

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of	)	
Vectren Energy Delivery of Ohio, Inc.	)	Case No. 19-1011-GA-RDR
for Authority to Adjust Its Distribution	)	
Replacement Rider Charges.	)	

**STATEMENT OF VECTREN ENERGY DELIVERY OF OHIO, INC.
INFORMING THE COMMISSION WHETHER
THE ISSUES RAISED IN COMMENTS HAVE BEEN RESOLVED**

On May 1, 2019, Vectren Energy Delivery of Ohio, Inc., a CenterPoint Energy Company (VEDO or the Company) filed an application requesting that the Commission approve an adjustment to its Distribution Replacement Rider (DRR), a rider that was first established in 2009, *In re Vectren Energy Delivery of Ohio, Inc.*, Case No. 07-1080-GA-AIR, Opin. & Order (Jan. 7, 2009) (the 2007 Rate Case), and subsequently extended in 2014, *In re Vectren Energy Delivery of Ohio, Inc.*, Case No. 13-1571-GA-ALT, Opin. & Order (Feb. 19, 2014) (the 2013 DRR Case). The further extension of the DRR is pending Commission approval. *In re Vectren Energy Delivery of Ohio, Inc.*, Case Nos. 18-0298-GA-AIR and 18-0299-GA-ALT, Stipulation and Recommendation (Jan. 4, 2019) (the 2018 Rate Case Stipulation). On July 17, 2019, the Commission Staff and The Office of the Ohio Consumers' Counsel (OCC) filed comments on VEDO's application. In accordance with the Commission's May 8, 2019 Entry, VEDO hereby informs the Commission that the issues raised in the parties' comments have been resolved.

Staff's comments make one recommendation, namely that the modified post-in-service carrying cost rate (PISCC) and depreciation rates applicable for the 2018 DRR investments be in accordance with the terms of the 2018 Rate Case Stipulation. (Staff Comments at 9-10.) In contrast, VEDO believes that the rates in place in 2018, which reflect those previously approved by the Commission (depreciation) in the 2007 Rate Case or continued under the previous DRR authorization (PISCC) in the 2013 DRR Case, should be used until the Commission approves

updated rates in the 2018 Rate Case. The fundamental issue is around the timing of the extension request within the rate case, and the applicability of the extension provisions to this interim period. In the interest of resolving all issues raised in the parties' comments in this proceeding, and for purposes of this proceeding only, Staff agrees to withdraw its recommendation, with the understanding that this withdrawal will not be construed as agreement to VEDO's position or a forfeiture to Staff's rights to challenge this treatment in future DRR proceedings. Subject to the reservations herein and in Staff's comments, Staff does not oppose VEDO's Statement.

OCC's comments make one recommendation, namely that VEDO should not be allowed to charge customers, through the DRR, for plastic pipe replacements in government relocation projects that exceed the condition in the January 17, 2014 Stipulated and Recommendation filed in the 2013 DRR Case (the 2013 DRR Stipulation). The 2013 DRR Stipulation, paragraph six, permits VEDO to recover the costs of plastic pipe replacements in government relocations through the DRR, "only if any plastic pipe associated with each relocation is less than or equal to 25% of the total footage of that government relocation." In its application in this proceeding, VEDO identified two government relocation projects in 2018 in which the plastic pipe retired was more than 25% of the total footage. (VEDO Ex. 1.0 at 5.) The plastic main retired as part of the projects V-1252 and V-952 was 45% and 29%, respectively, of the total main retired. (*Id.*) For these two projects, VEDO considered it prudent and less costly to replace plastic main beyond the 25% threshold rather than to attempt to re-use it with the new pipe installed to replace the bare steel main. (*Id.* at 6.) Leaving more of the plastic main in place, in VEDO's opinion, would have resulted in additional costs associated with more complicated piping connections and more extensive restoration. (*Id.*) For this reason, VEDO believed that it was permissible and reasonable to seek recovery of the full costs for these projects in the DRR

charge, in excess of the 25% limitation in the 2013 DRR Stipulation. (*Id.*) VEDO identified the costs for the footage in excess of the 25% limitation as approximately \$134,000. (*Id.*)

OCC, in its comments, takes no position regarding the prudence of the replacement of plastic pipe in excess of the 25% limitation for these two projects, but contests VEDO's request to recover this excess amount through the DRR in accordance with the terms of the 2013 DRR Stipulation. In the interest of resolving all issues raised in the parties' comments in this proceeding, and for purposes of this proceeding only, VEDO agrees to accept OCC's proposed adjustment to exclude approximately \$134,000 in plastic pipe replacement costs from the DRR revenue requirement, with the understanding that this adjustment will not be construed as agreement to OCC's position or a forfeiture to VEDO's rights to propose this treatment in future DRR proceedings.. Included with this Statement as Attachment A are revised revenue requirement schedules reflecting OCC's proposal. Based on VEDO's agreement to accept OCC's recommended adjustment, OCC does not oppose VEDO's Statement.

Given the resolution of all issues raised by the parties' comments in this proceeding, VEDO believes that a hearing in this case is unnecessary. *See* Entry ¶ (5)(d) (May. 7, 2019) ("In the event all of the issues raised in the comments are not resolved, or if the Commission deems the application may be unjust or unreasonable, a hearing will commence") Therefore, VEDO respectfully requests that the Commission approve its May 1, 2019 Application, as supplemented on June 26, 2019, and as revised by this Statement and in the attached revised rebuttal revenue requirement schedules. Staff and OCC do not oppose VEDO's request.

Dated: July 26, 2019

Respectfully submitted,

/s/ Christopher T. Kennedy

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ATTORNEYS FOR VECTREN ENERGY

DELIVERY OF OHIO, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of this filing was served by electronic mail this 26th day of
July 2019 to the following:

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/s/ Christopher T. Kennedy
One of the Attorneys for Vectren Energy
Delivery of Ohio, Inc.

ATTACHMENT A

Exhibit No. JCS-1-S
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VECTREN ENERGY DELIVERY OF OHIO, INC. DISTRIBUTION REPLACEMENT RIDER SUMMARY OF DRR REVENUE REQUIREMENT

Line	Description	Amount (1)	Reference
1	Mains Revenue Requirement	\$ 4,589,198	Exhibit No. JCS-2-S, Line 26
2	Service Lines Revenue Requirement	5,969,080	Exhibit No. JCS-3-S, Line 36
3	Annual DRR Revenue Requirement	\$ 10,558,278	Line 1 + Line 2

(1) Excludes variances and prior deferrals.

