

## THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF  
VECTREN ENERGY DELIVERY OF OHIO,  
INC. FOR APPROVAL OF AN INCREASE IN  
GAS RATES.

CASE NO. 18-298-GA-AIR

IN THE MATTER OF THE APPLICATION OF  
VECTREN ENERGY DELIVERY OF OHIO,  
INC. FOR APPROVAL OF AN ALTERNATIVE  
RATE PLAN.

CASE NO. 18-299-GA-ALT

### ENTRY

Entered in the Journal on March 14, 2018

#### I. SUMMARY

{¶ 1} The Commission finds that Vectren Energy Delivery of Ohio, Inc.'s motion to set a test period and date certain, as well as its motion for waiver of certain filing requirements, should be granted.

#### II. DISCUSSION

{¶ 2} Vectren Energy Delivery of Ohio, Inc. (VEDO or the Company) is a natural gas company and a public utility as defined by R.C. 4905.03 and R.C. 4905.02, respectively. As such, VEDO is subject to the jurisdiction of this Commission pursuant to R.C. 4905.04, 4905.05, and 4905.06.

{¶ 3} R.C. Chapter 4909 prescribes the fixation of rates for public utilities. Pertinent to this Entry, R.C. 4909.15 controls the establishment of reasonable rates, and an application for an increase in rates is governed by and must satisfy the requirements of R.C. 4909.17 to 4909.19 and R.C. 4909.42. In determining just and reasonable rates, R.C. 4909.15(C) mandates that the revenues and expenses of a utility be determined during a test period. When applying for a rate increase, a utility may propose a test period for this determination that is any 12-month period beginning not more than six months before, and ending not more than nine months after, the date the application is filed. R.C. 4909.15(C)(1). Unless

otherwise ordered by the Commission, the test period shall be what is proposed by the utility. *Id.* Additionally, under R.C. 4909.15(C)(2), the date certain shall not be later than the end of the test period for a natural gas company.

{¶ 4} Also relevant to this Entry, pursuant to R.C. 4929.05(A), a natural gas company may request approval of an alternative rate plan by filing an application to establish or change a rate under R.C. 4909.18.

{¶ 5} On February 21, 2018, VEDO filed separate notices of its intent to file both an application for an increase in rates and an application for approval of an alternative rate plan. First, in accordance with Ohio Adm.Code 4901-7-01, Appendix A, Chapter I(B), the Company's notice of intent to file an application for an increase in rates and charges states that it will file its application no earlier than March 23, 2018, which is 30 days after the filing of the notice. Second, pursuant to Ohio Adm.Code 4901:1-19-06(A), the Company's notice of intent to file an application for approval of an alternative rate plan also indicates that an application will be filed no earlier than 30 calendar days from the date of the notice.

{¶ 6} Subsequently, on February 23, 2018, VEDO filed a motion to establish a test year and date certain and for waiver of certain filing requirements pursuant to R.C. 4909.15(C) and Ohio Adm.Code 4901:1-19-02(D), respectively. As to the former, VEDO proposes to use the 12-month period ending September 30, 2018, as the test year for its intended rate case; VEDO also proposes a date certain of December 31, 2017. With this proposal, VEDO also asks that the Commission confirm that the Company may file its application as late as April 2, 2018, per R.C. 1.14.<sup>1</sup> The Commission finds that the proposed test period and date certain comply with Ohio law and should be approved. The Commission further confirms that the latest date on which VEDO may file its intended application for an increase in rates is April 2, 2018.

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<sup>1</sup> R.C. 1.14 provides that, when the last day for an act required by law to be done falls on a Sunday or legal holiday, that act may be done on the next succeeding day that is not a Sunday or legal holiday.

{¶ 7} The Company's motion also seeks a waiver from Ohio Adm.Code 4901:1-19-06(B)(1), which requires all testimony in support of an application for an alternative rate plan to be filed with the application. VEDO states that it intends to file its application for an alternative rate plan in conjunction with its application to increase base rates. Thus, the Company requests that it be permitted to file all supporting testimony within 14 days of filing the application, which is the same deadline applicable to base-rate filings under the Commission's Standard Filing Requirements. Ohio Adm.Code 4901-7-01, Appx. A, Chap. II(A)(6)(a).

{¶ 8} Upon motion, Ohio Adm.Code 4901:1-19-02(D) permits the Commission to waive any requirement of the rules governing applications for approval of an alternative rate plan, unless the requirement is mandated by statute. The deadline for filing testimony in support of an alternative rate plan is not required by statute; therefore, it can be waived upon the movant's demonstration of good cause. Here, the Company notes that the requested waiver effectively synchronizes the filing deadlines for testimony in support of its applications for an alternative rate plan and for an increase in rates, thus avoiding potentially duplicative testimony and promoting efficiency. VEDO further submits that granting its motion will not hinder the review of either application by the Commission or any other interested party. Finally, VEDO requests an expedited ruling on its motion pursuant to Ohio Adm.Code 4901-1-12(C).

{¶ 9} The Commission finds that the waiver request is reasonable and should be granted. VEDO shall file direct testimony in support of both its application for an alternative rate plan and its application for an increase in rates no later than 14 days after the filing of the applications.

III. ORDER

{¶ 10} It is, therefore,

{¶ 11} ORDERED, That the test period for VEDO shall be the 12 months ending September 30, 2018, and the date certain shall be December 31, 2017. It is, further,

{¶ 12} ORDERED, That the appropriate method for making any changes to the date certain or test period shall be the filing of a new notice of intent to file an application for an increase in rates and withdrawal of the pending application. It is, further,

{¶ 13} ORDERED, That VEDO's request for waiver of certain filing requirements be granted as set forth in this Entry. It is, further,

{¶ 14} ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



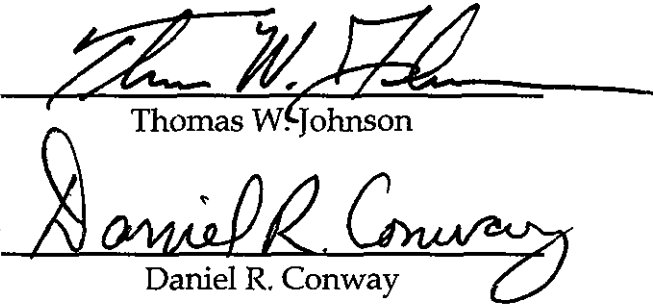
Asim Z. Haque, Chairman

M. Beth Trombold

Thomas W. Johnson



Lawrence K. Friedeman

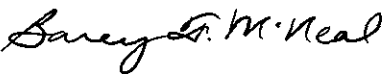


Daniel R. Conway

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Barcy F. McNeal  
Secretary