

Commissioners

M. Beth Trombold Thomas W. Johnson Lawrence K. Friedeman Daniel R. Conway

RECEIVED-DOCKETING 21 2018 FEB 21 AH 9: 0 February 21, 2018 **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. (VEDO) for Approval of a Reasonable Arrangement in Case No. 17-2387-GA-UNC.

Enclosed please find Staff's Review and Recommendation in regard to the application filed by VEDO seeking approval of a reasonable arrangement in Case No. 17-2387-GA-UNC.

Respectfully submitted,

Tamara S. Turkenton Director, Rates and Analysis Department Public Utilities Commission of Ohio

David Lipthratt Chief, Research and Policy Division Public Utilities Commission of Ohio

Enclosure Cc: Parties of Record

This is to certify that the ineges appearing are in accurate and complete reproduction of a case file document delivered in the regular course of husiness. Technician Are Date Pro

180 East Broad Street Columbus, Ohio 43215-3793 (614) 466-3016 www.PUCO.ohio.gov

Vectren Energy Delivery of Ohio, Inc. Case No. 17-2387-GA-UNC

SUMMARY

On November 20, 2017, Vectren Energy Delivery of Ohio, Inc. (VEDO or Company) filed an application seeking approval of a reasonable arrangement providing for the purchase, operation, maintenance and improvement of the natural gas distribution assets of Wright-Patterson Air Force Base (WPAFB). The purchase of the WPAFB gas assets will be paid by VEDO through a billing credit to WPAFB's monthly utility service charges that will be recalculated annually in May and submitted to the Commission. There is also a one time transfer charge and a fixed monthly operations and maintenance charge that will be reduced after the first 60 months. The term of the arrangement is for 50 years.

The application states that VEDO will separately account for all investments, cost and revenue associated with providing gas service under this arrangement. The application also states that there will be no adverse operational or financial affect on non-WPAFB customers.

The above application does not provide for the transportation of WPAFB commodity. These services are provided under VEDO's tariffs.

STAFF REVIEW

Staff has reviewed the application filed in the above case and finds it to be reasonable and in the public interest.

STAFFRECOMMENDATION

Staff believes that the application filed by VEDO is reasonable and should be approved.