		19-1011-GA-RDR - May 1, 2019	
4	Annual DRR Revenue Requirement - As Filed		
5	Mains Revenue Requirement	\$ 4,607,571	
6	Total Change in Settlement Revenue Requirement - Mains	\$ (18,373)	Line 1 - Line 5
7	Service Lines Revenue Requirement	\$ 5,969,408	
8	Total Change in Settlement Revenue Requirement - Service Lines	\$ (328)	Line 2 - Line 7
9	Total Change in Settlement Revenue Requirement	\$ (18,701)	Line 6 + Line 8

ATTACHMENT A

VECTREN ENERGY DELIVERY OF OHIO, INC.						
DISTRIBUTION REPLACEMENT RIDER						
REDUCED COSTS TO DRR WORKORDERS TO REPLACE GOVERNMENTAL RELOCATIONS						
Line	Work Order	A Actual Cost of Work Order ⁽¹⁾	B Actual Main Retired (Feet) ⁽¹⁾	C Cost per foot (A) ÷ (B)	D Total Plastic Retired (Feet) ⁽¹⁾	F Cost reduction to WO's to apply to DRR Mains (C) x (E)
					E Amount over 25% (B)-(D x 0.25)	
1	V-1252 - 16048103052213	\$ 608,966	1,289	\$ 472	575	\$ 253
2	V-952 - 14048103052215	\$ 366,945	2,925	\$ 125	850	\$ 119
Totals		\$ 975,911	4,214	\$ 598	1,425	\$ 372
						134,305
						Line 1 + Line 2

(1) Support provided by VEDO Witness Steven A. Hoover, Exhibit No. SAH-1, Column A.

ATTACHMENT A

VECTREN ENERGY DELIVERY OF OHIO, INC. DISTRIBUTION REPLACEMENT RIDER ANNUAL REVENUE REQUIREMENT - MAINS

Line	Description	Amount	Reference	As Filed - 19-1011-GA- RDR - May 1, 2019	Change in Settlement Schedules	Reason
1	Return on Investment:					
2	Plant In-Service at December 31, 2018					
3	Additions - Main Replacements	\$ 32,898,125	Exhibit JCS-2a-S, Column O, Line 2	\$ 33,032,430	\$ (134,305)	Removal of costs on two projects (JCS-1,1-S)
4	Original Cost - Retired Mains	(665,386)	Exhibit JCS-2b, Column O, Line 2	(665,386)	-	
5	Total Plant In-Service	\$ 32,232,739	Line 3 + Line 4	\$ 32,367,044	\$ (134,305)	
6	Less: Accumulated Depreciation at December 31, 2018					
7	Depreciation Expense - Mains	\$ (205,273)	Exhibit JCS-2c-S, Column O, Line 2	\$ (206,040)	\$ 767	Depreciation associated with costs removed
8	Cost of Removal - Mains	2,198,137	Exhibit JCS-2d, Column O, Line 2	2,198,137	-	
9	Original Cost - Retired Mains	665,386	-Line 4	665,386	-	
10	Total Accumulated Depreciation	\$ 2,658,251	Sum of Lines 7 - 9	\$ 2,657,484	\$ 767	
11	Net Deferred Post In-Service Carrying Costs (PISCC) ⁽³⁾	\$ 1,531,130	Exhibit JCS-2e-S, Column O, Line 4	\$ 1,534,565	\$ (3,435)	PISCC associated with costs removed
12	Deferred Depreciation Regulatory Asset Balance - Mains	\$ 356,398	Exhibit JCS-2h-S, Column B, Line 3	\$ 357,166	\$ (767)	Deferred depreciation associated with costs removed
13	Net Deferred Tax Balance - PISCC	\$ (321,537)	-Line 11 x 21%	\$ (322,259)	\$ 721	
14	Deferred Taxes on Depreciation	\$ (677,942)	Exhibit No. JCS-2g-S, Line 18	\$ (678,839)	\$ 897	Deferred taxes associated with costs removed
15	Deferred Taxes on Deferred Depreciation Regulatory Asset	\$ (74,844)	-Line 12 x 21%	\$ (75,005)	\$ 161	
16	Net Rate Base	\$ 35,704,195	Sum of Lines 5 and 10 thru 15	\$ 35,840,156	\$ (135,961)	
17	Pre-Tax Rate of Return	8.81%	(4)	8.81%	8.81%	
18	Annualized Return on Rate Base - Mains	\$ 3,145,540	Line 16 x Line 17	\$ 3,157,518	\$ (11,978)	
19	Operations and Maintenance Expenses					
20	Annualized Property Tax Expense	\$ 782,866	Exhibit No. JCS-2i-S, Line 17	\$ 786,077	\$ (3,211)	Property taxes associated with costs removed
21	Annualized Depreciation Expense	\$ 828,391	Line 5 x 2.57% ⁽¹⁾	\$ 831,833	\$ (3,452)	Depreciation expense associated with costs removed
22	Annualized PISCC Amortization Expense	\$ 21,873	Exhibit JCS-2e-S, Column D, Line 13	\$ 21,922	\$ (49)	Amortization expense associated with costs removed
23	Annualized Deferred Depreciation Amortization Expense - Mains	\$ 5,091	Exhibit JCS-2h-S, Column Q, Line 21	\$ 5,102	\$ (11)	Amortization expense associated with costs removed
24	Annualized Maintenance Adjustment	\$ (194,554)	(2)	\$ (194,882)	\$ 328	Impact on allocation of savings as a result of reduced Mains investment
25	Total Incremental Operating Expenses - Mains	\$ 1,443,658	Sum of Lines 20-24	\$ 1,443,658	\$ (6,395)	
26	Total Annual Revenue Requirement - Mains	\$ 4,589,198	Line 18 + Line 25	\$ 4,601,176	\$ (18,373)	
		(To Exhibit No. JCS-1)				

(1) FERC Account 67% depreciation rate as proposed in Case No. 18-0298-GA-AIR.
(2) Support provided by VEDO Witness Steven A. Hoover, Exhibit No. SAH-7, Column C, Line 2.
Allocation of Exhibit No. SAH-7 between Mains and Services based upon 2018 gross investment.
(3) PISCC is accrued at an annual rate of 7.02% from the in service date until investments are reflected in the DRR rate as approved in Case No. 07-1080-GA-AIR.
(4) Rate of Return as proposed in Case No. 18-0298-GA-AIR

