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December 28, 2018

Ms. Barcy F. McNeal  
Director, Office of Administration  
Public Utilities Commission of Ohio  
180 East Broad Street, 11th Floor  
Columbus, Ohio 43215

Re: Case No. 18-47-AU-COI; *In the Matter of the Commission's Investigation of the Financial Impact of the Tax Cuts and Jobs Act of 2017 on Regulated Ohio Utility Companies.*

Dear Ms. McNeal:

Vectren Energy Delivery of Ohio, Inc. ("Company") files this letter regarding the Company's compliance with the Public Utility Commission of Ohio's ("Commission") directives in the Finding and Order dated October 24, 2018 in the aforementioned docket. The Company has a pending application for an increase in rates in Case No. 18-298-GA-AIR ("*Rate Case*") that, among other things, proposed to incorporate the changes from the Tax Cuts and Jobs Act of 2017 ("TCJA") into the Company's rates. In its Staff Report of Investigation, the Commission Staff recommended that "the excess deferred income taxes associated with the TCJA be recovered through a credit mechanism as opposed to being embedded in base rates."

The Company has been engaged in settlement discussions with the parties in the *Rate Case*, and the Company is hopeful that a settlement will be reached in the near future, which would contain provisions regarding the return of the Company's tax savings to customers. While the Company has been diligently working towards a settlement with the parties in the *Rate Case*, it does not appear that a settlement will be reached and filed prior to December 31, 2018. The Company will continue working with Commission Staff and interested parties in an attempt to amicably resolve the *Rate Case* and to ensure that the Company's tax savings are returned to customers.

Sincerely,

/s/ Matt Pritchard

McNEES WALLACE & NURICK LLC

cc: Parties of Record

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**Commission of Ohio Docketing Information System on**

**12/28/2018 2:55:19 PM**

**in**

**Case No(s). 18-0047-AU-COI**

Summary: Letter of Notification Letter of Intent of Vectren Energy Delivery of Ohio, Inc. to Resolve All TCJA-Related Matters electronically filed by Mr. Matthew R. Pritchard on behalf of Vectren Energy Delivery of Ohio, Inc.