

FILE

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July 17, 2008

2008 JUL 18 AM 10:08

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

PUCO

Re: August 2008 Monthly EGC Filing in Case No. 08-220-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. 08-220-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 August 2008. The supporting GCR Schedules reflecting the revised August 2008 gas costs are attached for your review.

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

Sincerely,



Christine Campbell
Senior Rate Analyst

Enclosures

CC:

Steve Hines (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 August 2008 (\$/Mcf)	Estimated September 2008 (\$/Mcf)	Estimated October 2008 (\$/Mcf)
1 Expected Gas Cost (EGC)	\$14.0806	\$15.8600	\$15.5048
2 Supplier Refund and Reconciliation Adjustment (RA)	\$0.0000	\$0.0000	\$0.0000
3 Actual Adjustment (AA)	(\$0.3241)	(\$0.3241)	(\$0.3241)
4 Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$13.7565	\$15.5359	\$15.1807

Gas Cost Recovery Rate Effective Dates: August 1 to October 31, 2008

EXPECTED GAS COST SUMMARY CALCULATION

	Actual August 2008 (\$/Mcf)	Estimated September 2008 (\$/Mcf)	Estimated October 2008 (\$/Mcf)
5 Expected Gas Cost	\$14.0806	\$15.8600	\$15.5048

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

		UNIT	AMOUNT
6 Current Quarterly Supplier Refund & Reconciliation Adj.	(Sch 2, Line 11)	\$/Mcf	\$0.0000
7 Previous Quarterly Reported Supplier Refund & Reconciliation Adj.	(GCR 114, Sch 2, L 11)	\$/Mcf	\$0.0000
8 Second Previous Quarterly Reported Supplier Refund & Reconciliation Adj.	(GCR 113, Sch 2, L 11)	\$/Mcf	\$0.0000
9 Third Previous Quarterly Reported Supplier Refund & Reconciliation Adj.	(GCR 112, Sch 2, L 11)	\$/Mcf	\$0.0000
10 Supplier Refund and Reconciliation Adjustment (RA)		\$/Mcf	\$0.0000

ACTUAL ADJUSTMENT SUMMARY CALCULATION

		UNIT	AMOUNT
11 Current Quarterly Actual Adjustment	(Sch 3, Line 25)	\$/Mcf	(\$0.1171)
12 Previous Quarterly Reported Actual Adjustment	(GCR 114, Sch 3, L 25)	\$/Mcf	(\$0.2423)
13 Second Previous Quarterly Reported Actual Adjustment	(GCR 113, Sch 3, L 24)	\$/Mcf	\$0.0151
14 Third Previous Quarterly Reported Actual Adjustment	(GCR 112, Sch 3, L 25)	\$/Mcf	\$0.0202
15 Actual Adjustment (AA)		\$/Mcf	(\$0.3241)

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: July 17, 2008

By: Christine Campbell

Title: Senior Rate Analyst

VECTREN ENERGY DELIVERY OF OHIO
DETERMINATION OF GAS COST RECOVERY (GCR)
For the Period August 1, 2008 to October 31, 2008

Line No.	Estimated Cost of Gas to be Recovered	Actual August 2008 (A)	Estimated September 2008 (B)	Estimated October 2008 (C)	Total (D)
Commodity Costs					
1	Commodity Purchases (Sch 1, Pages 2-4)	\$23,228,488	\$27,649,675	\$39,566,848	\$90,445,011
2	Propane (Sch 1, Page 10)	\$0	\$0	\$0	\$0
3	Contract Storage Commodity Costs (Sch 1, Page 6)	\$51,530	\$49,868	\$51,530	\$152,928
4	Contract Storage Carrying Costs (Sch 1, Page 9)*	\$624,858	\$764,358	\$914,416	\$2,303,632
5	Storage (Inj)/With (Sch 1, Page 8)	(\$15,771,175)	(\$17,708,869)	(\$18,304,882)	(\$51,784,926)
6	Total Commodity Costs	<u>\$8,133,701</u>	<u>\$10,755,032</u>	<u>\$22,227,912</u>	<u>\$41,116,645</u>
7	Quarterly Sales Volumes (Dth) - Projected	640,088	744,210	1,576,071	2,960,369
8	Unit Commodity Cost	\$12.7072	\$14.4516	\$14.1034	
Demand Costs					
9	Annual Pipeline Demand Costs (Sch 1, Page 5)				\$10,148,991
10	Annual Contract Storage Demand Costs (Sch 1, Page 7)				<u>\$21,148,420</u>
11	Total Annual Demand Cost				<u>\$31,297,411</u>
12	Annual Sales Volumes (Dth) - Projected				28,519,744
13	Unit Demand Cost (\$/Dth)	\$1.0974	\$1.0974	\$1.0974	
Total Cost of Gas					
14	Expected Gas Cost per Dth (Line 7 + Line 12)	\$13.8046	\$15.5490	\$15.2008	
15	Expected Gas Cost per Mcf (Line 13 X 1.02)	\$14.0806	\$15.8600	\$15.5048	

* This item has been added pursuant to the Order issued on April 11, 2007 for Case Nos. 04-220-GA-GCR and 05-220-GA-GCR.