ATTACHMENT A

Vectren Energy Delivery of Ohio
Distribution Replacement Rider (DRR)
Mains - Plant Additions
Twelve Months Ended December 31, 2018

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Line No.	Description	Balance at 12/31/2017 (1)	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	Balance at 12/31/2018	
1	<u>Cumulative Balance</u>														
2	Mains	\$ -	\$ 427,125	\$ 1,500,181	\$ 3,060,846	\$ 5,283,964	\$ 8,380,174	\$ 10,465,265	\$ 14,260,746	\$ 16,208,447	\$ 17,393,808	\$ 21,499,875	\$ 24,238,510	\$ 32,898,125	To JCS-2-S, Line 3
3	<u>Current Year Activity</u>														
4	Mains		\$ 427,125	\$ 1,073,056	\$ 1,560,665	\$ 2,223,118	\$ 3,096,210	\$ 2,085,091	\$ 3,795,481	\$ 1,947,701	\$ 1,185,361	\$ 4,106,067	\$ 2,738,635	\$ 8,659,615	Activity for Twelve Months Ended 12/31/2018
														\$ 32,898,125	

(1) Balance at 12/31/2017 was included in rate base in VEDO's base rate case, 18-0298-GA-AIR. This balance has been excluded from the DRR.

ATTACHMENT A

Vectren Energy Delivery of Ohio
Distribution Replacement Rider (DRR)
Mains - Depreciation
Twelve Months Ended December 31, 2018

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Line No.	Description	Accumulated Depreciation at 12/31/2017 (1)	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	12/31/2018
1	Cumulative Balance													
2	Mains	\$ -	\$ (315)	\$ (1,736)	\$ (5,100)	\$ (11,254)	\$ (21,332)	\$ (35,230)	\$ (53,466)	\$ (75,937)	\$ (100,718)	\$ (129,402)	\$ (163,135)	\$ (205,273)
To JCS-2-S, Line 7														
3	Current Year Activity		1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	12/31/2018
4	Mains ⁽²⁾	\$	\$ (315)	\$ (1,421)	\$ (3,364)	\$ (6,154)	\$ (10,077)	\$ (13,899)	\$ (18,235)	\$ (22,471)	\$ (24,782)	\$ (28,684)	\$ (33,732)	\$ (42,138)
														2018 Depreciation Expense (205,273)

Notes:

- (1) Balance at 12/31/2017 was included in rate base in VEDO's base rate case, 18-0298-GA-AIR. This balance has been excluded from the DRR.
 (2) FERC Account 676 depreciation rate of 1.77% approved in Case No. 04-0571-GA-AIR. Monthly depreciation activity represents this rate divided by 12 months.
 Depreciation on in-service activity in the current month receive a half-month of depreciation, and the cumulative balance from the prior month receives a full month of depreciation.

ATTACHMENT A

Vectren Energy Delivery of Ohio
Distribution Replacement Rider (DRR)
Mains - Post in Service Carrying Costs (PISCC)
Twelve Months Ended December 31, 2018

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Line No.	Description	PISCC at 12/31/2017 (1)	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	Balance at 12/31/2018	
1	Cumulative Balance														
2	Mains-PISCC	\$ -	\$ 82,029	\$ 171,146	\$ 268,408	\$ 377,246	\$ 503,890	\$ 643,949	\$ 804,092	\$ 979,714	\$ 1,079,903	\$ 1,203,617	\$ 1,343,431	\$ 1,531,130	
3	Mains-PISCC Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4	Deferred PISCC - Mains	\$ -	\$ 82,029	\$ 171,146	\$ 268,408	\$ 377,246	\$ 503,890	\$ 643,949	\$ 804,092	\$ 979,714	\$ 1,079,903	\$ 1,203,617	\$ 1,343,431	\$ 1,531,130	To JCS-2-S, Line 11
5	Current Year Activity (2)		1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	12/31/2018	Activity for Twelve Months Ended 12/31/2018
6	2017 Mains - Deferred PISCC	\$	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 81,380	\$ 651,040
7	2018 Mains - Deferred PISCC	\$	\$ 1,249	\$ 7,137	\$ 15,882	\$ 27,438	\$ 45,264	\$ 58,679	\$ 78,763	\$ 94,242	\$ 100,189	\$ 123,714	\$ 139,814	\$ 187,699	\$ 880,090
8	Total 2018 Deferred PISCC	\$	\$ 82,029	\$ 88,517	\$ 97,262	\$ 108,838	\$ 126,644	\$ 140,059	\$ 160,143	\$ 175,622	\$ 100,189	\$ 123,714	\$ 139,814	\$ 187,699	\$ 1,531,130
9	Mains-PISCC Amortization (3)	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Annualized PISCC Amortization														
11	2018 Cumulative PISCC	\$	\$ 1,531,130												
12	Amortization % (4)	\$	1.43%												
13	Annualized PISCC Amortization	\$	\$ 21,873												

Notes:

- (1) Balance at 12/31/2017 was included in rate base in VEDO's base rate case, 18-0298-GA-AIR. This balance has been excluded from the DRR.
- (2) PISCC rate of 7.02% approved in Case No. 07-1080-GA-AIR.
- (3) FERC Account 676 depreciation rate's average service life of 65 years, as proposed in Case No. 04-0571-GA-AIR.
- (4) FERC Account 676 depreciation rate's average service life of 70 years, as proposed in Case No. 18-0298-GA-AIR.

