

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Vectren Energy Delivery of Ohio, Inc.)	Case No. 13-320-GA-UEx
for Approval of an Adjustment to its)	
Uncollectible Expense Rider Rate.)	

APPLICATION

Frank P. Darr
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May 30, 2013

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

In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Approval of an Adjustment to its Uncollectible Expense Rider Rate.) Case No. 13-320-GA-UEx

Vectren Energy Delivery of Ohio, Inc. (“VEDO” or “the Company”) hereby submits its annual Uncollectible Expense (“UEX”) Rider Report and respectfully requests approval to revise its UEX Rider rate. In support of its Application, VEDO states as follows:

1. In its December 17, 2003 Finding and Order (“December 17 Order”) in Case No. 03-1127-GA-UNC, the Public Utilities Commission of Ohio (“PUCO” or “Commission”) approved an application for authority to establish a UEX Rider for VEDO and several other natural gas companies.
2. By Entry dated April 7, 2004, in Case No. 03-2571-GA-ATA, the Commission approved VEDO’s initial UEX Rider rate. VEDO filed final tariffs consistent with the April 7, 2004 Entry on April 16, 2004, effective as of that date.
3. In the December 17 Order, the Commission directed VEDO (and the other companies subject to that order) to file a yearly report that

identifies amounts recovered, deferred, and amortized pursuant to the UEX Rider. The Staff, in its report filed March 9, 2004, in Case No. 03-2571-GA-ATA, recommended that the information be provided in the format of Attachment A to that report. VEDO's 2013 report, in that format, is Attachment 1 to this Application. 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. VEDO has incorporated this additional information into Attachment 3 to this Application.

4. VEDO proposes a revised UEX Rider rate of \$(0.00179) per Ccf. The rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2013 and (2) an estimate of net uncollectible accounts expense and recoveries for the 12 months ending April 30, 2014. The calculation of the revised rate is shown on Attachment 2 hereto.
5. Sheet No. 39 of the Company's tariff for gas service states that VEDO shall file an application with the PUCO requesting approval to change the rate if the Company determines that an adjustment of more than plus or minus ten percent is needed. VEDO has projected its net UEX through April 2014, and has added to that the

existing deferred balance in the UEX Rider account. The sum of these two components, divided by projected annual volumes, yields the proposed revised UEX Rider rate. The proposed UEX Rider rate is more than ten percent less than the currently effective rate.

6. The portion of the proposed UEX Rider rate attributable to 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 \$(0.00179) per Ccf is just and reasonable and should be approved. Copies of the proposed and red-lined current tariff sheets are Attachment 4 to this Application.

WHEREFORE, VEDO respectfully requests that the Commission approve the new UEX Rider rate proposed herein.

Respectfully submitted,

/s/ Frank P. Darr

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

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
Annual Filing Balance Reconciliation

Line No.	Description	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total
1	Balance - Beginning of Month	\$ 1,975,206	\$ 861,835	\$ 2,588	\$ (115,554)	\$ (296,995)	\$ (274,954)	\$ (139,981)	\$ 127,488	\$ 511,977	\$ 731,377	\$ 665,467	\$ 76,096	\$ 1,975,206
2	Bad Debts Written Off (c)	\$ (59,498)	\$ (18,238)	\$ 285,625	\$ 158,291	\$ 165,847	\$ 259,916	\$ 408,123	\$ 476,511	\$ 351,717	\$ 210,936	\$ (174,705)	\$ (83,903)	\$ 1,960,623
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (b)	\$ 1,021,784	\$ 814,247	\$ 382,259	\$ 312,690	\$ 119,542	\$ 106,970	\$ 105,834	\$ 50,181	\$ 61,421	\$ 165,707	\$ 296,597	\$ 402,649	\$ 3,839,880
5	Recovery - Other (c)	32,489	26,868	1,494	26,993	24,194	17,920	34,819	41,922	71,055	111,317	118,163	(229,101)	\$ 278,134
6	Incremental Uncollectible Expense [(2 + 3) - (4 + 5)]	\$ (1,113,770)	\$ (859,352)	\$ (118,128)	\$ (181,392)	\$ 22,111	\$ 135,026	\$ 267,470	\$ 384,407	\$ 219,242	\$ (66,088)	\$ (589,465)	\$ (257,452)	\$ (2,157,391)
7	Balance Subtotal [1+ 6]	\$ 861,435	\$ 2,483	\$ (115,540)	\$ (296,946)	\$ (274,884)	\$ (139,928)	\$ 127,490	\$ 511,896	\$ 731,219	\$ 685,289	\$ 76,001	\$ (181,356)	\$ (182,186)
8	Carrying Charges [((1+7) X 65%) X .50 X (a)]	\$ 399	\$ 105	\$ (14)	\$ (49)	\$ (70)	\$ (53)	\$ (2)	\$ 81	\$ 158	\$ 178	\$ 94	\$ (12)	\$ 818
9	Balance - End of Month [7 + 8]	\$ 861,835	\$ 2,588	\$ (115,554)	\$ (296,995)	\$ (274,954)	\$ (139,981)	\$ 127,488	\$ 511,977	\$ 731,377	\$ 685,467	\$ 76,096	\$ (181,368)	\$ (181,368)

