

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

| | | |
|---------------------------------------|---|-------------------------|
| In the Matter of the Application of |) | |
| Vectren Energy Delivery of Ohio, Inc. |) | Case No. 16-0839-GA-RDR |
| for Approval of an Adjustment to its |) | |
| Energy Efficiency Funding Rider Rate. |) | |

AMENDED APPLICATION

Frank P. Darr (Reg. No. 0025469)
Trial Attorney
McNees, Wallace & Nurick LLC
Fifth Third Center
21 East State Street, 17th Floor
Columbus, Ohio 43215
Telephone: (614) 469-7000
Telecopier: (614) 469-4653
fdarr@mwncmh.com
(willing to accept service by e-mail)

April 18, 2016

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

**BEFORE
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AMENDED APPLICATION

On April 15, 2016, Vectren Energy Delivery of Ohio, Inc. (“VEDO” or “the Company”) filed an Application seeking approval to revise its Energy Efficiency Funding Rider (“EEFR”) in this matter. It subsequently determined that a revised rate was warranted and hereby requests approval to revise its Energy Efficiency Funding Rider (“EEFR”). In support of its Amended Application, VEDO states as follows:

1. In Case No. 07-1080-GA-AIR (“2007 Rate Case”) the Commission approved a Stipulation and Recommendation (“Stipulation”) which provided for the establishment of an Energy Efficiency Funding Rider calculated to produce “...a minimum of \$1 million which shall be utilized to continue funding for the low-income weatherization program for customers whose income is between 200% and 300% poverty level consistent with the program currently provided as a result of the Company’s compliance with the Commission’s Supplemental Order in Case No. 05-1444-GA-UNC.”¹

¹ *In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Authority to Amend its Filed Tariffs to Increase the Rates and Charges for Gas Service and Related Matters*, Case Nos. 07-1080-GA-AIR, *et al.*, Stipulation and Recommendation at 6-7 (September 8, 2008) (hereinafter “Stipulation”).

2. By Finding and Order dated August 26, 2009 in Case No. 09-254-GA-ATA, and consistent with the provisions of the Stipulation, the Commission approved VEDO's initial EEFR rate. On December 11, 2009, VEDO filed final EEFR tariffs effective on January 1, 2010.
3. The Stipulation provides that [s]ubject to such approvals as may be required, the EEFR charge shall, in all cases, be calculated based on [VEDO's DSM] Collaborative-approved funding to be expended over the subsequent 12-month period, with any variation between actual recoveries and intended recoveries being included in a subsequent EEFR rate.² The Stipulation also provides that "...any application to establish or adjust the EEFR charge shall be an application to establish a charge and shall not be considered an application to increase rates."³
4. On November 22, 2010, the VEDO DSM Collaborative met to consider the 2011 portfolio of DSM programs and funding levels going forward as a proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal by December 14, 2010.
5. By Finding and Order dated June 8, 2011 in Case No. 11-2651-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On June 8, 2011, VEDO filed final EEFR tariffs effective on June 8, 2011.
6. On November 18, 2011, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's

² *Id.* at 7.

³ *Id.*

2012 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal by December 9, 2011.

7. By Finding and Order dated May 30, 2012 in Case No. 12-1416-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On June 1, 2012, VEDO filed final EEFR tariffs effective on June 1, 2012.
8. On November 30, 2012, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2013 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal by December 20, 2012.
9. By Finding and Order dated May 29, 2013 in Case No. 13-1032-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On May 30, 2013, VEDO filed final EEFR tariffs effective on June 1, 2013.
10. On October 18, 2013, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2014 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal on November 01, 2013.
11. By Finding and Order dated May 28, 2014 in Case No. 14-0747-GA-RDR, and consistent with the provisions of the Stipulation, the Commission

approved VEDO's revised EEFR rate. On May 28, 2014, VEDO filed final EEFR tariffs effective on June 1, 2014.

12. On October 31, 2014, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2015 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal on November 10, 2014.
13. By Finding and Order dated May 28, 2015 in Case No. 15-0735-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On May 28, 2015, VEDO filed final EEFR tariffs effective on June 1, 2015.
14. On December 2, 2015, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2016 DSM Operating Plan in which VEDO proposed continuation of the EEFR. A majority of voting members of the Collaborative approved this proposal by December 22, 2015.
15. Consistent with VEDO's 2016 DSM Operating Plan and the Collaborative approval thereof, VEDO proposes a revised EEFR rate of \$0.00394 per Ccf. This proposed rider rate reconciles actual EEFR recoveries and intended recoveries, and the support for and calculation of the revised rider rate is shown on Attachment 1 hereto.

16. The proposed rider rate of \$0.00394 per Ccf is just and reasonable and should be approved. A copy of the redlined current tariff sheet and proposed tariff sheet are included as Attachment 2 to this Application.