ATTACHMENT A

Exhibit No. JCS-2g-S
Page 1 of 1

VECTREN ENERGY DELIVERY OF OHIO, INC. DISTRIBUTION REPLACEMENT RIDER DEFERRED TAXES ON LIBERALIZED DEPRECIATION - MAINS

Line	Description	2018	Total	2018 Reference ^[1]	Reference
1	Plant in Service at December 31, 2018:				
2	Mains - Bare Steel/Cast Iron Replacements	\$ 32,898,125	\$ 32,898,125	Exhibit No. JCS-2-S, Line 3	
3	Book to Tax Basis Adjustment - Capitalized Interest	\$ 46,734	\$ 46,734		
4	Book to Tax Basis Adjustment-Bonus Depreciation	-	-	[3]	
5	Total Income Tax 20 year MACRS Depreciation Base	\$ 32,944,860	\$ 32,944,860	Sum of Lines 2-5 ⁽²⁾	
6	Tax Depreciation:				
7	MACRS Rate - 15 Year	5.000%			
8	MACRS Rate - 20 Year	3.750%			
9	MACRS Depreciation - 15 Year	\$ -	\$ 1,235,432	[2]	
10	MACRS Depreciation - 20 Year	\$ -	\$ -	[2]	
11	Bonus Depreciation	\$ -	\$ -	[3]	
12	Cost of Removal Incurred	\$ 2,198,137	\$ 2,198,137	Exhibit No. JCS-2-S, Line 8	
13	Total Tax Depreciation	\$ 3,433,569	\$ 3,433,569	Line 9 + Line 10 + Line 11 + Line 12	
14	Book Depreciation:				
15	Mains	\$ -	\$ 205,273	-Exhibit No. JCS-2-S, Line 7	
16	Tax Depreciation in Excess of Book Depreciation	\$ -	\$ (3,228,296)	Line 15 - Line 13	
17	Federal Deferred Taxes at 21%		21%	[3]	
18	Deferred Tax Balance at December 31, 2018 - Mains		\$ (677,942)	Line 16 * Line 17	
			(To Exhibit No. JCS-2-S, Line 14)		

Notes:

[1] Reference column is applicable to column 2018 under in Service Year section to the left.

[2] Per Internal Revenue Code ("IRC") Sec. 168(e)(3)(E)(viii), gas utility distribution facilities placed in service before January 1, 2011 have a MACRS life of 15 years. For utility distribution facilities placed in service after January 1, 2011, MACRS life is 20 years per IRC Rev. Proc. 87-56. Below is the formula for tax depreciation by year.

[3] On December 22, 2017, the United States government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act ("TCJA" or "the Act"). Prior to the enactment of the TCJA, Internal Revenue Code rules and regulations permitted 50% bonus depreciation to be claimed. The Act repealed Bonus Depreciation for assets used in regulated utility operations and established the corporate tax rate to be 21%.

Formula:

Line 10 = Line 5 * Line 8

ATTACHMENT A

Vectren Energy Delivery of Ohio, Inc.
Distribution Replacement Rider (DRR)
Mains - Deferred Depreciation Regulatory Asset Balance
For the Period Ended December 31, 2018

A			B												C													
Line	Description	Deferred Depr at 12/31/2017 (1)	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Total Balance at Dec-18														
Cumulative Balance																												
1	Mains - Deferred Depreciation		\$	22,208	\$	43,337	\$	73,011	\$	104,401	\$	147,768	\$	185,716	\$	223,539	\$	255,432	\$	283,992	\$	304,835	\$	324,251	\$	356,398		
2	Mains - Deferred Depreciation Amortization		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3	Mains - Deferred Depreciation		\$	22,208	\$	43,337	\$	73,011	\$	104,401	\$	147,768	\$	185,716	\$	223,539	\$	255,432	\$	283,992	\$	304,835	\$	324,251	\$	356,398	To JCS-2-S, Line 12	
Activity for Jan-17																												
4	Mains In-Service Activity	2018 Filing Exhibit No. JCS-2a	\$	1,305,589	\$	405,139	\$	778,831	\$	422,340	\$	841,963	\$	1,072,561	\$	648,970	\$	1,715,800	\$	1,954,872	\$	545,023	\$	1,266,879	\$	2,353,059	\$	13,911,026
5	Less: Retirements	2018 Exhibit Filing Exhibit No. JCS-2b		(33,632)		(11,558)		(73,858)		(80,762)		(18,769)		(120,656)		(16,577)		(81,083)		(45,980)		(43,754)		(132,092)		(107,950)		(766,670)
6	Net Main Additions	Line 4 + Line 5	\$	1,271,957	\$	393,581	\$	704,973	\$	341,578	\$	823,194	\$	1,551,905	\$	632,393	\$	1,634,717	\$	1,908,892	\$	501,269	\$	1,134,788	\$	2,245,109	\$	13,144,356
7	Monthly Depreciation Rate	(2)		8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	8	0.15%	
8	# of Months from 1/1/2017 to Effective Date of DRR Rates, 9/1/2018		\$	15,009	\$	4,644	\$	8,319	\$	4,031	\$	9,714	\$	18,312	\$	7,462	\$	19,290	\$	22,525	\$	5,915	\$	13,390	\$	26,492	\$	155,103
9	Depreciation Expense Recognized - 1/1/2018 to 9/1/2018																											
Activity for Jan-18																												
10	Mains In-Service Activity	Exhibit No. JCS-2a-S	\$	427,125	\$	1,073,056	\$	1,560,665	\$	2,223,118	\$	3,096,210	\$	2,085,091	\$	3,795,481	\$	1,947,701	\$	1,185,361	\$	4,106,067	\$	2,738,635	\$	7,961,925	\$	32,200,435
11	Less: Retirements	Exhibit No. JCS-2b		(2,733)		(8,635)		(36,679)		(40,924)		(54,122)		(36,955)		(53,088)		(48,825)		(16,381)		(57,903)		(15,033)		(294,109)		(665,386)
12	Net Main Additions	Line 10 + Line 11	\$	424,391	\$	1,064,422	\$	1,523,985	\$	2,182,194	\$	3,042,088	\$	2,048,136	\$	3,742,393	\$	1,898,876	\$	1,168,981	\$	4,048,165	\$	2,723,602	\$	7,667,816	\$	31,535,049
13	Monthly Depreciation Rate	(2)		19.5	0.15%	17.5	16.5	15.5	14.5	13.5	12.5	11.5	10.5	9.5	8.5	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	
14	# of Months from In-Service Date to Effective Date of DRR Rate, 9/1/2019		\$	12,207	\$	29,045	\$	39,338	\$	53,109	\$	69,550	\$	43,805	\$	74,520	\$	35,011	\$	19,829	\$	62,696	\$	38,164	\$	96,135	\$	573,409
15	Depreciation Expense Recognized - In-Service to 9/1/2019	Line 12 x Line 13 x Line 14																										
16	Deferred Depreciation Expense - Calendar Year 2018		\$	7,199	\$	16,485	\$	21,355	\$	27,359	\$	33,653	\$	19,637	\$	30,360	\$	12,604	\$	6,035	\$	14,928	\$	6,026	\$	5,655	\$	201,295
17	Deferred Depreciation Expense - Calendar Year 2019		\$	5,008	\$	12,560	\$	17,983	\$	25,750	\$	35,897	\$	24,168	\$	44,160	\$	22,407	\$	13,794	\$	47,768	\$	32,138	\$	90,480	\$	372,114
18	Mains - Deferred Depreciation Amortization	(3)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
19	Net Mains 2018 activity Deferred Depreciation	Line 9, Column C + Line 16 Column C																									\$	356,398
20	Average Service Life - Mains	(4)																									\$	1.43%
21	Annual Amortization Expense	Line 19 x Line 20																									\$	5,091

