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FILE

BEFORE RECEIVED-BOOKETING DIV
THE PUBLIC UTILITIES COMMISSION OF OHIO
 2009 MAR 23 PM 1:53

**APPLICATION NOT FOR AN INCREASE IN RATES,
 PURSUANT TO SECTION 4909.18, REVISED CODE**

IN THE MATTER OF THE APPLICATION)
 OF VECTREN ENERGY DELIVERY OF)
 OHIO, INC. TO ESTABLISH AN ENERGY)
 EFFICIENCY FUNDING RIDER RATE.)

0254
 CASE NO. 09-___-GA-ATA

1. APPLICANT RESPECTFULLY PROPOSES: (Check applicable proposals)

- | | |
|--|---|
| <input type="checkbox"/> New Service
<input type="checkbox"/> New Classification
<input type="checkbox"/> Change in Classification
<input checked="" type="checkbox"/> Other, not involving increase in rates | <input type="checkbox"/> Change in Rule/Regulation
<input type="checkbox"/> Reduction in Rates
<input type="checkbox"/> Correction of Error |
|--|---|

2. DESCRIPTION OF PROPOSAL

Vectren Energy Delivery of Ohio, Inc. ("VEDO") seeks approval to establish an Energy Efficiency Funding Rider ("EEFR") rate of \$0.00320 per Ccf. This application is made pursuant to Paragraph 6 of the Stipulation and Recommendation ("Stipulation") approved by the Commission in Case No. 07-1080-GA-AIR ("Rate Case"). As required in the Stipulation, the proposed rate is calculated to produce "...a minimum of \$1 million which shall be utilized to continue funding for the low-income weatherization program for customers whose income is between 200% and 300% of poverty level consistent with the program currently provided as a result of the Company's compliance with the Commission's Supplemental Order in Case No. 05-1444-GA-UNC." Stipulation, Paragraph 6 at 6-7. By the terms of the Stipulation, this application is not for an increase in rates. *Id.* at 7.

3. TARIFFS AFFECTED:

Sheet No. 46, Original Page 1 of 1 will be superseded by Sheet No. 46, First Revised Page 1 of 1.

4. Attached hereto and made a part hereof are: (Check applicable Exhibits)

☒ Exhibit A - existing schedule sheets (to be superseded) if applicable

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
 Technician SM Date Processed MAR 23 2009

X Exhibit B - proposed schedule sheets

 X Exhibit B-1 – Red-lined tariff sheets showing changes made to existing tariffs

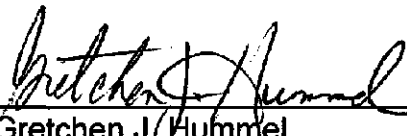
 Exhibit C-1

- (a) if new service is proposed, describe;
- (b) if new equipment is involved, describe (preferably with a picture, brochure, etc.) and where appropriate, a statement distinguishing proposed service from existing service;
- (c) if proposed service results from customer requests, so state giving, if available, the number and type of customers requesting proposed service.

 Exhibit C-2 - if a change of classification, rule or regulation is proposed, a statement explaining reason for change.

 X Exhibit C-3 statement explaining reason for any proposal not covered in Exhibits C-1 or C-2.

- 5. This application will not result in an increase in any rate, joint rate, toll, classification, charge or rental.
- 6. VEDO respectfully requests the Commission to permit the filing of the proposed schedule sheets, to become effective on the date, subsequent to filing, to be shown on the proposed schedule sheets which will be filed with the Commission; and to be in the form of the schedule sheets in Exhibit B modified by any further revisions that have become effective prior to the effective date of the proposed schedule sheets.


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**Attorney for Vectren Energy Delivery of
Ohio, Inc.**

ENERGY EFFICIENCY FUNDING RIDER

APPLICABILITY

The Energy Efficiency Funding Rider ("EEFR") shall be applicable to all Customers served under the following Rate Schedules and to certain other Customers pursuant to contract:

- Rate 310 – Residential Sales Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Sales Service
- Rate 325 – General Transportation Service

DESCRIPTION

The Energy Efficiency Funding Rider Rate shall be applied to all billed Ccf for Gas Service rendered to Customers served under the applicable Rate Schedules.

The Rider shall recover the costs of funding energy efficiency programs as determined by the Demand Side Management ("DSM") Collaborative and as approved by the Commission.

Company shall file an application with the Commission requesting approval to change the Energy Efficiency Funding Rider Rate periodically in accordance with the Stipulation and Recommendation in Case No. 07-1080-GA-AIR.

The EEFR Rider Rate shall be calculated based on the approved funding to be expended over the subsequent recovery period. The costs to be recovered and the costs actually recovered shall be reconciled annually, with any under or over recovery being recovered or returned via the EEFR over a subsequent period.

ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.00000 per Ccf.

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ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.00320 per Ccf.

VECTREN ENERGY DELIVERY OF OHIO, INC.
 Tariff for Gas Service
 P.U.C.O. No. 3

Sheet No. 46
First Revised Page 1 of 1
 Cancels Original Page 1 of 1

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ENERGY EFFICIENCY FUNDING RIDER

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ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.00320 per Ccf.

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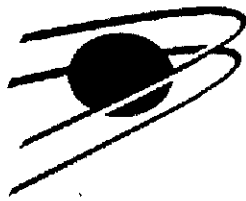
Filed pursuant to the Finding and Order dated January 7, 2009 in Case No. 07-1080-GA-AIR of The Public Utilities Commission of Ohio.

Issued _____ Issued by Jerrold L. Ulrey, Vice-President Effective _____

EXHIBIT C-3

In VEDO's Rate Case, the Commission authorized "... the establishment of an Energy Efficiency Funding Rider ("EEFR"), initially set at \$0.00, applicable to Rate Schedules 310, 315, 320, and 325." Stipulation at 6. The Stipulation required that, "[t]he Company will submit, and the [VEDO DSM] Collaborative will support, an application to establish an EEFR charge to provide a minimum of \$1 million which shall be utilized to continue funding for the low-income weatherization program for customers whose income is between 200% and 300% of poverty level consistent with the program currently provided as a result of the Company's compliance with the Commission's Supplemental Order in Case No. 05-1444-GA-UNC." *Id.* at 6-7. Further, the Stipulation provided that "...any application to establish or adjust the EEFR charge shall be an application to establish a charge and shall not be an application to increase rates." Finally, the Stipulation required that "...the Collaborative will meet and the Company shall file an application to set the EEFR at a level adequate to provide the initial minimum funding of \$1 million by no later than March 31, 2009." *Id.* at 7.

VEDO's DSM Collaborative met on February 5, 2009 and, as shown on the meeting notes attached to this document (Exhibit C-3, Attachment 1), discussed this required EEFR filing. The calculation supporting the rate proposed herein is attached as Exhibit C-3, Attachment 2.



VECTREN
Live Smart

 **ConservationConnection**

Date & Time:

Thursday, February 5, 2009

10:30 am-12:30 pm EDT

101 East Town Street, Suite 400, Columbus, OH

Attendees:

OCC: Stacia Harper, Wilson Gonzales, Larry Sauer, Daniel Sawmiller

PUCO: Tonja Stewart

Vectren: Doug Pettitt, Larry Friedeman, Robbie Sears, Joan Evans, Gretchen Hummel

IGS Energy: Ron Waterman

Dayton CAP: Leonard Florence

Fayette County CAC: Vicki Brust, William Curnutte

TriCounty CAC/CLS: Denise Birt, BJ Filimon

Summary Notes:

During the kick-off meeting for the Ohio DSM Collaborative the following items were reviewed or discussed:

- VEDO Rate Order Energy Efficiency Summary – a review of the major points in the rate order related to DSM programs
- VEDO Energy Efficiency Program Overview – a review of the performance of TEEM I and TEEM II weatherization programs through 12/31/2008
- Experience Lessons Learned – a recap of lessons learned from previous experience with running successful DSM programs
- Year 1 Budget Overview – a recap of the Year 1 budget as filed
- New Energy Efficiency Program Recap – a review of the programs as filed with suggested programs adjustments and rationale for such
- Outreach Examples – viewed a residential and a commercial TV spot, one radio spot, handed out packets of trade ally and customer information, Conservation Connection website screen shot and recapped other outreach activities

Important results:

- Proposed adjustments to DSM programs approved
- April 1 launch date approved
- Adopted calendar year program cycle
- VEDO to make EEFR filing as described in the final order by March 31, 2009
- VEDO and Collaborative to develop 9-month report (October 2009) as described in the final order
- Select vendors/contractors for program fulfillment/admin support

Based on feedback received on the meeting schedule, our next Collaborative meeting will be scheduled for May 2009.

EXHIBIT C-3
Attachment 2

VECTREN ENERGY DELIVERY OF OHIO
ENERGY EFFICIENCY FUNDING RIDER (EEFR)
DERIVATION OF RATE

1	2009 EEFR Funding	\$1,000,000
2	EEFR Variance	<u>\$0</u>
3	Current EEFR	<u>\$1,000,000</u>
4	Annual Volumes - Ccf (1)	<u>312,163,365</u>
5	EEFR per Ccf	<u><u>\$0.00320</u></u>

Notes:

(1) Projected Volumes for Rates 310/315/320/325