

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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PUCO

In the Matter of the Application of)	
Vectren Energy Delivery of Ohio, Inc. for)	
Approval of a General Exemption of)	
Certain Natural Gas Commodity Sales)	Case No. 07-1285-GA-EXM
Services or Ancillary Services from)	
Chapters 4905, 4909, and 4935 except)	
Sections 4905.10, 4935.01, and 4935.03,)	
and from specified sections of Chapter)	
4933 of the Revised Code.)	

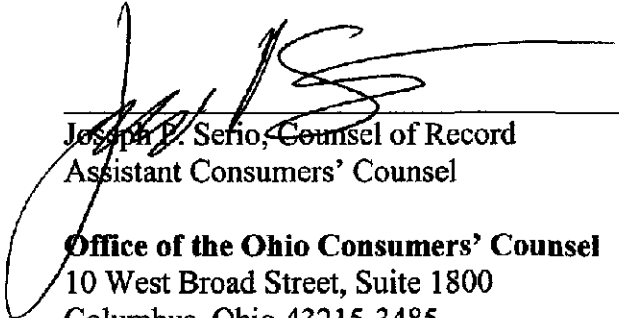
**MOTION TO INTERVENE
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

The Office of the Ohio Consumers' Counsel ("OCC"), on behalf of all the approximately 293,000 residential utility consumers of Vectren Energy Delivery of Ohio, Inc. ("Vectren" or "the Company"), moves the Public Utilities Commission of Ohio ("PUCO" or "Commission") to grant OCC's intervention in the above-captioned proceeding where gas rates and service quality issues will be reviewed as part of Vectren's proposal is to change the way it purchases the natural gas it sells to residential customers. Pursuant to R.C. Chapter 4911; R.C. 4903.221; Ohio Adm. Code 4901-1-11, OCC's Motion should be granted because OCC meets the legal standards for intervention, as explained in detail in the attached Memorandum in Support.

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Respectfully submitted,

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MEMORANDUM IN SUPPORT

On December 21, 2007, Vectren filed an Application for Approval of a General Exemption of Certain Natural Gas Commodity Sales Services or Ancillary Services from Chapters 4905, 4909, and 4935 except Sections 4905.10, 4935.01, and 4935.03, and from specified sections of Chapter 4933 of the Revised Code. This means that Vectren proposes to change the way it purchases the natural gas it sells to Ohio residential customers, and to eventually exit from the merchant function. Because Vectren's proposed exit from the merchant function will impact all of its residential customers, the Commission should grant OCC's Motion to Intervene in this proceeding so that OCC can fully participate in this proceeding and protect the interests of Vectren's residential customers.

OCC moves to intervene under its legislative authority to represent residential utility consumers in Ohio, under R.C. Chapter 4911. R.C. 4903.221 provides, in part, that any person "who may be adversely affected" by a PUCO proceeding may seek

intervention in that proceeding. The interests of Ohio's residential consumers may be "adversely affected" by this case, especially if residential consumers are unrepresented in a proceeding where Vectren is seeking to eventually fundamentally alter how gas is purchased for residential customers. Thus, this element of the intervention standard in R.C. 4903.221 is satisfied.

R.C. 4903.221(B) requires the Commission to consider the following criteria in ruling on motions to intervene:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceeding; and
- (4) Whether the prospective intervenor will significantly contribute to the full development and equitable resolution of the factual issues.

First, the nature and extent of OCC's interest is representing **all** of the residential consumers of Vectren. This interest is different than that of any other party and especially different than that of the utility that advocates for the financial interest of stockholders.

Second, OCC will advocate the legal position that the resulting methodology used to purchase natural gas for residential consumers must be what is reasonable and permissible under Ohio law, for service that is adequate under Ohio law. OCC's position is therefore directly related to the merits of this case pending before the PUCO that regulates public utilities' rates and service quality in Ohio.

Third, OCC's intervention will not unduly prolong or delay the proceeding. OCC has longstanding expertise and experience in PUCO proceedings, and will contribute to the process of the case.

Fourth, OCC's intervention will significantly contribute to the full development and equitable resolution of the factual issues. OCC will obtain and develop information that the PUCO should consider for equitably and lawfully deciding the case in the public interest.

OCC also satisfies the intervention criteria in the Ohio Administrative Code (which are subordinate to the criteria that OCC satisfies in the Ohio Revised Code). To intervene, a party should have a "real and substantial interest" according to Ohio Adm. Code 4901-1-11(A)(2). As the residential utility consumer advocate, OCC has a very real and substantial interest in this case where Vectren proposes to modify the way the Company purchases gas for residential customers.

In addition, OCC meets the criteria of Ohio Adm. Code 4901-1-11(B)(1)-(4). These criteria mirror the statutory criteria in R.C. 4903.221(B) that OCC has addressed above, and that OCC satisfies.

Ohio Adm. Code 4901-1-11(B)(5) states that the Commission shall consider the "extent to which the person's interest is represented by existing parties." While OCC does not concede the lawfulness of this criterion, OCC satisfies this criterion because it has been uniquely designated as the state representative of the interests of Ohio's residential utility consumers. That interest is different from, and not represented by, any other entity in Ohio.

Moreover, the Supreme Court of Ohio recently confirmed OCC's right to

intervene in PUCO proceedings, in ruling on an appeal in which OCC claimed the PUCO erred by denying its intervention. The Court found that the PUCO abused its discretion in denying OCC's intervention and that OCC should have been granted intervention.¹

OCC meets the criteria set forth in R.C. 4903.221 and Ohio Adm. Code 4901-1-11. Additionally, granting OCC intervention is consistent with the intervention standards explained by the Supreme Court of Ohio. On behalf of Vectren's residential consumers, the Commission should grant OCC's Motion to Intervene.

Respectfully submitted,

JANINE L. MIGDEN-OSTRANDER
CONSUMERS' COUNSEL



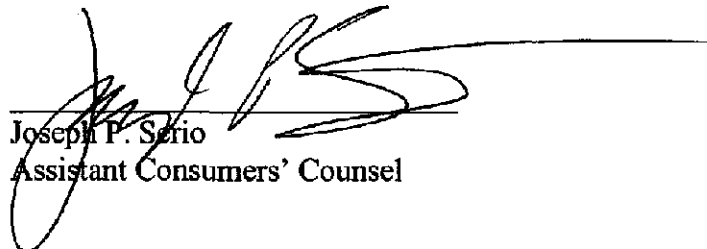
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¹ *Ohio Consumers' Counsel v. Pub. Util. Comm.* (2006), 111 Ohio St.3d 384, 2006-Ohio-5853, ¶18-20.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Office of the Ohio Consumers' Counsel's *Motion to Intervene* was provided to the persons listed below via first class U.S. Mail, postage prepaid, this 16th day of January, 2008



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