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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of: :  
: Case No. 05-120-GA-FOR  
The Long term Gas Forecast:  
Report of Vectren Energy :  
Delivery of Ohio, Inc. and:  
Related Matters. :

In the Matter of: : Case No. 04-220-GA-GCR  
: Case No. 05-220-GA-GCR

The Regularion of the :  
Purchase Gas Adjustment :  
Clauses Contained Within :  
the Rate Schedules of :  
Vectren Energy Delivery of:  
Ohio, Inc. and Related :  
Matters. :

- - -

PROCEEDINGS

before Greta See, Hearing Examiner, at the Public  
Utilities Commission of Ohio, 180 East Broad Street,  
Room 11-G, Columbus, Ohio, Columbus, Ohio, called at  
10:00 A.M. on Thursday, November 2, 2006.

- - -

ARMSTRONG & OKEY, INC.  
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## 1 APPEARANCES:

2 McNeese, Wallace & Nurick  
3 By Mr. Samuel C. Randazzo  
4 and Ms. Gretchen J. Hummel  
5 Fifth Third Center, Suite 1700  
6 21 East State Street  
7 Columbus, Ohio 43215

8 On behalf of Vectren Energy  
9 Delivery of Ohio.

10 Chester, Willcox & Saxbe, LLP  
11 By John W. Bentine  
12 and Mr. Bobby Singh  
13 65 East State Street  
14 Columbus, Ohio 43215

15 On behalf of Interstate Gas Supply, Inc.

16 Janine L. Migden-Ostrander  
17 Ohio Consumers' Counsel  
18 By Mr. Joseph P. Serio  
19 West Broad Street, Suite 1800  
20 Columbus, Ohio 43215-3485

21 On behalf of the Residential  
22 Consumers of the State of Ohio.

23 Jim Petro, Ohio Attorney General  
24 Duane W. Luckey, Senior Deputy  
Attorney General  
Public Utilities Section  
Mr. Werner L. Margard III  
Mr. Thomas Lindgren  
180 East Broad Street, 9th Floor  
Columbus, Ohio 43215-3793

On behalf of the Staff of the Public  
Utilities Commission.

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1 Thursday Morning Session,  
2 November 2, 2006.

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4 THE HEARING EXAMINER: Scheduled for  
5 hearing before the Public Utilities Commission of  
6 Ohio at this time are Case Nos. 05-120-GA-FOR,  
7 04-220-GA-GCR, and 05-220-GA-GCR. All three cases  
8 involve Vectren Energy Delivery of Ohio Incorporated  
9 and related matters.

10 I am Greta See, the attorney-examiner  
11 assigned to this case by the Commission.

12 At this time I would like to take  
13 appearances of the parties.

14 On behalf of Vectren.

15 MS. HUMMEL: Thank you, your Honor. On  
16 behalf of Vectren Energy Delivery of Ohio the law  
17 firm of McNeese, Wallace & Nurick, by Samuel C.  
18 Randazzo, and Gretchen J. Hummel, 21 East State  
19 Street, Columbus, Ohio.

20 THE HEARING EXAMINER: On behalf of OCC.

21 MR. SERIO: Thank you, your Honor, on  
22 behalf of the residential utility customers of  
23 Vectren, Janine Migden Ostrander, Consumers Counsel,  
24 by Joseph P. Serio.

1 THE HEARING EXAMINER: IGS.

2 MS. HUMMEL: Your Honor, I have been  
3 authorized to mark their exhibit for identification  
4 purposes, so I suspect I'm am authorized to enter  
5 their appearance today.

6 On behalf of Interstate Gas Supply, Inc.,  
7 Chester, Willcox and Saxbe, LLP, by John W. Bentine  
8 and Bobby Singh, 65 East State Street, Suite 1000,  
9 Columbus, Ohio 43215.

10 THE HEARING EXAMINER: On behalf of the  
11 staff of the Public Utilities Commission.

12 MR. LINDGREN: On behalf of the  
13 Commission Staff, Attorney General Jim Petro, Senior  
14 Deputy Attorney General Duane Luckey, Assistant  
15 Attorneys General Thomas Lindgren and Werner Margard,  
16 180 East Broad Street, Ninth Floor, Columbus, Ohio,  
17 43215.

18 THE HEARING EXAMINER: Let the record  
19 reflect that Mr. Singh has just joined us.

20 MR. SINGH: Thank you, your Honor.

21 THE HEARING EXAMINER: Ms. Hummel.

22 MS. HUMMEL: Your Honor the parties have  
23 already met once and have distributed a document with  
24 the intent of settling all of the issues in this

1 proceeding. Those discussions are ongoing, and are  
2 progressing positively at this time. We would like  
3 to continue this hearing because we anticipate that  
4 the issues will be settled rather rapidly. We would  
5 suggest we not set another date. Instead, we will  
6 let you know if the talks break down and it appears  
7 as if we will require an evidentiary hearing in this  
8 proceeding, and I promise you we don't intend to drag  
9 this thing out.

10 THE HEARING EXAMINER: Okay. Do the rest  
11 of the parties agree?

12 MR. SERIO: Yes, your Honor.

13 MR. LINDGREN: Yes, the staff agrees.

14 MR. SINGH: I agree, your Honor.

15 THE HEARING EXAMINER: That being the  
16 case, I will expect to get a joint e-mail updating me  
17 of the status in negotiations. If they have not been  
18 resolved by November 17, an e-mail will be fine.