Notes:
(1) Balance at 12/31/2017 was included in rate base in VEDO's base rate case, 18-0298-GA-AIR. This balance has been excluded from the DRR.
(2) FERC Account 676 depreciation rate approved in Case No. 04-0571-GA-AIR.
(3) FERC Account 676 depreciation rate's average service life or 65 years, as proposed in Case No. 04-0571-GA-AIR.
(4) FERC Account 676 depreciation rate's average service life or 70 years, as proposed in Case No. 18-0298-GA-AIR.

VECTREN ENERGY DELIVERY OF OHIO, INC.
DISTRIBUTION REPLACEMENT RIDER
ANNUAL REVENUE REQUIREMENT - SERVICE LINES

Line	Description	Amount	Reference	As Filed - 19-1011-GA-RDR - May 1	Change in Settlement Schedules	Reason
1	Return on Investment:					
2	Plant In-Services at December 31, 2018					
3	Additions - Services Replacements (Bare Steel/Cast Iron)	\$ 23,287,924	Exhibit JCS-3a, Column O, Line 2	\$ 23,287,924	\$ -	
4	Additions - Meter Installation (Bare Steel/Cast Iron)	6,688,504	Exhibit JCS-3a, Column O, Line 3	6,688,504	-	
5	Additions - Services Replacements (Service Line Responsibility)	7,969,509	Exhibit JCS-3a, Column O, Line 4	7,969,509	-	
6	Original Cost - Retired Services	(422,493)	Exhibit JCS-3b, Column O, Line 2	(422,493)	-	
7	Original Cost - Retired Meter Installation	(15,536)	Exhibit JCS-3b, Column O, Line 3	(15,536)	-	
8	Total Plant In-Service	\$ 37,517,908	Sum of Lines 3 - 7	\$ 37,517,908	\$ -	
9	Less: Accumulated Depreciation at December 31, 2018					
10	Depreciation Expense - Services	\$ (642,918)	Exhibit JCS-3c, Column O, Line 2	\$ (642,918)	\$ -	
11	Depreciation Expense - Meter Installation	(44,178)	Exhibit JCS-3c, Column O, Line 3	(44,178)	-	
12	Cost of Removal - Services	1,179,173	Exhibit JCS-3d, Column O, Line 2	1,179,173	-	
13	Original Cost - Retired Services	422,493	-Line 6	422,493	-	
14	Original Cost - Retired Meter Installation	15,536	-Line 7	15,536	-	
15	Total Accumulated Depreciation	\$ 930,105	Sum of Lines 10 - 14	\$ 930,105	\$ -	
16	Net Deferred Post In-Service Carrying Costs (PISCC) ⁽³⁾	\$ 3,239,490	Exhibit JCS-3e, Column O, Line 9	\$ 3,239,490	\$ -	
17	Deferred Depreciation Regulatory Asset Balance - Services	\$ 2,020,062	Exhibit JCS-3h, Page 1, Column B, Line 3	\$ 2,020,062	\$ -	
18	Deferred Depreciation Regulatory Asset Balance - Meter Installation	\$ 118,886	Exhibit JCS-3h, Page 2, Column B, Line 3	\$ 118,886	\$ -	
19	Net Deferred Tax Balance - PISCC	\$ (680,293)	-Line 16 x 21%	\$ (680,293)	\$ -	
20	Deferred Taxes on Depreciation	\$ (252,788)	Exhibit No. JCS-3g, Line 29	\$ (252,788)	\$ -	
21	Deferred Taxes on Deferred Depreciation Regulatory Asset - Services	\$ (424,213)	-Line 17 x 21%	\$ (424,213)	\$ -	
22	Deferred Taxes on Deferred Depreciation Regulatory Asset - Meter Installation	\$ (24,966)	-Line 18 x 21%	\$ (24,966)	\$ -	
23	Net Rate Base	\$ 42,444,192	Sum of Lines 8 and 15-22	\$ 42,444,192	\$ -	
24	Pre-Tax Rate of Return	8.81%	(5)	8.81%	8.81%	
25	Annualized Return on Rate Base - Service Lines	\$ 3,739,333	Line 23 x Line 24	\$ 3,739,333	\$ -	
26	Operations and Maintenance Expenses					
27	Annualized Property Tax Expense	\$ 904,879	Exhibit No. JCS-3f, Line 17	\$ 904,879	\$ -	
28	Annualized Depreciation Expense - Services	\$ 1,187,145	(Line 3+ Line 5+ Line 6) x 3.85% ⁽¹⁾	\$ 1,187,145	\$ -	
29	Annualized Depreciation Expense - Meter Installation	\$ 200,489	(Line 4 + Line 7) x 3.00% ⁽¹⁾	\$ 200,489	\$ -	
30	Annualized PISCC Amortization Expense	\$ 51,994	Exhibit No. JCS-3a, Column D, Line 29	\$ 51,994	\$ -	
31	Annualized Deferred Depreciation Amortization Expense - Services	\$ 31,078	Exhibit JCS-3h, Page 1, Column C, Line 23	\$ 31,078	\$ -	
32	Annualized Deferred Depreciation Amortization Expense - Meter Installation	\$ 2,378	Exhibit JCS-3h, Page 2, Column C, Line 21	\$ 2,378	\$ -	
33	Incremental O&M - Service Line Responsibility	\$ (10,495)	(2)	\$ (10,495)	\$ -	
34	Annualized Maintenance Adjustment	\$ (137,721)	(4)	\$ (137,721)	\$ (328)	Impact on allocation of savings as a result of reduced Mains investment
35	Total Incremental Operating Expenses - Service Lines	\$ 2,229,747	Sum of Lines 27-34	\$ 2,230,075	\$ (328)	
36	Total Revenue Requirement - Service Lines	\$ 5,969,080	Line 25 + Line 35	\$ 5,969,408	\$ (328)	