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

Respectfully submitted,

/s/ Frank P. Darr

Frank P. Darr (Reg. No. 0025469)

Trial Attorney

McNees, Wallace & Nurick LLC

Fifth Third Center

21 East State Street, 17th Floor

Columbus, Ohio 43215

Telephone: (614) 469-7000

Telecopier: (614) 469-4653

fdarr@mwncmh.com

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

CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following party(ies). In addition, I hereby certify that a service copy of the foregoing *Amended Application* was sent by, or on behalf of, the undersigned counsel for Vectren Energy Delivery of Ohio, Inc. to the following party(ies) of record this 18th day of April 2016, *via* electronic transmission.

/s/ Frank P. Darr

Frank P. Darr

William L. Wright (Reg. No. 0018010)
Chief, Public Utilities Section
Office of Attorney General
180 East Broad Street, 6th Floor
Columbus, OH 43215-3793
william.wright@puc.state.oh.us

Attachment 1

Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Twelve Months Ended December 31, 2015

Total Program Budget

| Line | Description | Reference | [A]=[B]+[C]+[D] Total | [B] DSM | [C] TEEM I | [D] TEEM II |
|------|--|--------------------------|--------------------------|--------------|---------------|----------------|
| 1 | <u>Current Year Projected Spend</u> Regulatory Asset Balance 12/31/2014 | Prior Filing | \$ (709,096) | | | |
| 2 | Total 2016 Budget | 2016 DSM Operating Plan | \$ 5,859,971 | \$ 3,664,303 | \$ 1,120,926 | \$ 1,074,742 |
| 3 | Less: Annual Base Rate Amount | Cause No. 07-1080-GA-AIR | \$ 4,000,000 | \$ 2,900,000 | \$ 1,100,000 | \$ - |
| 4 | Total EEFR Recoverable Amount | [Line 2 - Line 3] | \$ 1,859,971 | \$ 764,303 | \$ 20,926 | \$ 1,074,742 |
| 5 | <u>Prior Year Reconciliation</u> Total 2015 Program Spend | 2015 DSM Annual Report | \$ 5,155,672 | \$ 3,115,080 | \$ 1,099,090 | \$ 941,502 |
| 6 | Less: Base Rate Recoveries | Cause No. 07-1080-GA-AIR | \$ 4,000,000 | \$ 2,900,000 | \$ 1,100,000 | \$ - |
| 7 | Less: EEFR Recoveries | Exhibit B, Line 14 | \$ 944,813 | | | |
| 8 | 2015 Variance | Line 5 - Line 6 - Line 7 | \$ 210,859 | | | |
| 9 | Total EEFR Variance - (Over)/Under | Line 1 + Line 8 | \$ (498,237) | | | |
| 10 | Total EEFR Recoverable Expenses/(Credits) | Line 4 + Line 9 | \$ 1,361,734 | | | |
| 11 | Projected Volumes (Mcf) | Exhibit C, Line 7 | 34,524,857 | | | |
| 12 | Unit Rate (\$ per Mcf) | [Line 10 / Line 11] | \$ 0.03940 | | | |

Exhibit B

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Actual Recoveries Year-to-Date December 31, 2015**

| Line | Description | Consumption (Mcf) | EEFR Unit Rate (\$ per Mcf) | EEFR Revenue (\$ (1)) |
|------|-----------------|-------------------|--------------------------------|--------------------------|
| 1 | EEFR Recoveries | | | |
| 2 | January 2015 | 6,818,039 | \$0.03570 | \$ 243,404 |
| 3 | February 2015 | 7,040,532 | \$0.03570 | \$ 251,347 |
| 4 | March 2015 | 4,520,812 | \$0.03570 | \$ 161,393 |
| 5 | April 2015 | 2,009,776 | \$0.03570 | \$ 71,749 |
| 6 | May 2015 | 574,510 | \$0.03570 | \$ 20,510 |
| 7 | June 2015 | 162,500 | \$0.02040 | \$ 3,315 |
| 8 | July 2015 | 594,951 | \$0.02040 | \$ 12,137 |
| 9 | August 2015 | 608,431 | \$0.02040 | \$ 12,412 |
| 10 | September 2015 | 548,775 | \$0.02040 | \$ 11,195 |
| 11 | October 2015 | 1,414,461 | \$0.02040 | \$ 28,855 |
| 12 | November 2015 | 2,595,294 | \$0.02040 | \$ 52,944 |
| 13 | December 2015 | 3,703,529 | \$0.02040 | \$ 75,552 |
| 14 | Annual | <u>30,591,610</u> | | <u>\$ 944,813</u> |

Notes:

