



Vectren Corporation
One Vectren Square
Evansville, IN 47708

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December 14, 2006

PUCO

Ms. Renee Jenkins
Director of Administration Docketing Division
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215-3793

Re: January 2007 Monthly EGC Filing in Case No. 06-220-GA-GCR

Dear Ms. Jenkins:

Pursuant to the Commission's Entry dated September 1, 2004 in Case No. 04-1225-GA-GCR, Vectren Energy Delivery of Ohio, Inc. ("VEDO") herewith submits for filing an original and four (4) copies of the Monthly EGC Filing. One copy shall be filed in VEDO's Case No. 06-220-GA-GCR. The remaining copies shall be designated for distribution to the Commission staff.

Pursuant to the Entry dated September 1, 2004 in Case No. 04-1225-GA-GCR, VEDO is filing a monthly adjustment to its Expected Gas Cost ("EGC") for January 2007. The supporting GCR Schedules reflecting the revised January 2007 gas costs are attached for your review.

Please return one date-stamped copy in the enclosed self-addressed stamped envelope.

Sincerely,

Jeremy Schmidt
Rate Analyst

Enclosures

CC:
Steve Hines (Ohio Consumers' Counsel)
Ann Hotz (Ohio Consumers' Counsel)
Gretchen Hummel (McNees, Wallace & Nurick)

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**PURCHASED GAS ADJUSTMENT
VECTREN ENERGY DELIVERY OF OHIO
GAS COST RECOVERY RATE CALCULATION**

SUMMARY OF GCR COMPONENTS

	Actual November 2006 (\$/Mcf)	Actual December 2006 (\$/Mcf)	Actual January 2007 (\$/Mcf)
1 Expected Gas Cost (EGC)	\$8.7199	\$9.3015	\$9.1289
2 Supplier Refund and Reconciliation Adjustment (RA)	(\$0.0021)	(\$0.0021)	(\$0.0021)
3 Actual Adjustment (AA)	(\$0.2947)	(\$0.2947)	(\$0.2947)
4 Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$8.4231	\$9.0047	\$8.8321

Gas Cost Recovery Rate Effective Dates: November 1, 2006 to January 31, 2007

EXPECTED GAS COST SUMMARY CALCULATION

	Actual November 2006 (\$/Mcf)	Actual December 2006 (\$/Mcf)	Actual January 2007 (\$/Mcf)
5 Expected Gas Cost	\$8.7199	\$9.3015	\$9.1289

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

		UNIT	AMOUNT
6 Current Quarterly Supplier Refund & Reconciliation Adj.	(Sch 2, Line 11)	\$/Mcf	(\$0.0021)
7 Previous Quarterly Reported Supplier Refund & Reconciliation Adj.	(GCR 107, Sch 2, L 11)	\$/Mcf	\$0.0000
8 Second Previous Quarterly Reported Supplier Refund & Reconciliation Adj.	(GCR 106, Sch 2, L 11)	\$/Mcf	\$0.0000
9 Third Previous Quarterly Reported Supplier Refund & Reconciliation Adj.	(GCR 105, Sch 2, L 11)	\$/Mcf	\$0.0000
10 Supplier Refund and Reconciliation Adjustment (RA)		\$/Mcf	(\$0.0021)

ACTUAL ADJUSTMENT SUMMARY CALCULATION

		UNIT	AMOUNT
11 Current Quarterly Actual Adjustment	(Sch 3, Line 24)	\$/Mcf	(\$0.0185)
12 Previous Quarterly Reported Actual Adjustment	(GCR 107, Sch 3, L 24)	\$/Mcf	(\$0.2238)
13 Second Previous Quarterly Reported Actual Adjustment	(GCR 106, Sch 3, L 24)	\$/Mcf	(\$0.1358)
14 Third Previous Quarterly Reported Actual Adjustment	(GCR 105, Sch 3, L 24)	\$/Mcf	\$0.0832
15 Actual Adjustment (AA)		\$/Mcf	(\$0.2947)

This Quarterly Report Filed Pursuant to Order No. 79-1171-GA-COI of the
Public Utilities Commission of Ohio, Dated December 27, 1979.

Date Filed: December 14, 2006

By: Jeremy Schmidt

Title: Rate Analyst

VECTREN ENERGY DELIVERY OF OHIO
DETERMINATION OF GAS COST RECOVERY (GCR)
For the Period November 1, 2006 to January 31, 2007