(1) FERC Account 680 (Line 28) and FERC Account 682 (Line 29) depreciation rates as proposed in Case No. 18-0298-GA-AIR.
(2) Support provided by VEDO Witness Steven A. Hoover, Exhibit No. SAH-8, Column C, Line 16.
(3) PISCC is accrued at an annual rate of 7.02% from the in service date until investments are reflected in the DRR rate as approved in Case No. 07-1060-GA-AIR.
(4) Support provided by VEDO Witness Steven A. Hoover, Exhibit No. SAH-7, Column C, Line 2.
Allocation of Exhibit No. SAH-7 between Mains and Services based upon the gross investment 2018
(5) Rate of Return as proposed in Case No. 16-0286-GA-AIR

ATTACHMENT A

Exhibit No. JCS-5-S
Page 1 of 6

VECTREN ENERGY DELIVERY OF OHIO, INC. DISTRIBUTION REPLACEMENT RIDER ALLOCATION OF REVENUE REQUIREMENT

Line	Rate Schedule	(A) Mains Allocation Factors (1) (%)	(B) Mains Allocated DRR Revenue Requirement	(C) Service Lines Allocation Factors (1) (%)	(D) Service Lines Allocated DRR Revenue Requirement	(E) Total DRR Revenue Requirement (B) + (D)
1	310/311/325	73.331%	\$ 3,365,305	89.734%	\$ 5,356,294	\$ 8,721,599 (2)
2	320/321/325	14.221%	\$ 652,630	9.913%	\$ 591,715	\$ 1,244,345
3	Group 1					\$ 543,765 (3)
4	Group 2 & 3					\$ 700,580 (4)
5	345	4.618%	\$ 211,929	0.280%	\$ 16,713	\$ 228,643
6	360	7.830%	\$ 359,334	0.073%	\$ 4,358	\$ 363,692
7	Total Revenue Requirements	100.000%	\$ 4,589,198	100.000%	\$ 5,969,080	\$ 10,558,278

(1) Allocation Factors for Mains and Service Lines as presented in Case No. 18-0298-GA-AIR.

(2) To JCS-5-S, Page 2, Line 2.

(3) Allocation of Group 1 revenue is 130% of the Residential monthly rate multiplied by the projected customer counts.

(4) Allocation of Group 2&3 revenue is the residual of the GS allocation less Group 1 charges.

ALLOCATION OF VARIANCES

Line	Rate Schedule	(A) Mains Allocation Factors (1) (%)	(B) Mains Allocated DRR Variance	(C) Service Lines Allocation Factors (1) (%)	(D) Service Lines Allocated DRR Variance	(E) Total DRR Variance (B) + (D)
8	310/311/325	73.331%	\$ (712,644)	89.734%	\$ (1,974,503)	\$ (2,687,147) (5)
9	320/321/325	14.221%	\$ (138,202)	9.913%	\$ (218,125)	\$ (356,327)
10	Group 1					\$ (155,711) (6)
11	Group 2 & 3					\$ (200,616) (6)
12	345	4.618%	\$ (44,879)	0.280%	\$ (6,161)	\$ (51,040)
13	360	7.830%	\$ (76,093)	0.073%	\$ (1,606)	\$ (77,699)
14	Variance	100.000%	\$ (971,818)	100.000%	\$ (2,200,395)	\$ (3,172,213)

(5) To JCS-5-S, Page 2, Line 7.

(6) Allocation of variance credit to 320/321/325 derived by applying the same proportion as used in revenue allocation for Group 1 and Group 2 & 3.

**VECTREN ENERGY DELIVERY OF OHIO
DISTRIBUTION REPLACEMENT RIDER
CALCULATION OF RESIDENTIAL DRR DEFERRED 310/311/315 REVENUE**

<u>Line</u>	<u>Description</u>	(A) DRR Rate Revenue Requirement	(B) Residential Customer Count	(C) DRR Rate per Customer per Month <u>(A) / (B) / 12</u>
1	Residential Customer Count		297,211	
2	Calculated DRR - Rate 310/311/315	\$ 8,721,599		\$ 2.45
3	<u>Prior Deferred Revenue - Rate 310/311/315</u>	<u>\$ 816,258</u> (1)		
4	<u>Total Residential DRR</u>	<u>\$ 9,537,857</u>		\$ 2.67
5	Residential Rate Cap			<u>\$ 2.50</u>
6	<u>Excess Revenue Requirement Deferred</u>	<u>\$ 621,527</u> (2)		\$ 0.17
7	<u>Prior Deferred Revenue to be Recovered</u>	<u>\$ 194,732</u> (3)		

(1) 310/311/315 Deferred Revenue Requirements As Filed in Case No. 18-0762-GA-RDR

(2) 310/311/315 Deferred Revenue Requirements carried to 2020 DRR filing. Excess calculated rate per customer per month multiplied by the projected residential customer count.

(3) To JCS-5-S, Page 4, Column D. Prior Deferred Revenue allowable for recovery under the Residential Rate Cap proposed in Case No. 18-0298-GA-AIR.

