

**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. 17-0782-GA-RDR

APPLICATION

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March 16, 2017

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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% 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

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 Commission approvals as may be required, the EEFR charge shall, in all cases, be calculated based on the 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.

² *Id.* at 7.

³ *Id.*

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 1, 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. By Finding and Order dated May 25, 2016 in Case No. 16-0839-GA-RDR, and consistent with the provisions of the Stipulation, the Commission approved VEDO's revised EEFR rate. On May 25, 2016, VEDO filed final EEFR tariffs effective on June 1, 2016.
16. On October 21, 2016, the VEDO DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2017 DSM Operating Plan in which VEDO proposed continuation of the EEFR.

A majority of voting members of the Collaborative approved this proposal by November 10, 2016.

17. Consistent with VEDO's 2017 DSM Operating Plan and the Collaborative approval thereof, VEDO proposes a revised EEFR rate of \$0.00521 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.
18. The proposed rider rate of \$0.00521 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, 2016

Total Program Budget

Line	Description	Reference	[A]=[B]+[C]+[D] Total	[B] DSM	[C] TEEM I	[D] TEEM II
	Current Year Projected Spend					
1	Regulatory Asset Balance 12/31/2015	Prior Filing	\$ (498,237)			
2	Total 2017 Budget	2017 DSM Operating Plan	\$ 5,457,789	\$ 3,353,745	\$ 1,103,304	\$ 1,000,740
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]	\$ 1,457,789	\$ 453,745	\$ 3,304	\$ 1,000,740
	Prior Year Reconciliation					
5	Total 2016 Program Spend	2016 DSM Annual Report	\$ 5,709,509	\$ 3,517,885	\$ 1,117,622	\$ 1,074,002
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	\$ 797,523			
8	2016 Variance	Line 5 - Line 6 - Line 7	\$ 911,986			
9	Total EEFR Variance - (Over)/Under	Line 1 + Line 8	\$ 413,749			
10	Total EEFR Recoverable Expenses/(Credits)	Line 4 + Line 9	\$ 1,871,538			
11	Projected Volumes (Ccf)	Exhibit C, Line 7	358,895,656			
12	Unit Rate (\$ per Ccf)	[Line 10 / Line 11]	\$ 0.00521			

					Exhibit B
Vectren Energy Delivery of Ohio, Inc.					
Energy Efficiency Funding Rider ("EEFR")					
Actual Recoveries Year-to-Date December 31, 2016					
Line	Description	Consumption (Ccf)	EEFR Unit Rate (\$ per Ccf)	EEFR Revenue (\$ (1))	
1	EEFR Recoveries				
2	January 2016	68,095,588	\$0.00204	\$ 138,915	
3	February 2016	44,318,627	\$0.00204	\$ 90,410	
4	March 2016	21,713,725	\$0.00204	\$ 44,296	
5	April 2016	20,802,451	\$0.00204	\$ 42,437	
6	May 2016	11,213,235	\$0.00204	\$ 22,875	
7	June 2016	6,877,411	\$0.00394	\$ 27,097	
8	July 2016	5,395,178	\$0.00394	\$ 21,257	
9	August 2016	5,383,249	\$0.00394	\$ 21,210	
10	September 2016	5,602,792	\$0.00394	\$ 22,075	
11	October 2016	10,153,046	\$0.00394	\$ 40,003	
12	November 2016	26,285,787	\$0.00394	\$ 103,566	
13	December 2016	56,695,939	\$0.00394	\$ 223,382	
14	Annual	282,537,028		\$ 797,523	
Notes:					
(1) Actual booked EEFR Revenue					

[illegible]

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 \$0.00~~394~~521 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 \$0.00521 per Ccf.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/16/2017 4:06:55 PM

in

Case No(s). 17-0782-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.