

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Vectren Energy Delivery of Ohio, Inc.)	Case No. 13-1032-GA-RDR
for Approval of an Adjustment to its)	
Energy Efficiency Funding Rider Rate.)	

APPLICATION

Frank P. Darr (Trial Attorney)
McNees Wallace & Nurick LLC
Fifth Third Center
21 East State Street, 17th Floor
Columbus, OH 43215
Telephone: 614-469-8000
Telecopier: 614-469-4653
fdarr@mwncmh.com

April 25, 2013

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

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APPLICATION

Vectren Energy Delivery of Ohio, Inc. ("VEDO" or "the Company") hereby requests approval to revise its Energy Efficiency Funding Rider ("EEFR"). In support of its Application, VEDO states as follows:

1. In Case No. 07-1080-GA-AIR ("2007 Rate Case") the Commission approved a Stipulation and Recommendation ("Stipulation") which provided for the establishment of an EEFR 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."¹
2. By Finding and Order dated August 26, 2009 in Case No. 09-254-GA-ATA, and consistent with the provisions of the Stipulation, the Commission approved VEDO's initial EEFR rate. On December 11, 2009, VEDO filed final EEFR tariffs effective on January 1, 2010.

¹ *In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Authority to Amend its Filed Tariffs to Increase the Rates and Charges for Gas Service and Related Matters*, Case Nos. 07-1080-GA-AIR, et al., Stipulation and Recommendation at 6-7 (September 8, 2008) (hereinafter "Stipulation").

3. The Stipulation provides that “[s]ubject to such approvals as may be required, the EEFR charge shall, in all cases, be calculated based on [VEDO’s DSM] Collaborative-approved funding to be expended over the subsequent 12-month period, with any variation between actual recoveries and intended recoveries being included in a subsequent EEFR rate.”² The Stipulation also provides that “any application to establish or adjust the EEFR charge shall be an application to establish a charge and shall not be considered an application to increase rates.”³
4. On November 22, 2010, the VEDO DSM Collaborative met to consider the 2011 portfolio of DSM programs and funding levels going forward as a proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal by December 14, 2010.
5. By Finding and Order dated June 8, 2011 in Case No. 11-2651-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO’s revised EEFR rate. On June 8, 2011, VEDO filed final EEFR tariffs effective on June 8, 2011.
6. On November 18, 2011, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO’s 2012 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal by December 9, 2011.

² *Id.* at 7.

³ *Id.*

7. By Finding and Order dated May 30, 2012 in Case No. 12-1416-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On June 1, 2012, VEDO filed final EEFR tariffs effective on June 1, 2012.
8. On November 30, 2012, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2013 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal by December 20, 2012.
9. Consistent with VEDO's 2013 DSM Operating Plan and the Collaborative approval thereof, VEDO proposes a revised EEFR rate of \$0.00575 per Ccf. This proposed rider rate reconciles actual EEFR recoveries and intended recoveries, and the support for and calculation of the revised rider rate is shown on Attachment 1 hereto.
10. The proposed rider rate of \$0.00575 per Ccf is just and reasonable and should be approved. A copy of the redlined current tariff sheet and proposed tariff sheet are included as Attachment 2 to this Application.

WHEREFORE, VEDO respectfully requests that the Commission approve the new EEFR rate proposed herein.

Respectfully submitted,

/s/ Frank P. Darr

Frank P. Darr

McNees Wallace & Nurick LLC

Fifth Third Center

21 East State Street, 17th Floor

Columbus, OH 43215

Telephone: 614-469-8000

Telecopier: 614-469-4653

fdarr@mwncmh.com

**Attorney for Vectren Energy Delivery
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ATTACHMENT 1

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Twelve Months Ended December 31, 2012**

Total Program Budget

Line	Description	Reference	[A]=[B]+[C]+[D] Total	[B] DSM	[C] TEEM I	[D] TEEM II
1	<u>Current Year Projected Spend</u> Regulatory Asset Balance 12/31/2011	Prior Filing	\$ 2,985			
2	Total 2013 Budget	2013 DSM Operating Plan	\$ 5,216,245	\$ 3,094,577	\$ 1,116,060	\$ 1,005,608
3	Less: Annual Base Rate Amount	Cause No. 07-1080-GA-AIR	\$ 4,000,000	\$ 2,900,000	\$ 1,100,000	\$ -
4	Total EEFR Recoverable Amount	[Line 2 - Line 3]	\$ 1,216,245	\$ 194,577	\$ 16,060	\$ 1,005,608
5	<u>Prior Year Reconciliation</u> Total 2012 Program Spend	2012 DSM Annual Report	\$ 5,643,382	\$ 3,548,095	\$ 1,087,471	\$ 1,007,816
6	Less: Base Rate Recoveries	Cause No. 07-1080-GA-AIR	\$ 4,000,000	\$ 2,900,000	\$ 1,100,000	\$ -
7	Less: EEFR Recoveries	Exhibit C, Line 14	\$ 1,089,802			
8	Adjustments From Prior Periods	Exhibit B, Line 5	\$ (126,204)			
9	2012 Variance	Line 5 - Line 6 - Line 7 + Line 8	\$ 427,376			
10	Total EEFR Variance - (Over)/Under	Line 1 + Line 9	\$ 430,361			
11	Total EEFR Recoverable Expenses/(Credits)	Line 4 + Line 10	\$ 1,646,606			
12	Projected Volumes (Mcf)	Exhibit D, Line 7	28,658,533			
13	Unit Rate (\$ per Mcf)	[Line 11 / Line 12]	\$ 0.05750			