ATTACHMENT A

VECTREN ENERGY DELIVERY OF OHIO DISTRIBUTION REPLACEMENT RIDER CALCULATION OF DRR RATES

Line	Schedule	(A) Revenue Requirement (1)	(B) Prior Deferral	(C) Amount Over Cap (2)	(D) Variance (3)	(E) Recovery by Rate Schedule A + (B-C) + D	(F) Customer Count - or - Volumes	(G) Proposed DRR Per Customer Per Month (E) / (F) / 12	(H) Proposed DRR Per Billing Ccf (E) / (F)	As Filed - 19-1011-GA-RDR - June 26, 2019			(K) Settlement Changes Proposed DRR Per Customer Per Month	(L) Settlement Changes Proposed DRR Per Billing Ccf
										(I) Proposed DRR Per Customer Per Month (E) / (F) / 12	(J) Proposed DRR Per Billing Ccf (E) / (F)	(M) Proposed DRR Per Customer Per Month (E) / (F)		
1	310311/315	\$ 8,721,599	\$ 816,258	\$ 621,527	\$ (2,687,147)	\$ 6,229,183	297,211 #	\$ 1.75		\$ 1.75		\$ -		(4)
2	320321/325	\$ 1,244,345			\$ (356,327)	\$ 888,017								(4)
3	Group 1	\$ 543,765			\$ (155,711)	\$ 388,054	14,254 #	\$ 2.27			\$ 0.00261	\$ -		(5)
4	Group 2 & 3	\$ 700,580			\$ (200,616)	\$ 499,964	192,236,540 Ccf		\$ 0.00260					(5)
5	345	\$ 228,643			\$ (51,040)	\$ 177,603	53,912,945 Ccf		\$ 0.00329		\$ 0.00331	\$ (0.00002)		(5)
6	360	\$ 363,692			\$ (77,699)	\$ 285,993	196,603,240 Ccf		\$ 0.00145		\$ 0.00146	\$ (0.00001)		(5)
7	Total	\$ 10,558,278			\$ (3,172,213)	\$ 7,580,797								

(1) From JCS-5-S, Page 1, Line 7, Column E

(2) From JCS-5-S, Page 2, Line 6

(3) From JCS-5-S, Page 1, Line 14, Column E

(4) No change in rate - reduction in revenue requirement for 310/311/315 offset by changes in the amount over the cap for the current period (Column (C)) - 320/321/325 (

(5) Change in rate as a result of the reduction in the revenue requirement (JCS-1-S).

ATTACHMENT A

Exhibit No. JCS-5-S
Page 4 of 6

VECTREN ENERGY DELIVERY OF OHIO, INC. DISTRIBUTION REPLACEMENT RIDER DETERMINATION OF APPROVED RECOVERIES BY CALENDAR MONTH

	(A)	(B)	(C)	(D)	(E)	(F)
Line	Month	Allocation Factor (1)	Revenue Requirement (2)	Prior Period Over Cap Amount Rolled Into Rates (3)	Over/Under Variances (4)	Approved Recoveries (5) C + D + E = F
1	September-19	8.13%	\$ 858,702	\$ 15,837	\$ (257,995)	\$ 616,544
2	October-19	8.22%	\$ 868,229	\$ 16,013	\$ (260,858)	\$ 623,384
3	November-19	8.46%	\$ 893,730	\$ 16,484	\$ (268,519)	\$ 641,694
4	December-19	8.65%	\$ 913,306	\$ 16,845	\$ (274,401)	\$ 655,749
5	<u>Subtotal (To Annual DRR Filing in 2020)</u>		\$ 3,533,966	\$ 65,179	\$ (1,061,773)	\$ 2,537,372
6	January-20	8.58%	\$ 905,860	\$ 16,707	\$ (272,164)	\$ 650,403
7	February-20	8.47%	\$ 893,895	\$ 16,487	\$ (268,569)	\$ 641,813
8	March-20	8.51%	\$ 898,190	\$ 16,566	\$ (269,859)	\$ 644,896
9	April-20	8.28%	\$ 874,550	\$ 16,130	\$ (262,757)	\$ 627,923
10	May-20	8.26%	\$ 871,712	\$ 16,077	\$ (261,904)	\$ 625,886
11	June-20	8.17%	\$ 863,024	\$ 15,917	\$ (259,294)	\$ 619,647
12	July-20	8.12%	\$ 857,375	\$ 15,813	\$ (257,597)	\$ 615,591
13	August-20	8.14%	\$ 859,706	\$ 15,856	\$ (258,297)	\$ 617,265
14	<u>Subtotal (To Annual DRR Filing in 2021)</u>		\$ 7,024,311	\$ 129,553	\$ (2,110,440)	\$ 5,043,424
15	<u>Total (Line 5 + Line 14)</u>		\$ 10,558,278	\$ 194,732	\$ (3,172,213)	\$ 7,580,796

(1) Based on monthly volumes / customer count (as applicable) as a percentage of annual, in 2020 Budget.

(2) From JCS-5-S, Page 3, Line 7, Column A X Monthly Allocation Factor

(3) From JCS-5-S, Page 3, Line 7, Column B less Column C X Monthly allocation Factor

(4) From JCS-5-S, Page 3, Line 7, Column D X Monthly Allocation Factor

(5) From JCS-5-S, Page 3, Line 7, Column E X Monthly Allocation Factor

ATTACHMENT A

VECTREN ENERGY DELIVERY OF OHIO, INC. DISTRIBUTION REPLACEMENT RIDER RATE SCHEDULE BILL IMPACTS

Line	Rate Schedule	(A) Present Revenue (1)	(B) Gas Cost Revenue	(C) Revenue Less Gas Cost Revenue (A) - (B)	(D) Previous DRR Revenue Requirement	(E) Current DRR Revenue Requirement (2)	(F) Incremental DRR Revenue Requirement (D) - (E)	(G) % Increase (F) / (C)
1	310/311/315	\$ 122,189,089	\$ 5,834,923	\$ 116,354,166		\$ 6,229,183	\$ 6,229,183	5.35% (3)
2	320/321/325	\$ 28,048,919	\$ 191,118	\$ 27,857,801		\$ 888,017	\$ 888,017	3.19% (4)
3	345	\$ 7,028,841		\$ 7,028,841		\$ 177,603	\$ 177,603	2.53%
4	360	\$ 15,986,151		\$ 15,986,151		\$ 285,993	\$ 285,993	1.79%
5	Total	\$ 173,253,000	\$ 6,026,041	\$ 167,226,959	\$ -	\$ 7,580,797	\$ 7,580,797	4.53%

(1) Rate Case Revenues (Test Year) under proposed rates.

(2) Reflects Revenue Requirement for 2018 only; From Exhibit No. JCS-5-S, Page 3, Line 7, column E.

(3) For column (E), Revenue Requirement equals unit rate times number of customers.

(4) For column (E), Revenue Requirement equals unit rate times number of customers for Group 1, and unit rate times projected volumes for Group 2 & 3.

