

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)
Vectren Energy Delivery of Ohio, Inc.)
for Approval of an Adjustment to its)
Energy Efficiency Funding Rider Rate.)

Case No. 14-0747-GA-RDR

APPLICATION

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April 23, 2014

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

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Vectren Energy Delivery of Ohio, Inc.) Case No. 14-0747-GA-RDR
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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. 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 Energy Efficiency Funding Rider 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% 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

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”).

approved VEDO's initial EEFR rate. On December 11, 2009, VEDO filed final EEFR tariffs effective on January 1, 2010.

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

² *Id.* at 7.

³ *Id.*

- EEFR. All voting members of the Collaborative approved this proposal by December 9, 2011.
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. By Finding and Order dated May 29, 2013 in Case No. 13-1032-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On May 30, 2013, VEDO filed final EEFR tariffs effective on June 1, 2013.
 10. On October 18, 2013, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2014 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal on November 01, 2013.
 11. Consistent with VEDO's 2014 DSM Operating Plan and the Collaborative approval thereof, VEDO proposes a revised EEFR rate of \$0.00357 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.

12. The proposed rider rate of \$0.00357 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

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

Attachment 1

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Twelve Months Ended December 31, 2013**

Total Program Budget

Line	Description	Reference	[A]=[B]+[C]+[D] Total	[B] DSM	[C] TEEM I	[D] TEEM II
	<u>Current Year Projected Spend</u>					
1	Regulatory Asset Balance 12/31/2012	Prior Filing	\$ 430,361			
2	Total 2014 Budget	2014 DSM Operating Plan	\$ 5,232,104	\$ 3,097,093	\$ 1,125,019	\$ 1,009,992
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]	\$ 1,232,104	\$ 197,093	\$ 25,019	\$ 1,009,992
	<u>Prior Year Reconciliation</u>					
5	Total 2013 Program Spend	2013 DSM Annual Report	\$ 5,219,601	\$ 3,132,944	\$ 1,091,041	\$ 995,616
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 B, Line 14	\$ 1,774,918			
8	2013 Variance	Line 5 - Line 6 - Line 7	\$ (555,317)			
9	Total EEFR Variance - (Over)/Under	Line 1 + Line 8	\$ (124,956)			
10	Total EEFR Recoverable Expenses/(Credits)	Line 4 + Line 9	\$ 1,107,148			
11	Projected Volumes (Mcf)	Exhibit C, Line 7	31,018,616			
12	Unit Rate (\$ per Mcf)	[Line 10 / Line 11]	\$ 0.03570			

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Actual Recoveries Year-to-Date December 31, 2013**

Line	Description	Consumption (Mcf)	TEEM II Unit Rate (\$ per Mcf)	EEFR Revenue (\$ (1))
1	EEFR Recoveries			
2	January 2013	6,001,972	\$0.04841	\$ 290,555
3	February 2013	5,607,389	\$0.04841	\$ 271,454
4	March 2013	5,305,340	\$0.04841	\$ 256,832
5	April 2013	2,171,429	\$0.04841	\$ 105,119
6	May 2013	921,130	\$0.04841	\$ 44,592
7	June 2013	581,441	\$0.05750	\$ 33,433
8	July 2013	632,094	\$0.05750	\$ 36,345
9	August 2013	606,552	\$0.05750	\$ 34,877
10	September 2013	668,951	\$0.05750	\$ 38,465
11	October 2013	1,777,693	\$0.05750	\$ 102,217
12	November 2013	4,053,921	\$0.05750	\$ 233,100
13	December 2013	<u>5,703,119</u>	\$0.05750	<u>\$ 327,929</u>
14	Annual	<u><u>34,031,031</u></u>		<u><u>\$ 1,774,918</u></u>

Notes:

(1) Actual booked EEFR Revenue

**Energy Efficiency Funding Rider ("EEFR")
Projected Sales Volumes (MCF)**

<u>Line No.</u>	<u>Tariff</u>	<u>June 2014 Amount</u>	<u>July 2014 Amount</u>	<u>August 2014 Amount</u>	<u>September 2014 Amount</u>	<u>October 2014 Amount</u>	<u>November 2014 Amount</u>	<u>December 2014 Amount</u>	<u>January 2015 Amount</u>	<u>February 2015 Amount</u>	<u>March 2015 Amount</u>	<u>April 2015 Amount</u>	<u>May 2015 Amount</u>	<u>Annual Amount</u>
1	Rate 310 - Residential DSS Service	39,552	36,188	36,019	38,128	104,867	180,205	293,158	393,670	313,942	277,361	129,098	63,875	1,906,064
2	Rate 311 - Residential SCO Service	222,008	203,128	202,176	214,017	588,626	1,011,499	1,645,514	2,209,694	1,762,175	1,556,844	724,636	358,535	10,698,853
3	Rate 315 - Residential Transportation Service	198,122	181,273	180,423	190,991	525,295	902,670	1,468,470	1,971,949	1,572,579	1,389,340	646,671	319,960	9,547,742
4	Rate 320 - General Service DSS Service	1,310	1,276	1,272	1,321	2,504	4,152	7,349	9,490	7,793	6,822	3,327	1,698	48,312
5	Rate 321 - General SCO Service	131,045	127,657	127,221	132,189	250,527	415,435	735,261	949,485	779,695	682,521	332,872	169,871	4,833,780
6	Rate 325 - General Transportation Service	108,004	105,211	104,852	108,946	206,477	342,390	605,981	782,538	642,603	562,515	274,344	140,003	3,983,864
7	Total Budgeted Volumes	700,041	654,733	651,962	685,593	1,678,297	2,856,350	4,755,733	6,316,826	5,078,788	4,475,402	2,110,948	1,053,942	31,018,616

(To Exhibit A, Line 11)

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.~~0035700575~~ per Ccf.

Filed pursuant to the Finding and Order dated May ~~29XX~~, ~~2013-2014~~ in Case No. ~~134-1032XXXX~~-GA-RDR of The Public Utilities Commission of Ohio.

Issued June 1, 201~~43~~

Issued by Scott E. Albertson, Vice-President

Effective June 1, 201~~43~~

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ENERGY EFFICIENCY FUNDING RIDER RATE

The Energy Efficiency Funding Rider Rate is \$0.00357 per Ccf.

This foregoing document was electronically filed with the Public Utilities

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Case No(s). 14-0747-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.