

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Regulation of the)
Purchased Gas Adjustment Clause Contained) Case 08-220-GA-GCR
Within the Rate Schedules of Vectren Energy)
Delivery of Ohio, Inc. and Related Matters.)

ENTRY

The Commission finds:

- (1) Pursuant to entry issued February 27, 2008, as amended on April 16, 2008, the management performance (m/p) audit period for Vectren Energy Delivery of Ohio, Inc. (Vectren) was established as November 1, 2005, through July 31, 2008, and, pursuant to entry issued March 12, 2008, the financial audit period was established as November 1, 2007, through June 30, 2008. The entries further provided that the audit reports were due September 18, 2008.
- (2) On June 12, 2008, Vectren and the Staff of the Commission (Staff) filed a Joint Motion for an Extension of the Audit Periods for the m/p audit and the financial audit. The parties request that the audit periods be extended to the end of the month prior to the implementation of Standard Sales Offer (SSO) service or the end of October 31, 2008, whichever occurs first. Vectren and Staff state that the July 31, 2008, date for the audit review period was selected based on the anticipated implementation of SSO service on August 1, 2008, pursuant to the Stipulation and Recommendation (Stipulation) approved by the Commission in *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 and Services or Ancillary Services*, Case No. 07-1285-GA-EXM (Order issued April 30, 2008). Pursuant to paragraph D of the Stipulation, Vectren must apply for a waiver from the Federal Energy Regulatory Commission (FERC) to be exempted from certain capacity release requirements. Vectren states it filed the waiver request with FERC on May 13, 2008. Further, the parties note that, pursuant to paragraph E of the Stipulation, if it first becomes possible to implement SSO service on November 1, 2008, or later, SSO service will start on April 1, 2009. Vectren and Staff

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contend that it is unknown whether FERC will rule on the waiver in time for SSO service to be implemented this fall or whether it will be necessary to implement service next spring. Accordingly, the parties request that the m/p and financial audit review periods be extended to end the month prior to the implementation of SSO service or October 31, 2008, whichever occurs first.

- (3) The joint request to extend the m/p and financial audit review periods is reasonable and should be granted. Within five business days of receiving a response to the waiver request from FERC, Vectren shall file a copy of FERC's ruling with this Commission. If FERC grants Vectren's request for a waiver so that implementation of SSO service is possible prior to November 2008, a revised procedural schedule will be issued shortly after the Commission receives such notice. Should FERC deny Vectren's waiver request or if the waiver is approved so that SSO service implementation is possible only on or after November 1, 2008, the procedural schedule shall be as set forth below:

Financial Audit Period:	09/01/07 - 10/31/08
M/P Audit Period:	11/01/05 - 10/31/08
Audit Reports Due:	January 21, 2009
First Day of Hearing:	March 24, 2009

- (4) Vectren shall discuss the extended audit review periods with the selected m/p and financial auditors and, if necessary, negotiate an amendment to the contracts for the extended audit review periods. Vectren shall inform the Staff of each auditor's decision.

It is, therefore,

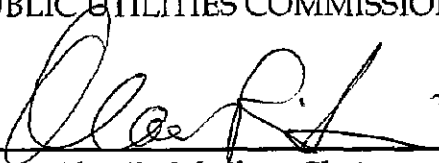
ORDERED, That the parties' request to extend the m/p and financial audit review periods is granted as discussed in finding (3). It is, further,

ORDERED, That, within five business days of receiving a response to the waiver request from FERC, Vectren shall file a copy of FERC's ruling with this Commission. It is, further,


ORDERED, That Vectren shall negotiate with the m/p and financial auditors to extend their respective audit reviews in accordance with this entry. It is, further,

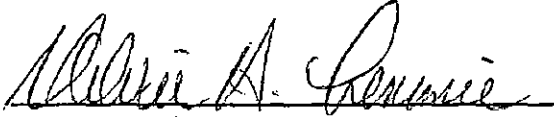
ORDERED, That a copy of this entry be served upon Vectren and its counsel, and all other interested persons of record.

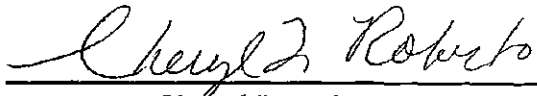
THE PUBLIC UTILITIES COMMISSION OF OHIO


Alan R. Schriber, Chairman


Paul A. Centolella


Ronda Hartman Fergus


Valerie A. Lemmie


Cheryl L. Roberto

GNS/vrm

Entered in the Journal

JUL 16 2008


Renee J. Jenkins

Renee J. Jenkins
Secretary