

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Vectren Energy Delivery of Ohio, Inc.)	Case No. 16-0839-GA-RDR
for Approval of an Adjustment to its)	
Energy Efficiency Funding Rider Rate.)	

APPLICATION

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April 15, 2016

**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 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. By Finding and Order dated May 28, 2014 in Case No. 14-0747-GA-RDR, and consistent with the provisions of the Stipulation, the Commission

approved VEDO's revised EEFR rate. On May 28, 2014, VEDO filed final EEFR tariffs effective on June 1, 2014.

12. On October 31, 2014, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2015 DSM Operating Plan in which VEDO proposed continuation of the EEFR. All voting members of the Collaborative approved this proposal on November 10, 2014.
13. By Finding and Order dated May 28, 2015 in Case No. 15-0735-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On May 28, 2015, VEDO filed final EEFR tariffs effective on June 1, 2015.
14. On December 2, 2015, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2016 DSM Operating Plan in which VEDO proposed continuation of the EEFR. A majority of voting members of the Collaborative approved this proposal by December 22, 2015.
15. Consistent with VEDO's 2016 DSM Operating Plan and the Collaborative approval thereof, VEDO proposes a revised EEFR rate of \$0.00403 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.

16. The proposed rider rate of \$0.00403 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 (Reg. No. 0025469)

Trial Attorney

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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, 2015

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 12/31/2014	Prior Filing	\$ (709,096)			
2	Total 2016 Budget	2016 DSM Operating Plan	\$ 5,859,971	\$ 3,664,303	\$ 1,120,926	\$ 1,074,742
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]	\$ 1,859,971	\$ 764,303	\$ 20,926	\$ 1,074,742
<u>Prior Year Reconciliation</u>						
5	Total 2015 Program Spend	2015 DSM Annual Report	\$ 5,155,672	\$ 3,115,080	\$ 1,099,090	\$ 941,502
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	\$ 944,813			
8	2015 Variance	Line 5 - Line 6 - Line 7	\$ 210,859			
9	Total EEFR Variance - (Over)/Under	Line 1 + Line 8	\$ (498,237)			
10	Total EEFR Recoverable Expenses/(Credits)	Line 4 + Line 9	\$ 1,361,734			
11	Projected Volumes (Mcf)	Exhibit C, Line 7	33,799,121			
12	Unit Rate (\$ per Mcf)	[Line 10 / Line 11]	\$ 0.04030			

**Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Actual Recoveries Year-to-Date December 31, 2015**

Line	Description	Consumption (Mcf)	EEFR Unit Rate (\$ per Mcf)	EEFR Revenue (\$ (1))
1	EEFR Recoveries			
2	January 2015	6,818,039	\$0.03570	\$ 243,404
3	February 2015	7,040,532	\$0.03570	\$ 251,347
4	March 2015	4,520,812	\$0.03570	\$ 161,393
5	April 2015	2,009,776	\$0.03570	\$ 71,749
6	May 2015	574,510	\$0.03570	\$ 20,510
7	June 2015	162,500	\$0.02040	\$ 3,315
8	July 2015	594,951	\$0.02040	\$ 12,137
9	August 2015	608,431	\$0.02040	\$ 12,412
10	September 2015	548,775	\$0.02040	\$ 11,195
11	October 2015	1,414,461	\$0.02040	\$ 28,855
12	November 2015	2,595,294	\$0.02040	\$ 52,944
13	December 2015	3,703,529	\$0.02040	\$ 75,552
14	Annual	<u>30,591,610</u>		<u>\$ 944,813</u>

Notes:

(1) Actual booked EEFR Revenue

Vectren Energy Delivery of Ohio, Inc.
Energy Efficiency Funding Rider ("EEFR")
Projected Sales Volumes (MCF)

Line No.	Tariff	June 2016 Amount	July 2016 Amount	August 2016 Amount	September 2016 Amount	October 2016 Amount	November 2016 Amount	December 2016 Amount	January 2017 Amount	February 2017 Amount	March 2017 Amount	April 2017 Amount	May 2017 Amount	Annual Amount
1	Rate 310 - Residential DSS Service	32,341	30,763	29,591	33,756	88,418	193,380	315,422	379,992	295,899	253,539	120,422	59,875	1,843,499
2	Rate 311 - Residential SCO Service	217,546	206,932	199,047	227,083	682,025	1,300,789	2,121,731	2,507,851	1,852,862	1,673,293	784,756	395,819	12,259,723
3	Rate 315 - Residential Transportation Service	175,552	166,987	160,624	183,232	534,231	1,049,899	1,712,162	1,974,240	1,537,339	1,317,256	625,651	311,398	9,748,570
4	Rate 320 - General Service DSS Service	239	244	235	253	595	1,047	1,702	3,932	3,120	2,610	1,231	651	15,859
5	Rate 321 - General SCO Service	128,089	130,379	125,574	135,346	318,066	560,231	910,617	1,089,651	864,642	723,305	341,012	180,307	5,507,227
6	Rate 325 - General Transportation Service	89,101	100,865	97,148	104,708	246,066	433,412	704,482	898,742	713,156	596,581	281,286	148,717	4,424,243
7	Total Budgeted Volumes	652,878	636,171	612,218	684,357	1,859,400	3,539,569	5,766,116	6,854,409	5,367,018	4,566,583	2,164,337	1,097,065	33,799,121

(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 \$0.00204-00403 per Ccf.

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 \$0.00403 per Ccf.

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Case No(s). 16-0839-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.