Line No.	Estimated Cost of Gas to be Recovered	Actual November 2006 (A)	Actual December 2006 (B)	Actual January 2007 (C)	Total (D)
<u>Commodity Costs</u>					
1	Commodity Purchases (Sch 1, Pages 2-4)	\$17,716,558	\$20,533,944	\$20,760,250	\$59,010,752
2	Propane (Sch 1, Page 9)	\$0	\$0	\$0	\$0
3	Contract Storage Commodity Costs (Sch 1, Page 6)	\$15,937	\$71,717	\$99,606	\$187,260
4	Storage (Inj)/With (Sch 1, Page 8)	\$3,243,370	\$14,595,483	\$20,271,285	\$38,110,138
5	Total Commodity Costs	\$20,975,865	\$35,201,144	\$41,131,141	\$97,308,151
6	Quarterly Sales Volumes (Dth) - Projected	2,812,830	4,385,136	5,234,164	12,432,130
7	Unit Commodity Cost	\$7.4572	\$8.0274	\$7.8582	
<u>Demand Costs</u>					
8	Annual Pipeline Demand Costs (Sch 1, Page 5)				\$11,706,987
9	Annual Contract Storage Demand Costs (Sch 1, Page 7)				\$18,480,392
10	Total Annual Demand Cost				\$30,187,379
11	Annual Sales Volumes (Dth) - Projected				27,650,656
12	Unit Demand Cost (\$/Dth)	\$1.0917	\$1.0917	\$1.0917	
<u>Total Cost of Gas</u>					
13	Expected Gas Cost per Dth (Line 7 + Line 12)	\$8.5490	\$9.1191	\$8.9499	
14	Expected Gas Cost per Mcf (Line 13 X 1.02)	\$8.7199	\$9.3015	\$9.1289	

VECTREN ENERGY DELIVERY OF OHIO
ESTIMATED PURCHASED GAS COST - COMMODITY COST
January 2007

Supplier	Delivered Quantities (Dth)	Fuel Comp. (%)	Comp. Fuel (Dth)	Purchased Quantities (Dth) (A)/(1-(B))	Transport Rate (\$/Dth)	Wellhead Price* (\$/Dth)	Transport Cost (\$) (A)*(E)	Wellhead Cost (\$) (D)*(F)	Total Commodity Cost (\$) (G)+(H)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
<u>ANR PIPELINE COMPANY</u>									
FTS-1	0	1.62%	0	0	\$0.0125	\$8.6730	\$0	\$0	\$0
Fixed Price	0	1.62%	0	0	\$0.0125	\$0.0000	\$0	\$0	\$0
Subtotal ANR	0		0	0			\$0	\$0	\$0
<u>COLUMBIA GAS TRANSMISSION (TCO)</u>									
ADS 3 (Storage 1/7th Refill)	0	2.08%	0	0	\$0.0156	\$8.6730	\$0	\$0	\$0
Fixed Price Columbia Gas	0	2.08%	0	0	\$0.0156	\$0.0000	\$0	\$0	\$0
Fixed Price (Col. Gulf)	0	4.35%	0	0	\$0.0326	\$0.0000	\$0	\$0	\$0
Subtotal Columbia Gas and Gulf	0		0	0			\$0	\$0	\$0
<u>PANHANDLE EASTERN PIPE LINE COMPANY</u>									
PEPL	495,038	4.65%	24,142	519,180	\$0.0416	\$8.1730	\$20,594	\$4,243,258	\$4,263,852
Fixed Price	667,431	4.65%	32,549	699,980	\$0.0416	\$8.6066	\$27,765	\$6,024,427	\$6,052,192
Subtotal PEPL	1,162,469		56,691	1,219,160			\$48,359	\$10,267,685	\$10,316,044
<u>TRUNKLINE GAS COMPANY</u>									
Trunkline to TETCO	0	6.25%	0	0	\$0.0576	\$8.6230	\$0	\$0	\$0
Fixed Price	0	6.25%	0	0	\$0.0576	\$0.0000	\$0	\$0	\$0
Subtotal Trunkline	0		0	0			\$0	\$0	\$0
<u>PAN ENERGY</u>									
Trunkline to PEPL to TETCO	373,054	3.32%	12,811	385,865	\$0.0266	\$8.6230	\$9,923	\$3,327,311	\$3,337,234
Fixed Price	0	3.32%	0	0	\$0.0266	\$0.0000	\$0	\$0	\$0
Subtotal Pan Energy	373,054		12,811	385,865			\$9,923	\$3,327,311	\$3,337,234
<u>TEXAS GAS TRANSMISSION</u>									
ADS4	792,474	3.23%	26,451	818,925	\$0.0546	\$8.6230	\$43,269	\$7,061,590	\$7,104,859
Fixed Price	38,698	3.23%	1,292	39,990	\$0.0546	\$0.0000	\$2,113	\$0	\$2,113
Subtotal Texas Gas	831,172		27,743	858,915			\$45,382	\$7,061,590	\$7,106,972
<u>FINANCIAL HEDGES</u>									
Hedge Premiums				0		\$0.0000		\$	-
Estimated Hedge Impact				0		\$0.0000		\$	-
Total All Suppliers	2,366,695		97,245	2,463,940			\$103,664	\$20,656,586	\$20,760,250

* Including basis

VECTREN ENERGY DELIVERY OF OHIO
ESTIMATED CONTRACT GAS STORAGE AND TRANSPORTATION - COMMODITY COST
For the Period November 1, 2006 to January 31, 2007

