this proceeding contemporaneously with a notice of VEDO's intention to file an application to increase rates and serve all parties of record with any updated tariff sheets. The ratemaking effects of the decoupling mechanism effectuated by the tariff sheet transmitted herewith, along with any changes that VEDO may propose, shall be properly reflected in an application to increase rates and the supporting information which VEDO may be required to file as part of such an application pursuant to the Commission's rules.

Thank you for your kind attention to this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel J. Neilsen", is written over a horizontal line.

**Attorney for Vectren Energy Delivery  
of Ohio, Inc.**

DJN:dsr  
Enclosure

## **SALES RECONCILIATION RIDER (SRR)**

### **APPLICABILITY**

The Sales Reconciliation Rider shall be applicable to all Customers served under the following Rate Schedules:

Rate 310 – Residential Sales Service and Rate 315 – Residential Transportation Service

Rate 320 – General Sales Service and Rate 325 – General Transportation Service

### **DESCRIPTION**

The Sales Reconciliation Rider (SRR) shall recover the differences between Actual Base Revenues and Adjusted Order Granted Base Revenues for the applicable Rate Schedules.

Actual Base Revenues are defined as weather-normalized monthly base revenues for such Rate Schedules, prior to the SRR adjustment.

Adjusted Order-Granted Base Revenues are defined as the monthly base revenues for the applicable Rate Schedules as approved by the Commission's Order in Company's last base rate case, as adjusted to reflect the change in number of customers from the levels approved by the Commission. To reflect the change in number of customers, Order-granted base revenue per customer is multiplied by the net change in number of customers since the like month during the test year, with the product being added to the Order-granted base revenues for such month.

Company shall defer the calculated differences between Actual Base Revenues and Adjusted Order Granted Base Revenues for the applicable Rate Schedules for subsequent return or recovery via the SRR. Company shall reflect in a revised SRR effective November 1<sup>st</sup> of each year the accumulated monthly differences between Actual Base Revenues and Adjusted Order Granted Base Revenues.

The accumulated monthly differences for each Rate Schedule shall be divided by projected sales volumes to determine the applicable SRR. Projected and actual recoveries by Rate Schedule under the SRR are reconciled, with any under or over recovery being recovered or returned via the SRR over the next twelve months.

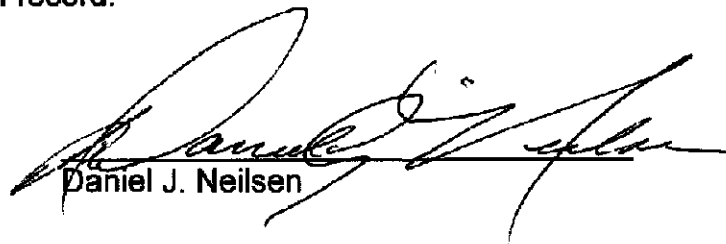
### **SALES RECONCILIATION RIDER RATE**

The applicable Sales Reconciliation Rider Rate below shall be applied to each Ccf of metered gas usage each month.

<b><u>Rate Schedules</u></b>	<b>Rates in \$/Ccf (B)</b>
	<b><u>Sales Reconciliation Rider</u></b>
310 and 315	\$0.00000
320 and 325	\$0.00000

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing *Vectren Energy Delivery of Ohio, Inc.'s Cover Letter and SRR Tariff Sheet, First Revised Sheet No. 43* has been hand-delivered, sent electronically or served *via* ordinary U.S. Mail, postage prepaid, this 28th day of June, 2007 to the following parties of record.



Daniel J. Neilsen

Maureen Grady  
Office of the Ohio Consumers' Counsel  
10 West Broad Street, 18<sup>th</sup> Floor  
Columbus, OH 43215

Anne L. Hammerstein  
Public Utilities Commission of Ohio  
Attorney General's Section  
180 East Broad Street, 9<sup>th</sup> Floor  
Columbus, OH 43215

Joseph P. Meissner  
Attorney at Law  
Legal Aid Society of Cleveland  
1223 West Sixth Street  
Cleveland, OH 44113

David C. Rinebolt  
Ohio Partners for Affordable Energy  
231 West Lima Street  
PO Box 1793  
Findlay, OH 45840

Greg Price  
Attorney Examiner  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215