THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE AUDIT OF THE UNCOLLECTIBLE EXPENSE RIDER OF VECTREN ENERGY DELIVERY OF OHIO, INC.

CASE NO. 18-320-GA-UEX

FINDING AND ORDER

Entered in the Journal on August 8, 2018

I. SUMMARY

{¶ 1} The Commission approves the application of Vectren Energy Delivery of Ohio, Inc. to increase its uncollectible expense rider rate.

II. DISCUSSION

- {¶ 2} Vectren Energy Delivery of Ohio, Inc. (VEDO or the Company) is a natural gas company as defined in R.C. 4905.03 and a public utility as defined in R.C. 4905.02 and, as such, is subject to the jurisdiction of this Commission.
- [¶ 3] On December 17, 2003, the Commission approved the application of five natural gas companies, including VEDO, to recover uncollectible expenses (UEX) through riders. *In re Vectren Energy Delivery of Olio, Inc.*, Case No. 03-1127-GA-UNC, Finding and Order (Dec. 17, 2003). VEDO was required to file annually with the Commission a report identifying the amounts recovered, deferred, and, as applicable, amortized under the UEX rider. In addition, VEDO was permitted to request an adjustment to the UEX rider.
- {¶ 4} On July 26, 2017, the Commission approved VEDO's current UEX rider rate of \$0.0397 per thousand cubic feet (Mcf). *In re Vectren Energy Delivery of Ohio, Inc.*, Case No. 17-320-GA-UEX, Finding and Order (July 26, 2017).
- {¶ 5} On May 31, 2018, in the above-captioned case, VEDO filed an application to increase its UEX rider rate to \$0.0569 per Mcf, as summarized below:

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Current Rate	Proposed Rate	Proposed Increase
\$0.0397 per Mcf	\$0.0569 per Mcf	\$0.0172 per Mcf

The proposed rate is comprised of two components: the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2018, and an estimate of net uncollectible accounts expense and recoveries for the 12 months ending April 30, 2019. VEDO also proposes to include the following language in the UEX rider tariff: "The Uncollectible Expense Rider is updated annually. 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. The charge or credit may include Customer refunds if the Commission or Supreme Court of Ohio determines, as a result of an audit of the annual period in which the Rider Rate was in effect, that the Company's charge was unlawful or unreasonable or included imprudent amounts."

- {¶ 6} On July 10, 2018, Staff filed its review and recommendations on VEDO's application, recommending approval of the proposed UEX rider rate. Additionally, Staff recommends that VEDO's proposed tariff language be approved.
- {¶ 7} The Commission has reviewed the application, as well as Staff's review and recommendations, and finds that the proposed adjustment to VEDO's UEX rider is reasonable and in the public interest, and should be approved. Accordingly, the Commission finds that VEDO should be authorized to include the revised UEX rider rate in its tariff, which contains the terms, conditions, and rates VEDO applies to the gas service it provides to customers. Further, we find that VEDO's proposed tariff language should be approved.

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III. ORDER

- {¶ 8} It is, therefore,
- $\{\P 9\}$ ORDERED, That VEDO's application be approved and VEDO be authorized to increase the rate for its UEX rider to \$0.0569 per Mcf. It is, further,
- [¶ 10] ORDERED, That VEDO is authorized to file tariffs, in final form, consistent with this Finding and Order. VEDO shall file one copy in this case docket and one copy in its TRF docket. It is, further,
- \P 11} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,
- {¶ 12} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

 \P 13 ORDERED, That a copy of this Finding and Order be served upon all parties and interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Asim Z. Haque, Chairman

M. Beth Trombold

Thomas W. Johnson

Lawrence K. Friedeman

Daniel R. Conway

JML/sc

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AUG 0 8 2018

Barcy F. McNeal

Secretary