**VECTREN ENERGY DELIVERY OF OHIO
ESTIMATED PURCHASED GAS COST - COMMODITY COST
August 2008**

Supplier	Delivered Quantities (Dth)	Fuel Comp. (%)	Comp. Fuel (Dth)	Purchased Quantities (Dth)	Transport Rate (\$/Dth)	Wellhead Price* (\$/Dth)	Transport Cost (\$)	Wellhead Cost (\$)	Total Commodity Cost (\$)
	(A)	(B)	(C)	(A)/(1-(B)) (D)	(E)	(F)	(A)*(E) (G)	(D)*(F) (H)	(G)+(H) (I)
<u>ANR PIPELINE COMPANY</u>									
FTS-1	0	0.00%	0	0	\$0.0000	\$11.3980	\$0	\$0	\$0
Fixed Price	0	0.00%	0	0	\$0.0000	\$0.0000	\$0	\$0	\$0
Subtotal ANR	0		0	0			\$0	\$0	\$0
<u>COLUMBIA GAS TRANSMISSION (TCO)</u>									
ADS 2.1 and ADS 3	1,088,999	2.15%	23,973	1,112,972	\$0.0176	\$11.7980	\$19,166	\$13,130,849	\$13,150,015
Fixed Price Columbia Gas	0	2.15%	0	0	\$0.0176	\$0.0000	\$0	\$0	\$0
Fixed Price (Col. Gulf)	0	0.00%	0	0	\$0.0000	\$0.0000	\$0	\$0	\$0
Subtotal Columbia Gas and Gulf	1,088,999		23,973	1,112,972			\$19,166	\$13,130,849	\$13,150,015
<u>PANHANDLE EASTERN PIPE LINE COMPANY</u>									
PEPL	941,470	5.20%	51,642	993,112	\$0.0417	\$9.6480	\$39,259	\$9,581,543	\$9,620,802
Fixed Price	0	5.20%	0	0	\$0.0417	\$0.0000	\$0	\$0	\$0
Subtotal PEPL	941,470		51,642	993,112			\$39,259	\$9,581,543	\$9,620,802
<u>TRUNKLINE GAS COMPANY</u>									
Trunkline to TETCO	0	0.00%	0	0	\$0.0000	\$11.3480	\$0	\$0	\$0
Fixed Price	0	0.00%	0	0	\$0.0000	\$0.0000	\$0	\$0	\$0
Subtotal Trunkline	0		0	0			\$0	\$0	\$0
<u>PAN ENERGY</u>									
Trunkline to PEPL to TETCO	38,750	3.72%	1,497	40,247	\$0.0244	\$11.3480	\$946	\$456,725	\$457,671
Fixed Price	0	0.00%	0	0	\$0.0000	\$0.0000	\$0	\$0	\$0
Subtotal Pan Energy	38,750		1,497	40,247			\$946	\$456,725	\$457,671
<u>TEXAS GAS TRANSMISSION</u>									
ADS4	0	0.00%	0	0	\$0.0000	\$11.3480	\$0	\$0	\$0
Fixed Price	0	0.00%	0	0	\$0.0000	\$0.0000	\$0	\$0	\$0
Subtotal Texas Gas	0		0	0			\$0	\$0	\$0
<u>FINANCIAL HEDGES</u>									
Hedge Premiums				0		\$0.0000		\$	-
Estimated Hedge Impact				0		\$0.0000		\$	-
Total All Suppliers	2,069,219		77,112	2,146,331			\$59,371	\$23,169,117	\$23,228,488

* Including basis

**VECTREN ENERGY DELIVERY OF OHIO
ESTIMATED CONTRACT GAS STORAGE AND TRANSPORTATION - COMMODITY COST
For the Period August 1, 2008 to October 31, 2008**

