

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. 15-0320-GA-UEx

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

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Vectren Energy Delivery of Ohio, Inc.)	Case No. 15-320-GA-UEX
for Approval of an Adjustment to its)	
Uncollectible Expense Rider Rate.)	

APPLICATION

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 2015 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 \$0.00854 per Ccf. The rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2015 and (2) an estimate of net uncollectible accounts expense and recoveries for the 12 months ending April 30, 2016. 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 2016, 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 greater 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 \$0.00854 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
2014 Annual Balance Reconciliation

Line No.	Description	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
1	Balance - Beginning of Month	\$ (325,633)	\$ (190,569)	\$ (133,672)	\$ (86,714)	\$ (18,563)	\$ 127,535	\$ 364,493	\$ 940,444	\$ 1,627,004	\$ 2,083,461	\$ 2,514,340	\$ 2,091,040	\$ (325,633)
2	Bad Debts Written Off (b)	\$ 59,046	\$ (22,764)	\$ (19,580)	\$ 48,398	\$ 149,860	\$ 243,976	\$ 620,774	\$ 765,192	\$ 554,058	\$ 684,173	\$ 32,841	\$ 72,310	\$ 3,188,283
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (a)	\$ (147,999)	\$ (123,139)	\$ (93,830)	\$ (37,339)	\$ (18,437)	\$ (13,423)	\$ 36,845	\$ 39,715	\$ 47,069	\$ 120,460	\$ 296,185	\$ 359,463	\$ 465,571
5	Recovery - Other (b)	\$ 71,943	\$ 43,454	\$ 27,277	\$ 17,586	\$ 22,207	\$ 20,488	\$ 8,077	\$ 39,091	\$ 50,823	\$ 133,195	\$ 160,342	\$ 84,487	\$ 678,969
6	Incremental Uncollectible Expense [(2 + 3 - (4 + 5))]	\$ 135,102	\$ 56,921	\$ 46,972	\$ 68,151	\$ 146,090	\$ 236,911	\$ 575,852	\$ 686,386	\$ 456,166	\$ 430,517	\$ (423,686)	\$ (371,639)	\$ 2,043,743
7	Balance Subtotal [1+ 6]	\$ (190,531)	\$ (133,648)	\$ (86,699)	\$ (18,563)	\$ 127,527	\$ 364,446	\$ 940,345	\$ 1,626,830	\$ 2,083,170	\$ 2,513,978	\$ 2,090,654	\$ 1,719,401	\$ 1,718,110
8	Carrying Charges [((1+7) X 65%) X .50 X (c)]	\$ (38)	\$ (24)	\$ (14)	\$ (0)	\$ 8	\$ 47	\$ 99	\$ 174	\$ 291	\$ 361	\$ 387	\$ 423	\$ 1,714
9	Balance - End of Month [7 + 8]	\$ (190,569)	\$ (133,672)	\$ (86,714)	\$ (18,563)	\$ 127,535	\$ 364,493	\$ 940,444	\$ 1,627,004	\$ 2,083,461	\$ 2,514,340	\$ 2,091,040	\$ 1,719,824	\$ 1,719,824

(a) Represents calendar uncollectible expense rider revenues.

(b) 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 restored due to the moratorium.

(c) Monthly carrying charge rate 0.02250% 0.02250% 0.02000% 0.00083% 0.02333% 0.02917% 0.02333% 0.02083% 0.02417% 0.02417% 0.02583% 0.03417%

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
2015 Annual Balance Reconciliation

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(a) Represents calendar uncollectible expense rider revenues.

(b) 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 restored due to the moratorium.

(c) Monthly carrying charge rate	0.03333%	0.02750%	0.03333%	0.03000%
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VECTREN ENERGY DELIVERY OF OHIO, INC
Uncollectible Expense Rider Calculation
Report for May 2015

Line No.	Col. A Amount	Col. B Applicable Volumes (Mcf)	Col. C Unit Rate /Mcf
1 Actual Deferred Uncollectible Expense Balance through April 2015	\$ 270,433		
2 Projected Net Uncollectible Expense: May 2015 - April 2016	<u>\$ 2,500,000</u>		
3 Unit Rate on which to Collect	\$ 2,770,433	32,427,883	\$ 0.08540
4 Prior approved UEX Rider Rate Effective July 11, 2014			<u>\$ 0.06800</u>
5 Increase/(Decrease) in Uncollectible Expense Rider			<u><u>\$ 0.01740</u></u>