(1) Actual booked EEFR Revenue

Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Projected Sales Volumes (MCF)

| Line No. | Tariff | June 2016 Amount | July 2016 Amount | August 2016 Amount | September 2016 Amount | October 2016 Amount | November 2016 Amount | December 2016 Amount | January 2017 Amount | February 2017 Amount | March 2017 Amount | April 2017 Amount | May 2017 Amount | Annual Amount |
|----------|---|---------------------|---------------------|-----------------------|--------------------------|------------------------|-------------------------|-------------------------|------------------------|-------------------------|----------------------|----------------------|--------------------|------------------|
| 1 | Rate 310 - Residential DSS Service | 40,590 | 46,060 | 43,440 | 33,989 | 98,234 | 201,871 | 323,359 | 379,992 | 285,899 | 253,539 | 120,422 | 59,975 | 1,897,371 |
| 2 | Rate 311 - Residential SCO Service | 267,883 | 303,985 | 286,696 | 224,321 | 648,319 | 1,332,298 | 2,134,088 | 2,507,851 | 1,952,862 | 1,673,293 | 794,756 | 395,819 | 12,522,171 |
| 3 | Rate 315 - Residential Transportation Service | 210,884 | 239,304 | 225,693 | 176,591 | 510,372 | 1,048,817 | 1,680,005 | 1,974,240 | 1,537,339 | 1,317,256 | 625,651 | 311,588 | 9,857,749 |
| 4 | Rate 320 - General Service DSS Service | 551 | 525 | 494 | 512 | 1,134 | 2,069 | 3,395 | 3,932 | 3,120 | 2,610 | 1,231 | 651 | 20,224 |
| 5 | Rate 321 - General SCO Service | 152,612 | 145,587 | 136,763 | 142,027 | 314,307 | 573,479 | 940,952 | 1,089,651 | 884,842 | 723,305 | 341,012 | 180,307 | 5,604,642 |
| 6 | Rate 325 - General Transportation Service | 125,874 | 120,080 | 112,802 | 117,144 | 259,240 | 473,005 | 776,096 | 896,742 | 713,156 | 596,581 | 281,266 | 148,717 | 4,622,700 |
| 7 | Total Budgeted Volumes | 798,384 | 855,541 | 805,888 | 694,565 | 1,831,605 | 3,631,539 | 5,857,895 | 6,854,409 | 5,387,018 | 4,566,593 | 2,164,337 | 1,097,085 | 34,524,857 |

(To Exhibit A, Line 11)

Attachment 2

ENERGY EFFICIENCY FUNDING RIDER

APPLICABILITY

The Energy Efficiency Funding Rider ("EEFR") shall be applicable to all Customers served under the following Rate Schedules and to certain other Customers pursuant to contract:

- Rate 310 – Residential Default Sales Service
- Rate 311 – Residential Standard Choice Offer Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Default Sales Service
- Rate 321 – General Standard Choice Offer Service
- Rate 325 – General Transportation Service

DESCRIPTION

The Energy Efficiency Funding 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 the costs of funding energy efficiency programs as determined by the Demand Side Management ("DSM") Collaborative and as approved by the Commission.

Company shall file an application with the Commission requesting approval to change the Energy Efficiency Funding Rider Rate periodically in accordance with the Stipulation and Recommendation in Case No. 07-1080-GA-AIR.

The EEFR Rider Rate shall be calculated based on the approved funding to be expended over the subsequent recovery period. The costs to be recovered and the costs actually recovered shall be reconciled annually, with any under or over recovery being recovered or returned via the EEFR over a subsequent period.

ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.~~00204~~00394 per Ccf.

ENERGY EFFICIENCY FUNDING RIDER

APPLICABILITY

The Energy Efficiency Funding Rider ("EEFR") shall be applicable to all Customers served under the following Rate Schedules and to certain other Customers pursuant to contract:

- Rate 310 – Residential Default Sales Service
- Rate 311 – Residential Standard Choice Offer Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Default Sales Service
- Rate 321 – General Standard Choice Offer Service
- Rate 325 – General Transportation Service

DESCRIPTION

The Energy Efficiency Funding 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 the costs of funding energy efficiency programs as determined by the Demand Side Management ("DSM") Collaborative and as approved by the Commission.

Company shall file an application with the Commission requesting approval to change the Energy Efficiency Funding Rider Rate periodically in accordance with the Stipulation and Recommendation in Case No. 07-1080-GA-AIR.

The EEFR Rider Rate shall be calculated based on the approved funding to be expended over the subsequent recovery period. The costs to be recovered and the costs actually recovered shall be reconciled annually, with any under or over recovery being recovered or returned via the EEFR over a subsequent period.

ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.00394 per Ccf.

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in

Case No(s). 16-0839-GA-RDR

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