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FILE

May 7, 2019

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: *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. 19-779-GA-RDR.*

Enclosed please find the Staff's Comments regarding Vectren Energy Delivery of Ohio's Energy Efficiency Rider balance reconciliation statement and rate proposal in Case No. 19-779-GA-RDR.

Respectfully submitted,

Tamara S. Turkenton
Director, Rates and Analysis Department
Public Utilities Commission of Ohio

David Lipthratt
Chief, Research and Policy Division
Public Utilities Commission of Ohio

Enclosure
cc: Parties of Record

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Vectren Energy Delivery of Ohio, Inc.
Case No. 19-779-GA-RDR

OVERVIEW

On January 7, 2009, in Case No. 07-1080-GA-AIR, the Commission approved a Stipulation¹ providing for the establishment of an Energy Efficiency Funding Rider (EEFR), initially set to zero, that would be utilized to fund the low-income weatherization program for customers whose income is between 200% and 300% of federal poverty levels.

Subsequently, on August 26, 2009, in Case No. 09-254-GA-ATA, the Commission issued a Finding and Order authorizing Vectren Energy Delivery of Ohio, Inc. (Vectren) to establish and implement an initial EEFR rate of \$0.00320 per Ccf, which became effective on January 1, 2010.

On March 29, 2019, Vectren filed the pending application to revise its current EEFR rate. Vectren is proposing in its application to increase its EEFR rate from \$0.00558 per Ccf to \$0.01809 per Ccf, a rate change of \$0.01251 per Ccf. Vectren proposes this increase in the EEFR based on its actual EEFR recoveries through December 2018 and forecasted recoveries through December 2019. Staff has reviewed the application and makes its findings and recommendations in this Staff letter.

STAFF REVIEW AND CONCLUSION

Staff's audit of Vectren's EEFR consisted of an analysis of the incurred costs in order to evaluate prudence and appropriateness for recovery, as well as confirmation of the calculations to verify the accuracy of the revenue requirement calculation. Staff conducted this audit through a combination of document reviews and interrogatories as needed.

In its review, Staff discovered minor discrepancies between Staff and the Company's EEFR recoveries and sales volumes but still believes that the Company calculated the correct rider rate in the pending application. Staff recommends the proposed rate of \$0.01809 per Ccf be approved.

¹ Signatory Parties include Vectren Energy Delivery of Ohio, Inc., the Ohio Consumers' Counsel, Ohio Partners for Affordable Energy and Staff.