

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Vectren)
Energy Delivery of Ohio, Inc. for Approval,)
pursuant to Section 4929.11, Revised Code, of)
a Tariff to Recover Conservation Expenses)
and Decoupling Revenues Pursuant to Auto-)
matic Adjustment Mechanisms and for such)
Accounting Authority as May Be Required to)
Defer Such Expenses and Revenues for Future)
Recovery Through such Adjustment Mecha-)
nisms.)

Case No. 05-1444-GA-UNC

ENTRY

The attorney examiner finds:

- (1) On November 28, 2005, Vectren Energy Delivery of Ohio, Inc. (Vectren) filed an application for approval, pursuant to Section 4929.11, Revised Code, of a tariff to recover conservation expenses and decoupling revenues pursuant to automatic adjustment mechanisms and for such accounting authority as may be required to defer such expenses and revenues for future recovery through such adjustment mechanisms. Vectren's conservation rider would consist of a conservation funding component and a decoupled sales component. On February 7, 2006, the attorney examiner found that the application must be considered a request for an alternate rate plan as described in Section 4929.01(A), Revised Code, and thus the process would be controlled by Section 4929.05, Revised Code.
- (2) On April 10, 2006, Vectren, Ohio Partners for Affordable Energy (OPAE) and the Ohio Consumers' Counsel (OCC) filed a Stipulation and Recommendation (April Stipulation) for the purpose of resolving the issues in this proceeding. The staff of the Commission (Staff) opposed the April Stipulation through testimony and post-hearing brief.
- (3) On September 13, 2006, the Commission issued an opinion and order (Order) in this case that approved the April Stipulation as modified by the Order. On November 8, 2006, the Commission denied the application for rehearing filed by OCC.

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- (4) On December 8, 2006, OCC filed a Notice of Termination and Withdrawal from Stipulation. OCC states that the filing was made pursuant to the April Stipulation provision that included the right of a signatory party to terminate and withdraw from the April stipulation by filing notice within thirty days of the entry on rehearing, if the Commission did not adopt the April Stipulation in its entirety without material modification. OCC offers that in accordance with the April Stipulation, a hearing should be conducted.
- (5) On December 21, 2006, a Stipulation and Recommendation was filed, with as signatory parties, Vectren, OPAE and Staff (signatory parties). The signatory parties request that the Commission affirm the Order that adopted and modified the April Stipulation, based on the existing record, without further hearing. It is further requested by the signatory parties that the Sales Reconciliation Rider and deferral mechanism adopted in the Order, continue to be effective, as of the date of the Order.
- (6) In accordance with the provisions of the April Stipulation, OCC filed notice of termination and withdrawal from the stipulation. The signatory parties have not argued that OCC did not have the right to terminate and withdraw based on the Order. Therefore, the April Stipulation should be considered terminated. Thereby, the Commission cannot approve a stipulation that by its own provisions has been terminated. The rider that was filed in accordance with that stipulation is also no longer in effect. The stipulation may be considered a request by the signatory parties to reopen the proceeding. In accordance with Section 4929.05, Revised Code, a hearing is required for consideration of the alternative rate plan. The signatory parties, for clarity of record, should file within ten business days, a document that sets out all the terms of the stipulation. A prehearing conference should be held at on January 22, 2007, to discuss a procedural schedule.

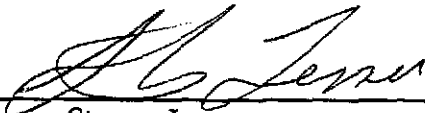
It is, therefore,

ORDERED, That the signatory parties' request for approval of the stipulation filed December 21, 2006, is denied. It is, further,

ORDERED, That a prehearing be held on this matter at 10:00 a.m., on January 22, 2007, in Hearing Room 11-C, at the offices of the Commission. It is, further,

ORDERED, That a copy of this entry be served on all parties of record.

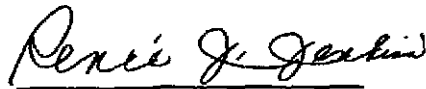
THE PUBLIC UTILITIES COMMISSION OF OHIO


By: Steven Lesser
Attorney Examiner

/geb PSD

Entered in the Journal

DEC 29 2006



Renee J. Jenkins
Secretary