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 TO REFLECT THE COSTS INCURRED IN 2016.

CASE NO. 17-782-GA-RDR

FINDING AND ORDER

Entered in the Journal on June 7, 2017

I. SUMMARY

{¶ 1} The Commission approves the application of Vectren Energy Delivery of Ohio, Inc. to adjust its energy efficiency funding rider.

II. DISCUSSION

{¶ 2} Vectren Energy Delivery of Ohio, Inc. (VEDO) is a natural gas company as defined in R.C. 4905.03 and a public utility as defined in R.C. 4905.02 and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} By Opinion and Order issued January 7, 2009, in *In re Vectren Energy Delivery* of Ohio, Inc., Case No. 07-1080-GA-AIR, et al. (*VEDO Rate Case*), the Commission approved a stipulation, which, among other things, provided: for the creation of an energy efficiency funding rider (EEFR) that would be used to fund the energy efficiency programs provided by VEDO; that VEDO would submit an application to establish an EEFR charge to provide a minimum of \$1 million to be utilized to continue funding for VEDO's existing low-income weatherization program; that the EEFR charge would be calculated based on funding approved by VEDO's Demand-Side Management (DSM) Collaborative to be expended over the subsequent 12-month period, with any variation between actual recoveries and intended recoveries being included in a subsequent period; and that any application to establish or adjust the EEFR charge would be considered an application not for an increase in rates.

{¶ 4} The current EEFR rate of \$0.00394 per hundred cubic feet (Ccf) was approved in *In re Vectren Energy Delivery of Ohio, Inc.,* Case No. 16-839-GA-RDR, Finding and Order (May 25, 2016).

{¶ 5} On March 16, 2017, VEDO filed an application requesting an adjustment to its current EEFR rate, in accordance with the process approved in the *VEDO Rate Case*. On April 6, 2017, VEDO filed a motion to amend its application, along with an amended application. VEDO states that its calculation of the projected sales volumes contained an error and that the correction of the error results in a change to the proposed EEFR rate. The Commission finds that VEDO's motion to amend its application is reasonable and should be granted.

{¶ 6} In its amended application, VEDO proposes to increase its EEFR rate to \$0.00558 per Ccf, as shown below.

Current	Proposed	Proposed	
Rate	Rate	Increase	
\$0.00394	\$0.00558	\$0.00164	
per Ccf	per Ccf	per Ccf	

According to VEDO, this proposed rate reconciles actual EEFR recoveries and intended recoveries. VEDO explains that, in accordance with the stipulation in the *VEDO Rate Case*, on October 21, 2016, VEDO's DSM Collaborative met to consider the portfolio of DSM programs and funding levels as proposed in VEDO's 2017 DSM Operating Plan, and a majority of the voting members of the collaborative approved VEDO's proposal to continue the EEFR.

{¶ 7} On April 5, 2017, the Ohio Consumers' Counsel (OCC) filed a motion to intervene in this case. No party opposed this motion, and the Commission finds that the motion to intervene is reasonable and should be granted.

[¶ 8] On May 19, 2017, as amended on May 23, 2017, Staff filed comments on VEDO's proposed EEFR adjustment. Staff states that VEDO appropriately calculated the rider; therefore, Staff recommends the proposed EEFR rate of \$0.00558 per Ccf be approved.

{¶ 9} The Commission has reviewed the amended application, as well as Staff's comments, and finds that VEDO's amended application to adjust its EEFR rate to \$0.00558 per Ccf is reasonable, is in the public interest, and should be approved. Accordingly, the Commission finds that VEDO should be authorized to include the revised EEFR rate in its tariff, which contains the terms, conditions, and rates VEDO applies to the gas service it provides to customers.

III. ORDER

{¶ 10} It is, therefore,

{¶ 11} ORDERED, That VEDO's motion to amend its application be granted. It is, further,

{¶ 12} ORDERED, That VEDO's amended application to adjust its EEFR to \$0.00558 per Ccf is approved. It is, further,

{**¶ 13**} ORDERED, That VEDO is authorized to file tariffs, in final form, consistent with this Finding and Order. VEDO shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{**¶ 14**} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,

{¶ 15} ORDERED, That the motion to intervene filed by OCC be granted. It is, further,

{¶ 16} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

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[¶ 17] ORDERED, That a copy of this Finding and Order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Asim Z. Haque, Chairman

M. Beth Trombold

Lawrence K. Friedeman

Thomas W. Johnson

Daniel R. Conway

KKS/vrm

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G: M. Neal

Barcy F. McNeal Secretary