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
Write-Off and Collection Summary

Line

#	<u>Bad Debts Written off by Vintage (a)</u>	2014	2014	2014	2014	2014	2014	2014	2014	2015	2015	2015	2015	Total
		May	June	July	August	September	October	November	December	January	February	March	April	
1	<u>Vintage</u>													
1	1-6 Months	(255,528)	(482,417)	(1,010,226)	(1,164,682)	(942,532)	(1,400,231)	(588,693)	(564,685)	(381,251)	(200,092)	(268,398)	(236,089)	(7,494,823.83)
2	6-12 months	6,291	2,406	9,393	(289)	(9,284)	31,327	112,475	30,071	19,319	(135)	1,785	(16,543)	186,815.85
3	> 12 months (b)	22,321	48,366	28,465	22,452	31,531	160,413	762,606	539,521	284,972	340,726	169,635	157,082	2,568,090
4	Subtotal	(226,916)	(431,645)	(972,368)	(1,142,519)	(920,285)	(1,208,491)	286,388	4,906	(76,960)	140,499	(96,978)	(95,550)	(4,739,918)
5	Other Write-Off Activity											342	(229)	113
6	PIPP Bad Debt Write-Offs	(77,056)	(187,669)	(351,594)	(377,328)	(366,227)	(524,319)	319,229	77,216	(5,670)	114,889	(73,164)	(33,894)	(1,485,586)
7	Total Bad Debts Written Off (Attachment 1)	(149,860)	(243,976)	(620,774)	(765,192)	(554,058)	(684,173)	(32,841)	(72,310)	(71,290)	25,611	(23,472)	(61,884)	(3,254,218)

Collections by Type

		2014	2014	2014	2014	2014	2014	2014	2014	2015	2015	2015	2015	Total
		May	June	July	August	September	October	November	December	January	February	March	April	
8	From Customers	41,928	39,508	35,010	52,377	86,959	171,309	199,279	147,117	98,531	77,729	51,415	40,290	1,041,451.93
9	From Collection Agencies	1,930	1,811	1,915	2,831	1,845	1,953	1,405	5,239	2,381	5,278	8,508	3,418	38,513
10	From Other	428	(43)	-	-	126	4	10,082	3,770	1,622	1,354	1,761	274	19,378
11	Subtotal	44,285	41,275	36,925	55,208	88,931	173,266	210,766	156,126	102,534	84,361	61,684	43,981	1,099,344
12	Other Activity													-
13	Collection Agency Commissions	11,388	15,767	24,574	13,336	24,940	24,947	31,893	44,319	29,435	11,531	30,254	12,628	275,010.44
14	Collections from PIPP Customers	10,691	5,021	4,274	2,781	13,168	15,125	18,531	27,320	22,795	13,149	11,765	2,261	146,881.25
15	Total Recovery - Other (Attachment 1)	22,207	20,488	8,077	39,091	50,823	133,195	160,342	84,487	50,305	59,681	19,665	29,093	677,452

(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.

VECTREN ENERGY DELIVERY OF OHIO, INC.
Tariff for Gas Service
P.U.C.O. No. 3

Sheet No. 39
~~Sixth-Seventh~~ Revised Page 1 of 1
Cancels ~~Fifth-Sixth~~ Revised Page 1 of 1

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.~~00680-00854~~ per Ccf.

Filed pursuant to the Finding and Order dated ~~July 9, 2014-~~ in Case No. ~~4415~~-320-GA-UEx of The Public Utilities Commission of Ohio.

Issued ~~July 11, 2014-~~
~~July 11, 2014-~~

Issued by Scott E. Albertson, Vice-President

Effective

VECTREN ENERGY DELIVERY OF OHIO, INC.
Tariff for Gas Service
P.U.C.O. No. 3

Sheet No. 39
Seventh Revised Page 1 of 1
Cancels Sixth Revised Page 1 of 1

UNCOLLECTIBLE EXPENSE RIDER

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UNCOLLECTIBLE EXPENSE RIDER RATE

The Uncollectible Expense Rider Rate is \$0.00854 per Ccf.

Filed pursuant to the Finding and Order dated - _____ in Case No. 15-320-GA-UEx of The Public Utilities Commission of Ohio.

Issued - _____ Issued by Scott E. Albertson, Vice-President

Effective - _____

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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.