(a) Monthly carrying charge rate

(b) Represents calendar uncollectible expense rider revenues.

(c) See write-off vintage and recovery source detail required by Case No. 08-1229-GA-COI on Attachment 3. Bad debt write-offs include account balances

0.04333%

0.03750%

0.03667%

0.03750%

0.03917%

0.03833%

0.03917%

0.03917%

0.03500%

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
Annual Filing Balance Reconciliation

Line No.	Description	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
1	Balance - Beginning of Month	\$ (181,368)	\$ (764,177)	\$ (1,250,359)	\$ (1,761,111)									\$ (181,368)
2	Bad Debts Written Off (c)	\$ (44,382)	\$ 14,003	\$ (51,356)	\$ 38,710									\$ (43,065)
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (b)	\$ 503,348	\$ 489,970	\$ 444,217	\$ 182,085									\$ 1,599,619
5	Recovery - Other (c)	\$ 34,979	\$ 30,013	\$ 14,838	\$ 39,898									\$ 119,729
6	Incremental Uncollectible Expense [(2 + 3) - (4 + 5)]	\$ (562,709)	\$ (485,980)	\$ (510,450)	\$ (183,273)									\$ (1,762,413)
7	Balance Subtotal [1 + 6]	\$ (764,077)	\$ (1,250,157)	\$ (1,760,809)	\$ (1,944,385)									\$ (1,943,781)
8	Carrying Charges [(1+7) X 65%] X .50 X (a)]	\$ (100)	\$ (202)	\$ (302)	\$ (351)									\$ (855)
9	Balance - End of Month [7 + 8]	\$ (764,177)	\$ (1,250,359)	\$ (1,761,111)	\$ (1,944,746)									\$ (1,944,746)

(a) Monthly carrying charge rate

(b) Represents calendar uncollectible expense rider revenues.

(c) See write-off vintage and recovery source detail required by Case No. 08-1229-GA-COI on Attachment 3. Bad debt write-offs include account balances

VECTREN ENERGY DELIVERY OF OHIO, INC
Uncollectible Expense Rider Calculation
Report for May 2013

Line No.	Col. A Amount	Col. B Applicable Volumes (Mcf)	Col. C Unit Rate /Mcf
1 Actual Deferred Uncollectible Expense Balance through April 2013	\$ (1,944,746)		
2 Projected Net Uncollectible Expense: May 2013 - April 2014	\$ 1,407,000		
3 Unit Rate on which to Collect	\$ (537,746)	30,076,187	\$ (0.01790)
4 Prior approved UEX Rider Rate Effective July 11, 2012			\$ 0.08150
5 Increase/(Decrease) in Uncollectible Expense Rider			\$ (0.09940)
6 Percentage Difference			-122.0%

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
Write-Off and Collection Summary
Twelve Months Ended April 30, 2013

