

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. 17-0320-GA-UEx

Frank P. Darr (Reg. No. 0025469)
Trial Attorney
McNees Wallace & Nurick LLC
Fifth Third Center
21 East State Street, 17th Floor
Columbus, OH 43215
Telephone: (614) 469-8000
Telecopier: (614) 469-4653
fdarr@mwncmh.com
(willing to accept service by e-mail)

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

In the Matter of the Application of)
Vectren Energy Delivery of Ohio, Inc.) Case No. 17-320-GA-UEx
for Approval of an Adjustment to its)
Uncollectible Expense Rider Rate.)

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 2017 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 \$0.00397 per Ccf. The rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2017 and (2) an estimate of net uncollectible accounts expense and recoveries for the 12 months ending April 30, 2018. 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 2018, 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 \$0.00397 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

Frank P. Darr (Reg. No. 0025469)
Trial Attorney
McNees Wallace & Nurick LLC
Fifth Third Center
21 East State Street, 17th Floor
Columbus, OH 43215
Telephone: (614) 469-8000
Telecopier: (614) 469-4653
fdarr@mwncmh.com
(willing to accept service by e-mail)

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

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
2016 Annual Balance Reconciliation

Line No.	Description	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Total
1	Balance - Beginning of Month	\$ 1,243,141	\$ 551,632	\$ 62,465	\$ (71,017)	\$ (236,939)	\$ (256,308)	\$ (84,019)	\$ 199,436	\$ 464,074	\$ 917,751	\$ 1,133,370	\$ 919,087	\$ 1,243,141
2	Bad Debts Written Off (b)	\$ (19,715)	\$ (25,706)	\$ 55,377	\$ 32,845	\$ 116,798	\$ 270,214	\$ 347,720	\$ 332,213	\$ 489,648	\$ 347,408	\$ 15,978	\$ (125,307)	\$ 1,837,472
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (a)	\$ 595,735	\$ 389,573	\$ 191,857	\$ 182,494	\$ 98,110	\$ 52,260	\$ 46,565	\$ 19,480	\$ 26,728	\$ 48,919	\$ 127,019	\$ 273,587	\$ 2,052,328
5	Recovery - Other (b)	\$ 76,317	\$ 73,956	\$ (2,999)	\$ 16,235	\$ 38,002	\$ 45,608	\$ 17,720	\$ 48,203	\$ 9,482	\$ 83,236	\$ 103,620	\$ 72,979	\$ 582,359
6	Incremental Uncollectible Expense [(2 + 3 - (4 + 5))]	\$ (691,767)	\$ (489,235)	\$ (133,481)	\$ (165,884)	\$ (19,314)	\$ 172,345	\$ 283,435	\$ 264,530	\$ 453,437	\$ 215,252	\$ (214,661)	\$ (471,873)	\$ (797,215)
7	Balance Subtotal [1+ 6]	\$ 551,374	\$ 62,397	\$ (71,016)	\$ (236,901)	\$ (256,253)	\$ (83,963)	\$ 199,416	\$ 463,966	\$ 917,511	\$ 1,133,003	\$ 918,709	\$ 447,214	\$ 445,925
8	Carrying Charges [(((1+7) X 65%) X .50 X (c))]	\$ 258	\$ 68	\$ (1)	\$ (38)	\$ (55)	\$ (56)	\$ 20	\$ 108	\$ 239	\$ 367	\$ 378	\$ 329	\$ 1,617
9	Balance - End of Month [7 + 8]	\$ 551,632	\$ 62,465	\$ (71,017)	\$ (236,939)	\$ (256,308)	\$ (84,019)	\$ 199,436	\$ 464,074	\$ 917,751	\$ 1,133,370	\$ 919,087	\$ 447,543	\$ 447,542

(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 0.04417% 0.03417% 0.04000% 0.03417% 0.03417% 0.05083% 0.05333% 0.05000% 0.05333% 0.05500% 0.05667% 0.07417%

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
2017 Annual Balance Reconciliation

Line No.	Description	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
1	Balance - Beginning of Month	\$ 447,543	\$ 174,164	\$ (7,617)	\$ (219,332)									\$ 447,543
2	Bad Debts Written Off (b)	\$ 48,751	\$ (1,770)	\$ (6,070)	\$ 94,015									\$ 134,925
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (a)	\$ 249,552	\$ 170,211	\$ 186,870	\$ 64,208									\$ 670,840
5	Recovery - Other (b)	\$ 72,736	\$ 9,841	\$ 18,712	\$ 8,641									\$ 109,930
6	Incremental Uncollectible Expense [(2 + 3 -	\$ (273,537)	\$ (181,822)	\$ (211,652)	\$ 21,166									\$ (645,845)
7	Balance Subtotal [1+ 6]	\$ 174,006	\$ (7,658)	\$ (219,269)	\$ (198,167)									\$ (198,303)
8	Carrying Charges [(((1+7) X 65%) X .50 X (c	\$ 158	\$ 41	\$ (64)	\$ (130)									\$ 6
9	Balance - End of Month [7 + 8]	\$ 174,164	\$ (7,617)	\$ (219,332)	\$ (198,297)									\$ (198,297)