ATTACHMENT A

Exhibit No. JCS-5-S
Page 6 of 6

VECTREN ENERGY DELIVERY OF OHIO DISTRIBUTION REPLACEMENT RIDER ANNUAL RESIDENTIAL CUSTOMER BILL IMPACT

<u>Line</u>			<u>Reference</u>
1	Proposed DRR Charge Per Customer Per Month	\$ 1.75	Exhibit No. JCS-5-S, Page 3
2	Current DRR Charge Per Customer Per Month	\$ - (1)	CN 18-0298
3	Incremental DRR Charge Per Month	\$ 1.75	Line [1] - Line [2]
4	Months	12	
5	Annual Incremental Bill Impact	\$ 20.96	Line [3] x Line [4]
6	Total Annual DRR Bill Amount	\$ 20.96	Line [1] x Line [4]

(1) Investment through December 31, 2017 included in base rates per Case No. 18-0298-GA-AIR.

VECTREN ENERGY DELIVERY OF OHIO, INC.
Tariff for Gas Service
P.U.C.O. No. 4

Sheet No. 45
~~First Revised~~ Page 1 of 1
~~Cancels Original~~ Page 1 of 1

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DISTRIBUTION REPLACEMENT RIDER

APPLICABILITY

The Distribution Replacement Rider ("DRR") is applicable to any Customer served under the Rate Schedules identified below.

- 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
- Rate 345 - Large General Transportation Service
- Rate 360 - Large Volume Transportation Service

DESCRIPTION

The DRR will be effective through August 31, 2025 or until new rates become effective as a result of the filing by Company of an application for an increase in rates pursuant to Section 4909.18, Revised Code, or a proposal to establish base rates pursuant to an alternative method of regulation under Section 4929.05, Revised Code, whichever comes first.

The DRR will recover costs associated with Company's accelerated infrastructure replacement program approved by the Commission in Case No. 18-0299-GA-ALT. All applicable Customers shall be assessed either (a) a monthly charge in addition to the Monthly Charge or Customer Charge component of their applicable Rate Schedule, or (b) a volumetric charge applicable to each Billing Ccf of metered gas usage each month.

Actual costs and actual recoveries are reconciled in each annual DRR update, with any under- or over-recovery being recovered or returned over the next twelve (12) month period.

The monthly DRR charge applicable to Rate 310, 311, 315, 320 (Group 1), 321 (Group 1) and 325 (Group 1) customers shall be subject to caps approved by the Commission in Case No. 18-0299-GA-ALT.

RECONCILIATION

The DRR is subject to reconciliation or adjustment annually, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to: (1) the twelve-month period of expenditures upon which the rates were calculated, if determined to be unlawful, unreasonable, or imprudent by the Commission in the docket those rates were approved or the Supreme Court of Ohio; (2) the Commission's orders in Case No. 18-47-AU-COI or any case ordered by the Commission to address tax reform changes.

DISTRIBUTION REPLACEMENT RIDER CHARGE

The charges for the respective Rate Schedules are:

<u>Rate Schedule</u>	<u>\$ Per Month</u>	<u>\$ Per Billing Ccf</u>
310, 311 and 315	\$1.75	
320, 321 and 325 (Group 1)	\$2.27	
320, 321 and 325 (Group 2 and 3)		\$0.00260
345		\$0.00329
360		\$0.00145

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Filed pursuant to the Finding and Order dated _____ in Case No. ~~19-1011-GA-RDR~~ of The Public Utilities Commission of Ohio.

Issued ~~May 01, 2019~~

Issued by ~~J. Cas Swiz, Director~~

Effective ~~September 01, 2019~~

VECTREN ENERGY DELIVERY OF OHIO, INC.
Tariff for Gas Service
P.U.C.O. No. 4

Sheet No. 45
~~First Revised~~ Page 1 of 1
~~Cancels Original Page 1 of 1~~

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Issued ~~May 01, 2019~~ Issued by ~~J. Cas Swiz, Director~~ Effective ~~September 01, 2019~~

VECTREN ENERGY DELIVERY OF OHIO, INC.
Tariff for Gas Service
P.U.C.O. No. 4

Sheet No. 45
First Revised Page 1 of 1
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The DRR will be effective through August 31, 2025 or until new rates become effective as a result of the filing by Company of an application for an increase in rates pursuant to Section 4909.18, Revised Code, or a proposal to establish base rates pursuant to an alternative method of regulation under Section 4929.05, Revised Code, whichever comes first.

The DRR will recover costs associated with Company's accelerated infrastructure replacement program approved by the Commission in Case No. 18-0299-GA-ALT. All applicable Customers shall be assessed either (a) a monthly charge in addition to the Monthly Charge or Customer Charge component of their applicable Rate Schedule, or (b) a volumetric charge applicable to each Billing Ccf of metered gas usage each month.

Actual costs and actual recoveries are reconciled in each annual DRR update, with any under- or over-recovery being recovered or returned over the next twelve (12) month period.

The monthly DRR charge applicable to Rate 310, 311, 315, 320 (Group 1), 321 (Group 1) and 325 (Group 1) customers shall be subject to caps approved by the Commission in Case No. 18-0299-GA-ALT.

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The DRR is subject to reconciliation or adjustment annually, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to: (1) the twelve-month period of expenditures upon which the rates were calculated, if determined to be unlawful, unreasonable, or imprudent by the Commission in the docket those rates were approved or the Supreme Court of Ohio; (2) the Commission's orders in Case No. 18-47-AU-COI or any case ordered by the Commission to address tax reform changes.

DISTRIBUTION REPLACEMENT RIDER CHARGE

The charges for the respective Rate Schedules are:

<u>Rate Schedule</u>	<u>\$ Per Month</u>	<u>\$ Per Billing Ccf</u>
310, 311 and 315	\$1.75	
320, 321 and 325 (Group 1)	\$2.27	
320, 321 and 325 (Group 2 and 3)		\$0.00260
345		\$0.00329
360		\$0.00145

Filed pursuant to the Finding and Order dated _____ in Case No. 19-1011-GA-RDR of The Public Utilities Commission of Ohio.

Issued May 01, 2019

Issued by J. Cas Swiz, Director

Effective September 01, 2019

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 19-1011-GA-RDR

Summary: Text STATEMENT OF VECTREN ENERGY DELIVERY OF OHIO, INC.
INFORMING THE COMMISSION WHETHER
THE ISSUES RAISED IN COMMENTS HAVE BEEN RESOLVED electronically filed by Shelli
T Clark on behalf of Vectren Energy Delivery of Ohio, Inc.