

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
Vectren Energy Delivery of Ohio, Inc.)	Case No. 20-0640-GA-RDR
for Approval of an Adjustment to its)	
Energy Efficiency Funding Rider Rate.)	

APPLICATION

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March 31, 2020

**Attorneys for Vectren Energy Delivery
of Ohio, Inc., a CenterPoint Energy Company**

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Vectren Energy Delivery of Ohio, Inc.)	Case No. 20-0640-GA-RDR
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APPLICATION

Vectren Energy Delivery of Ohio, Inc. ("VEDO"), a CenterPoint Energy 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 Public Utilities Commission of Ohio ("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 VEDO's compliance with the Commission's Supplemental Order in Case No. 05-1444-GA-UNC."¹

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 (Sept. 8, 2008) (hereinafter "Stipulation").

2. By Finding and Order dated August 26, 2009 in Case No. 09-254-GA-ATA,² and consistent with the provisions of the Stipulation, the Commission 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 [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.”³ 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.”⁴
4. On March 29, 2019, VEDO filed its application to adjust its EEFR rate in 19-779-GA-RDR. This application to adjust its EEFR rate was made in accordance with the then pending Stipulation and Recommendation filed on January 4, 2019 in Case Nos. 18-298-GA-AIR, *et al.* (“2018 Rate Case”),⁵ the proposed rate of \$0.01809 per Ccf included recovery of all projected

² *In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. to Establish an Energy Efficiency Funding Rider Rate*, Case Nos. 09-254-GA-ATA, Finding and Order (Aug. 26, 2009).

³ 2007 Rate Case, Stipulation at 7.

⁴ *Id.* Consistent with this process, the Commission has authorized updates to VEDO's EEFR in Case Nos. 11-2651-GA-RDR, 12-1416-GA-RDR, 13-1032-GA-RDR, 14-747-GA-RDR, 15-735-GA-RDR, 16-839-GA-RDR, 17-782-GA-RDR, 18-444-GA-RDR and 19-779-GA-RDR.

⁵ *In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Approval of an Increase in Gas Rates*, Case Nos. 18-298-GA-AIR, *et al.*, Stipulation and Recommendation (Jan. 4, 2019) (“2018 Rate Case”).

conservation expenses, including the \$4 million in conservation program funding historically collected through base rates.

5. On May 21, 2019, at the request of Commission Staff, VEDO filed supplemental attachments in 19-779-GA-RDR excluding the \$4 million in conservation program funding historically collected through base rates (and consistent with the process in prior applications⁴) to update VEDO's EEFR rate to \$0.00499 per Ccf.
6. On June 19, 2019 by Finding and Order in 19-779-GA-RDR, the Commission approved the EEFR rate of \$0.00499 per Ccf.
7. In the Opinion and Order in the *2018 Rate Case*, the Commission approved a Stipulation and Recommendation that removed all energy efficiency ("EE") funding from VEDO's base rates and provided that all approved EE expenses would be recovered through the EEFR.⁶
8. In accordance with the Opinion and Order in the *2018 Rate Case*, VEDO filed P.U.C.O. Tariff No. 4, Sheet No. 46 Energy Efficiency Funding Rider with the updated rate of \$0.01809 per Billing Ccf effectively removing historical EEFR recovery from base rates and including all DSM and EE recovery in the EEFR rate.
9. Attachment 1 to this Application provides the reconciliation for VEDO's Energy Efficiency expenses to the recoveries through its EEFR, and reflects an allocation of a portion of the EE funding for 2019 to base rates. The allocation of the annual funding provided for in base rates was based upon

⁶ *Rate Case*, Opinion and Order at 28-29 (Aug. 28, 2019).

an equal and ratable allocation of the amount to each month, with eight months reflected in this reconciliation for the period January 1, 2019 through August 31, 2019.

10. Consistent with VEDO's 2020 DSM Operating Plan and the Collaborative approval thereof, VEDO proposes a revised EEFR rate of \$0.01630 per Billing 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.
11. The proposed rider rate of \$0.01630 per Billing 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/ Matt Pritchard

Matthew R. Pritchard (Reg. No. 0088070)

Rebekah J. Glover (Reg. No. 0088798)

(Counsel of Record)

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**Attorneys for Vectren Energy Delivery
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CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing *Application* was sent by, or on behalf of, the undersigned counsel for Vectren Energy Delivery of Ohio, Inc. to the following parties of record this 31st day of March 2020, via electronic transmission.

