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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Vectren Energy Delivery of Ohio, Inc.)
For Approval of an Adjustment to its) Case No. 14-747-GA-RDR
Energy Efficiency Funding Rider Rate.)

COMMENTS
OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF OHIO

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**Public Utilities
Commission**

John R. Kasich, Governor
Thomas W. Johnson, Chairman

Commissioners

Steven D. Lesser
Asim Z. Haque
Lynn Slaby
M. Beth Trombold

May 15, 2014

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: *In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Approval of an Adjustment to its Energy Efficiency Funding Rider Rate, Case No. 14-747-GA-RDR.*

Enclosed please find the Staff's Comments regarding Vectren Energy Delivery's Energy Efficiency Rider balance reconciliation statement and rate proposal in Case No. 14-747-GA-RDR.

Respectfully submitted,

Wm. Ross Willis
Chief, Rates Division
Public Utilities Commission of Ohio
Enclosure
cc. Parties of Record

Application of Vectren Energy Delivery of Ohio, Inc.
Case No. 14-747-GA-RDR

Background

In Case No. 07-1080-GA-AIR, the Commission approved a Stipulation providing for the establishment of an Energy Efficiency Funding Rider (EEFR) calculated to be utilized to continue funding for the low-income weatherization program for customers whose income is between 200% and 300% of federal poverty levels.

Subsequently, in Case No. 09-254-GA-ATA, Vectren Energy Delivery of Ohio, Inc. (Vectren) filed an application for tariff approval establishing its initial EEFR at \$0.00320 per Ccf. On August 26, 2009, the Commission issued a Finding and Order authorizing Vectren to establish and implement its initial EEFR rate as requested, which became effective on January 1, 2010.

Since that time, the Company has filed annual updates to adjust the rider rate and the Commission has authorized such subsequent revisions. The history of Vectren's rider is as follows:

January 1, 2010 to June 7, 2011	\$0.003200 per Ccf
June 8, 2011 to May 31, 2012	\$0.003080 per Ccf
June 1, 2012 to May 31, 2013	\$0.004841 per Ccf
June 1, 2013 to Present	\$0.005750 per Ccf

On April 23, 2014, Vectren filed the pending application to revise its current EEFR rate. Staff has reviewed the application and makes its findings and recommendations in this staff report.

Application

Vectren is proposing in this application to decrease its EEFR rate from \$0.00575 per Ccf to \$0.00357 per Ccf, a rate change of \$(0.00218) per Ccf. Vectren proposes this decrease in the EEFR based on its actual EEFR recoveries through December, 2013 and intended recoveries through December, 2014.

In support of the Application, Vectren's Demand Side Management (DSM) Collaborative met on October 18, 2013 to consider the 2014 Operating Plan, including the programs and funding levels necessary to continue the EEFR. All voting members of the Collaborative approved the proposal on November 1, 2013.

Attachment 1 (Exhibits A through C) to the application provides Vectren's calculation for 2014 in determining the new application rate.

Attachment 2 to the application shows Vectren's updated tariff filing consistent with their new application rate.

Recommendation

Staff has performed a preliminary review of Vectren's EEFR covering calendar year 2014. Staff believes Vectren's application appropriately calculates the rider and recommends the proposed rate of \$0.00357 per Ccf be approved.

The Public Utilities Commission of Ohio
John R. Kasich, Governor
Todd A. Snitchler, Chairman

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