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					
August 2008												
Columbia (# 37995-52990)	922,281	0	0.15%	0.15%	0	\$0.0153	\$0.0153	\$11.7980	\$14,111	\$0	\$0	\$14,111
Panhandle (# 015667)	506,850	0	2.07%	1.29%	0	\$0.0385	\$0.0385	\$9.6480	\$19,514	\$0	\$0	\$19,514
Subtotal	1,429,131	0			0				\$33,625	\$0	\$0	\$33,625
September 2008												
Columbia (# 37995-52990)	892,530	0	0.15%	0.15%	0	\$0.0153	\$0.0153	\$13.6910	\$13,656	\$0	\$0	\$13,656
Panhandle (# 015667)	490,500	0	2.07%	1.29%	0	\$0.0385	\$0.0385	\$11.1910	\$18,884	\$0	\$0	\$18,884
Subtotal	1,383,030	0			0				\$32,540	\$0	\$0	\$32,540
October 2008												
Columbia (# 37995-52990)	922,281	0	0.15%	0.15%	0	\$0.0153	\$0.0153	\$13.7660	\$14,111	\$0	\$0	\$14,111
Panhandle (# 015667)	506,850	0	2.07%	1.29%	0	\$0.0385	\$0.0385	\$11.0660	\$19,514	\$0	\$0	\$19,514
Subtotal	1,429,131	0			0				\$33,625	\$0	\$0	\$33,625

Total Storage Commodity Cost **\$99,790** **\$0** **\$0** **\$99,790**

Transportation Month and Supplier	Delivered Quantities (Dth)	Comp. (%)	Comp. Fuel (Dth)	Purchased Quantities (Dth)	Transport Rate (\$/Dth)	Wellhead Price (\$/Dth)	Transport Cost (\$)	Comp. Fuel (\$)	Total Cost (\$)									
										(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
										(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
August 2008																		
Columbia (# 38021)	922,281	2.15%	0	942,584	\$0.0176	\$11.7980	\$16,232	\$0	\$16,232									
Panhandle (# 012769)	506,850	1.96%	0	516,983	\$0.0033	\$9.6480	\$1,673	\$0	\$1,673									
Subtotal	1,429,131								\$17,905									
September 2008																		
Columbia (# 38021)	892,530	2.15%	0	912,178	\$0.0176	\$13.6910	\$15,709	\$0	\$15,709									
Panhandle (# 012769)	490,500	1.96%	0	500,306	\$0.0033	\$11.1910	\$1,619	\$0	\$1,619									
Subtotal	1,383,030								\$17,328									
October 2008																		
Columbia (# 38021)	922,281	2.15%	0	942,584	\$0.0176	\$13.7660	\$16,232	\$0	\$16,232									
Panhandle (# 012769)	506,850	1.96%	0	516,983	\$0.0033	\$11.0660	\$1,673	\$0	\$1,673									
Subtotal	1,429,131								\$17,905									

Total Storage Transportation Commodity Cost **\$53,138**

VECTREN ENERGY DELIVERY OF OHIO
ESTIMATED COST OF GAS INJECTED AND WITHDRAWN FROM STORAGE
For the Period August 1, 2008 to October 31, 2008

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
June 2008	3,392,608	\$34,088,535	\$10.0479	(1,418,820)	0	\$11.0384	\$0	(\$15,661,503)	4,811,428	\$49,750,038	\$10.3400
July 2008	4,811,428	\$49,750,038	\$10.3400	(1,429,131)	0	\$12.1384	\$0	(\$17,347,364)	6,240,559	\$67,097,401	\$10.7518
August 2008	6,240,559	\$67,097,401	\$10.7518	(1,429,131)	0	\$11.0355	\$0	(\$15,771,175)	7,669,690	\$82,868,577	\$10.8047
September 2008	7,669,690	\$82,868,577	\$10.8047	(1,383,030)	0	\$12.8044	\$0	(\$17,708,869)	9,052,720	\$100,577,446	\$11.1102
October 2008	9,052,720	\$100,577,446	\$11.1102	(1,429,131)	0	\$12.8084	\$0	(\$18,304,882)	10,481,851	\$118,882,327	\$11.3417

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

**Vectren Energy Delivery of Ohio, Inc.
Estimated Contract Storage Carrying Costs**

Line No.	Ending Storage Balance Month	Estimated Ending Storage Inventory (Schedule 1, pg 8)	Average Monthly Storage Inventory Balance	Ave. Storage Balance times Monthly Cost of Capital (1) 0.8333%
1	July 2008	\$67,097,401		
2	August 2008	\$82,868,577	\$74,982,989	\$624,858
3	September 2008	\$100,577,446	\$91,723,011	\$764,358
4	October 2008	\$118,882,327	\$109,729,887	\$914,416

Note (1): 10% divided by 12 months = 0.8333%

* This schedule has been added pursuant to the Order issued on April 11, 2007 for Case Nos. 04-220-GA-GCR and 05-220-GA-GCR.