(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 0.07833% 0.07667% 0.08667% 0.09583%

VECTREN ENERGY DELIVERY OF OHIO, INC
Uncollectible Expense Rider Calculation
Report for May 2017

Line No.	Col. A Amount	Col. B Applicable Volumes (Ccf)	Col. C Unit Rate /Ccf
1 Actual Deferred Uncollectible Expense Balance through April 2017	\$ (198,297)		
2 Projected Net Uncollectible Expense: May 2017 - April 2018	\$ 1,600,000		
3 Unit Rate on which to Collect	\$ 1,401,703	353,336,601	\$ 0.00397
4 Prior approved UEX Rider Rate Effective August 3, 2016			\$ 0.00470
5 Increase/(Decrease) in Uncollectible Expense Rider			\$ (0.00073)

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

Line #	Bad Debts Written off by Vintage (a)	2016 May	2016 June	2016 July	2016 August	2016 September	2016 October	2016 November	2016 December	2017 January	2017 February	2017 March	2017 April	Total
1	Vintage													
2	1-6 Months	(311,900)	(535,592)	(611,755)	(583,551)	(988,343)	(768,261)	(423,881)	(213,100)	(226,090)	(196,968)	(193,982)	(236,025)	(5,289,448)
3	6-12 months	(9,760)	(42,738)	(8,945)	(13,144)	(71,894)	16,132	87,635	111,675	44,486	36,344	44,012	14,589	208,392
4	> 12 months (b)	17,144	2,543	6,406	14,475	(102,266)	80,326	409,449	521,649	218,532	208,179	219,039	82,450	1,677,927
5	Subtotal	(304,516)	(575,787)	(614,294)	(582,219)	(1,162,503)	(671,802)	73,203	420,224	36,928	47,555	69,069	(138,986)	(3,403,129)
6	Other Write-Off Activity													-
7	PIPP Bad Debt Write-Offs	(187,718)	(305,574)	(266,574)	(250,007)	(672,856)	(324,395)	89,181	294,917	85,679	45,784	62,998	(44,971)	(1,473,534)
8	Total Bad Debts Written Off (Attachment 1)	(116,798)	(270,214)	(347,720)	(332,213)	(489,648)	(347,408)	(15,978)	125,307	(48,751)	1,770	6,070	(94,015)	(1,929,596)

Line #	Collections by Type	2016 May	2016 June	2016 July	2016 August	2016 September	2016 October	2016 November	2016 December	2017 January	2017 February	2017 March	2017 April	Total
9	From Customers	57,029	67,281	40,159	54,548	60,540	95,083	122,972	85,819	93,424	57,879	52,871	47,352	834,957
10	From Collection Agencies	5,376	4,907	3,875	10,840	4,711	4,925	5,121	3,479	2,960	1,361	4,981	3,126	55,662
11	From Other	335	3	(108)	195	-	-	7,257	4,796	2,208	1,208	1,960	720	18,574
12	Subtotal	62,739	72,191	43,926	65,582	65,251	100,008	135,351	94,095	98,593	60,448	59,812	51,198	909,194
13	Other Activity													-
14	Collection Agency Commissions	12,545	15,434	18,333	9,281	45,466	5,671	13,876	9,528	10,927	40,773	29,307	33,112	244,252
15	Collections from PIPP Customers	12,193	11,149	7,873	8,098	10,303	11,101	17,855	11,587	14,930	9,834	11,793	9,445	136,161
16	Total Recovery - Other (Attachment 1)	38,002	45,608	17,720	48,203	9,482	83,236	103,620	72,979	72,736	9,841	18,712	8,641	528,781

(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
of 1

Sheet No. 39
~~Ninth~~~~Eighth~~ Revised Page 1 of 1
Cancels ~~Eighth~~~~Seventh~~ Revised Page 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 \$0.00~~470~~~~397~~ per Ccf.

Filed pursuant to the Finding and Order dated August 3, 2016 in Case No. 176-320-GA-UEX of The Public Utilities Commission of Ohio.

Issued August 3, 2016 Issued by Scott E. Albertson, Vice-President Effective
August 3, 2016

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

Sheet No. 39
Ninth Revised Page 1 of 1
Cancels Eighth 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 \$0.00397 per Ccf.

Filed pursuant to the Finding and Order dated _____ in Case No. 17-320-GA-UEx of The Public Utilities Commission of Ohio.

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

Effective _____

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/31/2017 11:50:56 AM

in

Case No(s). 17-0320-GA-UEX

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.