

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Annual Application of            )  
Vectren Energy Delivery of Ohio, Inc. for            )     Case No. 13-1121-GA-RDR  
Authority to Adjust its Distribution                 )  
Replacement Rider Charges.                            )

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

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The Office of the Ohio Consumers' Counsel ("OCC"), on behalf of the residential utility consumers of Vectren Energy Delivery of Ohio, Inc. ("Vectren" or "the Company"), moves<sup>1</sup> the Public Utilities Commission of Ohio ("PUCO" or "the Commission") to grant the OCC's intervention in this case. Vectren filed an application ("Application") to seek an annual increase to its Distribution Replacement Rider ("DRR") rates (which provides for the (1) accelerated replacement and retirement of cast iron mains and bare steel mains and service lines; (2) deferred expenses incurred during Company's investigation of the installation, use, and performance of natural gas service risers; (3) all costs of replacement of prone-to-fail risers; (4) the incremental costs attributable to assuming ownership of service lines installed or replaced by Company; and (5) the incremental cost of assuming maintenance responsibility for all service lines, less the actual annual savings of certain Operations and Maintenance ("O&M") expenses as compared to a baseline level of O&M expenses.<sup>2</sup>) The Company seeks a DRR Rate of \$2.77 per month beginning in September 1, 2013, to be charged to Vectren's 270,000

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<sup>1</sup> See R.C. Chapter 4911, R.C. 4903.221 and Ohio Adm. Code 4901-1-11.

<sup>2</sup> Application at 1-2 (May 1, 2013).

residential customers.<sup>3</sup> The reasons the PUCO should grant this Motion are more fully explained in the attached Memorandum in Support.

Respectfully submitted,

BRUCE J. WESTON  
OHIO CONSUMERS' COUNSEL

*/s/ Larry S. Sauer*

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<sup>3</sup> Application at 2 (May 1, 2013).

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**MEMORANDUM IN SUPPORT**

**I. INTRODUCTION**

On May 1, 2013, the Company filed an Application seeking Commission approval of the proposed DRR that Vectren would ask customers to pay. Under the DRR, Vectren is installing plastic mains and service lines to replace the cast iron and bare steel mains and metallic service lines throughout its service territory in an accelerated time period, and replacing natural gas risers and hazardous customer service lines.<sup>4</sup>

**II. INTERVENTION**

Pursuant to R.C. Chapter 4911, the OCC moves to intervene under its legislative authority to represent the interests of the natural gas residential utility customers in Vectren’s service territory. The procedure for Vectren to request the annual increases to its DRR rates was agreed to in the Vectren Rate Case;<sup>5</sup> however, the amount of the increase and Vectren’s evidence in support of the increase are open to investigation and challenge.

The interests of Vectren’s residential natural gas customers in Ohio may be “adversely affected” by this case, depending on, among other things, the amount of the increases to the DRR rate that is ultimately approved, thus satisfying the intervention

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<sup>4</sup> Application at 1-2 (May 1, 2013).

<sup>5</sup> *In re Vectren Rate Case*, Case No. 07-1080-GA-AIR, et al., Opinion and Order at 5 (January 7, 2009).

standard in R.C. 4903.221. The OCC also meets the Commission's required showing for a party that has a "real and substantial interest" according to Ohio Adm. Code 4901-1-11(A)(2), and should therefore be permitted to intervene in this case.

R.C. 4903.221(B) requires the PUCO 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 includes representing the interests of residential customers under the legislative authority in R.C. Chapter 4911. The OCC should be permitted to intervene to protect these interests.

Second, the legal positions advanced by the OCC regarding the reasonableness and lawfulness of the Application have an actual, and not just "probable," relation to the merits of the case. These legal positions include that Vectren should not charge customers more than just and reasonable rates.

Third, OCC's participation will not unduly prolong or delay the proceeding. In fact, OCC's intervention will provide insights based upon expertise to assist the Commission in its treatment of the Application. Fourth, OCC's advocacy for consumers will significantly contribute to the full development and equitable resolution of the issues herein. Therefore, OCC's intervention is consistent with and supported by the statute.

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. The nature and extent of OCC’s interest lies in assuring that the provision of natural gas services will effectively and efficiently serve the energy needs of Vectren’s residential consumers.

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 already has addressed 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 in that it uniquely has been designated as the state-wide 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 confirmed OCC’s right to intervene in PUCO proceedings, in deciding two appeals in which OCC claimed the PUCO erred by denying its interventions. The Court found that the PUCO abused its discretion in denying OCC’s interventions and that OCC should have been granted intervention in both proceedings.<sup>6</sup>

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<sup>6</sup> See *Ohio Consumers’ Counsel v. Pub. Util. Comm.*, 111 Ohio St.3d 384, 2006-Ohio-5853, ¶¶13-20 (2006).

### III. CONCLUSION

For the reasons discussed above, the OCC satisfies the criteria set forth in R.C. 4903.221, Ohio Adm. Code 4901-1-11, and the precedent established by the Supreme Court of Ohio for intervention. Therefore, OCC's Motion to Intervene should be granted.

Respectfully submitted,

BRUCE J. WESTON  
OHIO CONSUMERS' COUNSEL

*/s/ Larry S. Sauer* \_\_\_\_\_

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**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 electronic service, this 23rd day of May 2013.

/s/ Larry S. Sauer

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**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**5/23/2013 11:26:23 AM**

**in**

**Case No(s). 13-1121-GA-RDR**

Summary: Motion Motion to Intervene by the Office of the Ohio Consumers' Counsel electronically filed by Patti Mallarnee on behalf of Sauer, Larry S.