Line #	Bad Debts Written off by Vintage (a)	2012 May	2012 June	2012 July	2012 August	2012 September	2012 October	2012 November	2012 December	2013 January	2013 February	2013 March	2013 April	Total
1	Vintage													
2	1-6 Months	(518,984)	(682,817)	(862,410)	(1,332,145)	(1,160,157)	(1,056,090)	(363,223)	(226,988)	(243,524)	(274,562)	(230,250)	(330,128)	(7,281,278)
3	6-12 months	(159,846)	(45,273)	6,984	13,366	10,083	10,777	156,501	113,688	99,033	43,458	60,717	(142,238)	166,261
4	> 12 months (b)	18,195	47,598	21,501	67,110	(33,136)	199,108	578,530	499,819	305,832	199,204	246,243	167,370	2,317,373
5	Subtotal	(660,635)	(680,493)	(833,924)	(1,251,669)	(1,183,210)	(846,206)	371,808	386,529	160,341	(31,900)	76,710	(304,995)	(4,797,644)
6	Other Write-Off Activity													
7	PIPP Bad Debt Write-Offs	(494,788)	(420,577)	(425,801)	(775,159)	(831,493)	(635,270)	197,103	302,626	115,959	(17,897)	25,314	(266,285)	(3,226,267)
8	Total Bad Debts Written Off (Attachment 1)	(165,847)	(259,916)	(408,123)	(476,511)	(351,717)	(210,936)	174,705	83,903	44,382	(14,003)	51,396	(38,710)	(1,571,377)
Collections by Type														
9	From Customers	37,613	30,690	51,660	64,072	93,879	137,275	164,609	88,813	47,885	47,007	38,011	65,109	866,623
10	From Collection Agencies	8,694	7,833	8,278	4,490	6,612	12,769	5,132	7,143	3,613	9,422	8,102	5,452	87,541
11	From Other	(88)	2	39	132	4	125	17,928	7,564	4,547	2,204	2,548	661	35,688
12	Subtotal	46,219	38,525	59,977	68,695	100,496	150,169	187,670	103,521	56,045	58,633	48,661	71,222	969,832
13	Other Activity													
14	Collection Agency Commissions (c)	15,509	14,257	19,521	13,321	15,822	18,886	21,019	310,096	10,046	16,386	29,435	15,563	499,861
15	Collections from PIPP Customers	6,517	6,348	5,638	13,451	13,619	19,966	48,487	22,525	11,019	12,234	4,388	15,760	179,952
16	Total Recovery - Other (Attachment 1)	24,194	17,920	34,819	41,922	71,055	111,317	118,163	(229,101)	34,979	30,013	14,838	39,898	310,019

(a) - Bad debt write-offs include account balances restored due to the moratorium.

(b) - Write-offs without a print date have been categorized as greater than twelve months.

(c) - December 2012 includes commissions paid for prior periods

UNCOLLECTIBLE EXPENSE RIDER

APPLICABILITY

Applicable to all Customers responsible for payment of Company's Percentage of Income Payment Plan Rider on Sheet No. 40.

DESCRIPTION

The Uncollectible Expense Rider Rate shall be applied to all billed Ccf for Gas Service rendered to Customers served under the applicable Rate Schedules.

The Rider shall recover costs associated with uncollectible accounts arising from those Customers in those Rate Schedules responsible for paying the Uncollectible Expense Rider.

The Company's actual uncollectible expense for the applicable Rate Schedules, including carrying charges, shall be reconciled annually, with any over or under collection being reflected as a charge or credit in a subsequent update of the Rider Rate.

Company shall file an application with the Commission requesting approval to change the Uncollectible Expense Rider Rate if Company determines that an adjustment of more than plus or minus ten percent is needed.

UNCOLLECTIBLE EXPENSE RIDER RATE

The Uncollectible Expense Rider Rate is \$~~0.00815~~-(~~0.00179~~) per Ccf.

UNCOLLECTIBLE EXPENSE RIDER

APPLICABILITY

Applicable to all Customers responsible for payment of Company's Percentage of Income Payment Plan Rider on Sheet No. 40.

DESCRIPTION

The Uncollectible Expense Rider Rate shall be applied to all billed Ccf for Gas Service rendered to Customers served under the applicable Rate Schedules.

The Rider shall recover costs associated with uncollectible accounts arising from those Customers in those Rate Schedules responsible for paying the Uncollectible Expense Rider.

The Company's actual uncollectible expense for the applicable Rate Schedules, including carrying charges, shall be reconciled annually, with any over or under collection being reflected as a charge or credit in a subsequent update of the Rider Rate.

Company shall file an application with the Commission requesting approval to change the Uncollectible Expense Rider Rate if Company determines that an adjustment of more than plus or minus ten percent is needed.

UNCOLLECTIBLE EXPENSE RIDER RATE

The Uncollectible Expense Rider Rate is \$(0.00179) per Ccf.

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Summary: Application Vectren Energy Delivery of Ohio, Inc.'s Application for Approval of an Adjustment to its Uncollectible Expense Rider Rate electronically filed by Ms. Vicki L. Leach-Payne on behalf of Darr, Frank P. Mr.