Storage Month and Supplier	Estimated Volumes		Comp. Fuel		Comp. Fuel	Estimated Rates			Estimated Cost		Comp. Fuel	Total Abs. Value
	Injected	Withdrawn	Injected	Withdrawn		Injected	Withdrawn	Injected	Withdrawn			
	Dth	Dth	%	%		Dth	Dth	Dth				
November 2006												
Columbia (# 37995-52990)	0	291,960	0.16%	0.16%	0	\$0.0153	\$0.0153	\$7.1940	\$0	\$4,467	\$0	\$4,467
Panhandle (# 015667)	0	166,830	1.53%	0.75%	0	\$0.0385	\$0.0385	\$6.6940	\$0	\$6,423	\$0	\$6,423
Subtotal	0	458,790			0				\$0	\$10,890	\$0	\$10,890
December 2006												
Columbia (# 37995-52990)	0	1,313,811	0.16%	0.16%	0	\$0.0153	\$0.0153	\$9.1200	\$0	\$20,101	\$0	\$20,101
Panhandle (# 015667)	0	750,789	1.53%	0.75%	0	\$0.0385	\$0.0385	\$8.6200	\$0	\$28,905	\$0	\$28,905
Subtotal	0	2,064,600			0				\$0	\$49,006	\$0	\$49,006
January 2007												
Columbia (# 37995-52990)	0	1,824,753	0.16%	0.16%	0	\$0.0153	\$0.0153	\$8.6730	\$0	\$27,919	\$0	\$27,919
Panhandle (# 015667)	0	1,042,716	1.53%	0.75%	0	\$0.0385	\$0.0385	\$8.1730	\$0	\$40,145	\$0	\$40,145
Subtotal	0	2,867,469			0				\$0	\$68,064	\$0	\$68,064

Total Storage Commodity Cost **\$0 \$127,960 \$0 \$127,960**

Transportation Month and Supplier	Delivered	Comp. Fuel (%)	Comp. Fuel (Dth)	Purchased	Transport	Wellhead	Transport	Comp.	Total
	Quantities			Quantities	Rate	Price	Cost	Fuel	Cost
	(Dth)			(Dth)	(\$/Dth)	(\$/Dth)	(\$)	(\$)	(\$)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
November 2006									
Columbia (# 38021)	291,960	2.08%	0	298,171	\$0.0154	\$7.1940	\$4,496	\$0	\$4,496
Panhandle (# 012769)	166,830	1.42%	0	169,233	\$0.0033	\$6.6940	\$551	\$0	\$551
Subtotal	458,790								\$5,047
December 2006									
Columbia (# 38021)	1,313,811	2.08%	0	1,341,760	\$0.0154	\$9.1200	\$20,233	\$0	\$20,233
Panhandle (# 012769)	750,789	1.42%	0	761,604	\$0.0033	\$8.6200	\$2,478	\$0	\$2,478
Subtotal	2,064,600								\$22,711
January 2007									
Columbia (# 38021)	1,824,753	2.08%	0	1,853,571	\$0.0154	\$8.6730	\$28,101	\$0	\$28,101
Panhandle (# 012769)	1,042,716	1.42%	0	1,057,736	\$0.0033	\$8.1730	\$3,441	\$0	\$3,441
Subtotal	2,867,469								\$31,542

Total Storage Transportation Commodity Cost **\$59,300**

VECTREN ENERGY DELIVERY OF OHIO
ESTIMATED COST OF GAS INJECTED AND WITHDRAWN FROM STORAGE
For the Period November 1, 2006 to January 31, 2007

Month and Type of Storage	Beginning Storage Inventory			Monthly Storage Activity					Ending Storage Inventory		
	Dth	\$	\$/Dth	Injected	Withdrawn	Unit Price (a)	Financial Hedges	Value of Activity	Dth	\$	\$/Dth
September-06	9,813,988	\$68,853,962	\$7.0159	(1,072,260)	0	\$7.9270	\$0	(\$8,499,805)	10,886,228	\$77,353,767	\$7.1057
October-06	10,886,228	\$77,353,767	\$7.1057	(776,302)	0	\$6.5609	\$0	(\$5,093,240)	11,662,530	\$82,447,007	\$7.0694
November 2006	11,662,530	\$82,447,007	\$7.0694	0	459,790	\$7.0694	\$0	\$3,243,370	11,203,740	\$79,203,637	\$7.0694
December 2006	11,203,740	\$79,203,637	\$7.0694	0	2,064,600	\$7.0694	\$0	\$14,595,483	9,139,140	\$64,608,154	\$7.0694
January 2007	9,139,140	\$64,608,154	\$7.0694	0	2,867,469	\$7.0694	\$0	\$20,271,285	6,271,671	\$44,336,868	\$7.0694

(a) If injection, unit price is monthly WACOG. If withdrawal, unit price is average cost of storage inventory.