19 If, however, things are not resolved by  
20 January 1, 2007, I'll go ahead and schedule a  
21 hearing.

22 MS. HUMMEL: Thank you, Your Honor.

23 THE HEARING EXAMINER: Okay.

24 MS. HUMMEL: If you are agreeable, we

1 thought we could take care of a couple housekeeping  
2 matters today, and to that end, we have prepared a  
3 document which is an exhibit list for all of the  
4 documents, prefiled testimony in the docket in the  
5 proceeding, and as well reserving a number for a  
6 late-filed exhibit, proofs of publication when  
7 they're available, and, finally, anticipating a  
8 settlement, we've reserved an exhibit number for the  
9 Stipulation and Recommendation in the proceeding.

10           Rather than read all of these in the  
11 record if, everyone agrees, the court reporter can  
12 simply reflect the contents of the document in the  
13 transcript today.

14           MR. SERIO: That's acceptable your Honor.

15           MR. LINDGREN: Yes.

16           MR. SINGH: No objections your Honor.

17           MS. HUMMEL: The only other thing we need  
18 to do is to deal with the issue of the  
19 confidentiality of one of the exhibits of IGS, and if  
20 it's okay with you, it's my understanding that IGS  
21 has waived confidentiality with respect to the  
22 exhibit, so the copy of the testimony of Kraig  
23 Lotter, which has been provided to the court reporter  
24 today, and I am providing the court reporter copies

1 of all testimonies prefiled testimony in the  
2 proceeding, these proceedings, all three of them.

3 THE HEARING EXAMINER: Okay. Mr. Singh.

4 MR. SINGH: That is correct. IGS does  
5 waive confidentiality of Exhibit No. 3 attached to  
6 Kraig Lotter's testimony, and, your Honor, I have a  
7 copy of that for you as well.

8 THE HEARING EXAMINER: Okay. I assume  
9 there are no objections to the admission of any of  
10 the exhibits included on the list.

11 MS. HUMMEL: Well, I think it is  
12 premature to admit them into evidence, your Honor,  
13 but the stipulation will provide for the admission of  
14 them into evidence at the point at which it is  
15 executed, but I think today we simply wanted to  
16 identify them for the record so that managing  
17 identification later on would be easier and we  
18 wouldn't have to reconvene for that purpose, only  
19 that purpose.

20 THE HEARING EXAMINER: Okay.

21 MS. HUMMEL: And I believe the attorney  
22 general, assistant attorney general, has brought  
23 copies of all of the audits filed in case for the  
24 court reporter as well.



1 MR. LINDGREN: Yes. I will be giving  
2 them to the reporter.

3 THE HEARING EXAMINER: Okay. Is there  
4 anything else?

5 MR. LINDGREN: No your Honor.

6 MR. SERIO: No, your Honor.

7 MR. SINGH: Nothing, your Honor. Thank  
8 you.

9 THE HEARING EXAMINER: That being the  
10 case, the hearing is adjourned until further notice.

11 (Thereupon, the hearing adjourned at  
12 10:09 a.m.)

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CERTIFICATE

I do hereby certify that the foregoing is a true and correct transcript of the proceedings taken by me in this matter on Thursday, November 2, 2006, and carefully compared with my original stenographic notes.

*Rosemary F. Anderson*  
Rosemary Foster Anderson, *(RFA)*  
Professional Reporter and  
Notary Public in and for  
the State of Ohio.

My commission expires April 5, 2009.

(RFA-6929)

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# EXHIBIT

04-220-GA-GCR  
05-120-GA-GCR  
Case Number 05-220-GA-GCR

The following exhibit(s) were prefiled and can be located with the pleadings:

Exhibits	Date Filed
COMMISSION-ORDERED EXHIBITS	
1 - Management/Performance Audit for November 1, 2002 to October 31, 2005, filed 8/16/06 Case # 04-220-GA-GCR	<u>Aug 16, 2006</u>
2 - Financial Audit for November 1, 2003 to October 31, 2004, filed 7/15/05 Case # 04-220-GA-GCR	<u>July 15, 2005</u>
2a - Financial Audit for November 1, 2004 to April 30, 2006, filed 8/18/06 Case # 05-220-GA-GCR	<u>Aug 18, 2006</u>
3 - Uncollectible Expense Rider Audit for January 1, 2004 to December 31, 2004 to December 31, 2004, filed 8/31/06 Case # 04-220-GA-GCR	<u>Aug 31, 2006</u>
3A - Uncollectible Expense Rider Audit for January 1, 2005 to December 31, 2004 to December 31, 2005, filed 8/18/06 Case # 05-220-GA-GCR	<u>Aug 18, 2006</u>
COMPANY EXHIBITS	
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3 - Direct Testimony of Perry M. Pergola in Case No. 05-120-GA-LTFR, filed 7/25/05	
4 - Prepared Direct Testimony of Scott E. Albertson, filed 9/29/06	
IGS EXHIBITS	
1 - Testimony and Exhibits of Kraig Lotter, filed 10/10/06 Case # 05-220-GA-GCR	<u>Oct 10, 2006</u>