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Prior Period Adjustments**

<u>Line No.</u>	<u>Description</u>	<u>Reference</u>	<u>Amount</u>
1	Ending Variance 2011 DSM Annual Report	2011 DSM Annual Report	\$ (2,993)
2	Ending 2011 Filing EEFR Variance - (Over)/Under	2011 EEFR Filing, Exhibit A, Line 9	\$ 2,985
3	Difference between 2011 Filing and 2011 Annual Report (1)	Line 1 - 2	\$ (5,978)
4	Prior Period Adjustments (Over)/Under Collected (2)	2012 DSM Annual Report	\$ (120,226)
5	Total Adjustments from Prior Periods	Line 3 + Line 4 To Exhibit A, Line 8	\$ (126,204)
			(To Exhibit A, Line 8)

Notes:

(1) This balance represents a minor difference between the over / (under recovery) represented in the 2011 EEFR Filing and the 2011 DSM Annual Report. The difference resulted from a variance in the level of EEFR recoveries reported.

(2) As noted in the 2012 DSM Annual report, "Through internal reviews of the EEFR collections compared to program to date expense activity, it was determined that there were additional EEFR over-collections that needed to be refunded to customers in the EEFR filing to be made in 2013. These over collections relate to periods prior to calendar year 2012."

Exhibit C

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Actual Recoveries Year-to-Date December 31, 2012**

Line	Description	Consumption (Mcf)	EEFR Unit Rate (\$ per Mcf)	EEFR Revenue (\$ (1))
1	EEFR Recoveries			
2	January 2012	5,910,857	\$0.03080	\$ 182,054
3	February 2012	4,790,819	\$0.03080	\$ 147,557
4	March 2012	2,362,314	\$0.03080	\$ 72,759
5	April 2012	1,817,161	\$0.03080	\$ 55,969
6	May 2012	748,973	\$0.03080	\$ 23,068
7	June 2012	507,975	\$0.04841	\$ 24,591
8	July 2012	571,919	\$0.04841	\$ 27,687
9	August 2012	490,494	\$0.04841	\$ 23,745
10	September 2012	729,644	\$0.04841	\$ 35,322
11	October 2012	1,930,914	\$0.04841	\$ 93,476
12	November 2012	3,526,146	\$0.04841	\$ 170,701
13	December 2012	4,810,441	\$0.04841	\$ 232,873
14	Annual	<u>28,197,657</u>		<u>\$ 1,089,802</u>

(To Exhibit A, Line 7)

Notes:

(1) Actual booked EEFR Revenue

Line No.	Tariff	May 2013	June 2013	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013	January 2014	February 2014	March 2014	April 2014	Annual Amount
1	Rate 310 - Residential DSS Service	57,463	39,947	35,537	36,351	38,469	105,779	81,824	236,824	360,870	285,955	247,879	103,145	1,787,044
2	Rate 311 - Residential SCO Service	323,078	224,595	205,425	204,379	216,288	594,722	1,022,274	1,663,216	2,028,972	1,566,884	1,393,653	579,916	10,047,338
3	Rate 315 - Residential Transportation Service	279,504	193,900	177,433	176,530	186,816	513,683	1,152,456	1,439,578	1,872,968	1,374,086	1,203,478	500,894	8,678,243
4	Rate 320 - General Service DSS Service	816	612	586	594	617	1,169	1,939	3,432	4,084	3,197	2,594	1,202	20,841
5	Rate 321 - General SCO Service	172,040	129,568	128,616	125,363	130,261	246,725	403,232	624,453	892,241	674,657	545,551	235,058	4,395,190
6	Rate 325 - General Transportation Service	145,930	109,938	108,392	105,172	110,294	208,908	346,920	724,458	758,119	571,412	491,368	214,784	3,725,225
7	Total Budgeted Volumes	978,471	697,745	652,342	649,419	692,744	1,670,982	2,844,784	4,738,982	5,738,744	4,497,371	3,855,340	1,553,609	28,658,533
														(To Exhibit A, Line 12)

ATTACHMENT 2

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 Default Sales Service
- Rate 311 – Residential Standard Choice Offer Service
- Rate 315 – Residential Transportation Service
- Rate 320 – General Default Sales Service
- Rate 321 – General Standard Choice Offer 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 \$0.00484100575 per Ccf.

Filed pursuant to the Finding and Order dated May 10, 2012 _____ in Case No. 123-1416xxx-GA-RDR of The Public Utilities Commission of Ohio.

Issued June 4, 20123 Issued by Jerrold L. Ulrey Scott E. Albertson, Vice-President
Effective June 4, 20123

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ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.00575 per Ccf.

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Case No(s). 13-1032-GA-RDR

Summary: Application Vectren Energy Delivery of Ohio, Inc.'s Application for Approval of an Adjustment to its Energy Efficiency Funding Rider Rate electronically filed by Ms. Vicki L. Leach-Payne on behalf of Darr, Frank P. Mr.