/s/ Matthew R. Pritchard

Matthew R. Pritchard

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**COUNSEL FOR THE STAFF OF THE PUBLIC
UTILITIES COMMISSION OF OHIO**

ATTACHMENT 1

Support for/Calculation of Revised Rider Rate

Vectren Energy Delivery of Ohio, Inc.
Case No. 20-0640-GA-RDR
Energy Efficiency Funding Rider ("EEFR")
Twelve Months Ended December 31, 2019

Total Program Budget

Line	Description	Reference	[A]=[B]+[C]+[D] Total	[B] DSM	[C] VWP I	[D] VWP II
	<u>Current Year Projected Spend</u>					
1	Regulatory Asset Balance 12/31/2018	Prior Filing	\$ (218,672)			
2	Total 2020 Budget	2020 DSM Operating Plan	\$ 5,878,565	\$ 3,614,765	\$ 1,223,425	\$ 1,040,375
3	Total EEFR Recoverable Amount		\$ 5,878,565	\$ 3,614,765	\$ 1,223,425	\$ 1,040,375
	<u>Prior Year Reconciliation</u>					
4	Total 2019 Program Spend	2019 DSM Annual Plan	\$ 5,317,471	\$ 3,319,541	\$ 992,044	\$ 1,005,886
5	Less: Base Rate Recoveries	Cause No. 07-1080-GA-AIR	\$ 2,666,667	\$ 1,933,333	\$ 733,333	\$ -
6	Less: EEFR Recoveries	Exhibit B, Line 14	\$ 3,097,232			
7	2019 Variance	Line 4 - Line 5 - Line 6	\$ (446,428)			
8	Total EEFR Variance - (Over)/Under	Line 1 + Line 7	\$ (665,100)			
9	Total EEFR Recoverable Expenses/(Credits)	Line 3 + Line 8	\$ 5,213,465			
10	Projected Billing Volumes (Ccf)	Exhibit C, Line 7	319,772,443			
11	Unit Rate (\$ per Billing Ccf)	[Line 9 / Line 10]	\$ 0.01630			

Exhibit B

Vectren Energy Delivery of Ohio, Inc.
Case No. 20-0640-GA-RDR
Energy Efficiency Funding Rider ("EEFR")
Actual Recoveries Year-to-Date December 31, 2019

Line	Description	Consumption (Ccf)	EEFR Unit Rate (\$ per Ccf)	EEFR Revenue (\$ (1))
1	EEFR Recoveries			
2	January 2019	66,979,430	\$0.00518	\$ 346,953
3	February 2019	50,751,968	\$0.00518	\$ 262,895
4	March 2019	47,418,180	\$0.00518	\$ 245,626
5	April 2019	18,573,978	\$0.00518	\$ 96,213
6	May 2019	15,213,269	\$0.00518	\$ 78,805
7	June 2019	5,558,451	\$0.00518	\$ 28,793
8	July 2019	6,149,361	\$0.00499	\$ 30,685
9	August 2019	5,787,887	\$0.00499	\$ 28,882
10	September 2019	5,738,695	\$0.01809	\$ 103,813
11	October 2019	14,067,109	\$0.01809	\$ 254,474
12	November 2019	40,947,816	\$0.01809	\$ 740,746
13	December 2019	48,609,563	\$0.01809	\$ 879,347
14	Annual	<u>325,795,707</u>		<u>\$ 3,097,232</u>

Notes:

(1) Actual booked EEFR Revenue

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

Line No.	Tariff	June 2020 Amount	July 2020 Amount	August 2020 Amount	September 2020 Amount	October 2020 Amount	November 2020 Amount	December 2020 Amount	January 2021 Amount	February 2021 Amount	March 2021 Amount	April 2021 Amount	May 2021 Amount	Annual Amount
1	Rate 310 - Residential DSS Service	243,245	162,594	171,599	187,254	537,510	1,092,054	1,858,772	2,164,324	1,627,519	1,349,548	730,798	338,302	10,463,518
2	Rate 311 - Residential SCO Service	2,819,846	1,884,898	1,989,280	2,170,770	6,231,152	12,659,784	21,548,058	25,090,212	18,867,235	15,644,813	8,471,869	3,921,809	121,299,727
3	Rate 315 - Residential Transportation Service	2,053,563	1,372,684	1,448,701	1,580,871	4,537,859	9,219,534	15,692,452	18,272,039	13,740,132	11,393,392	6,169,669	2,856,072	88,336,968
4	Rate 320 - General Service DSS Service	4,346	2,903	3,062	3,341	9,589	19,474	33,173	38,679	29,100	24,105	13,027	6,016	186,815
5	Rate 321 - General SCO Service	1,045,034	697,999	736,135	803,351	2,305,657	4,682,375	7,976,097	9,300,052	6,996,974	5,795,850	3,132,313	1,446,468	44,918,306
6	Rate 325 - General Transportation Service	1,184,734	917,268	779,893	1,006,262	2,883,793	6,034,469	9,333,089	11,323,129	8,301,119	7,151,038	4,001,378	1,650,938	54,567,110
7	Total Budgeted Volumes	7,350,769	5,038,345	5,128,670	5,751,850	16,505,560	33,707,690	56,441,640	66,188,434	49,562,080	41,358,746	22,519,054	10,219,605	319,772,443

(To Exhibit A, Line 10)

ATTACHMENT 2

Redlined Current Tariff Sheet & Proposed Tariff Sheet

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 EEFR Rate shall be applied to all Billing Ccf for Gas Service rendered to Customers served under the applicable Rate Schedules.

The EEFR shall recover the costs of funding energy efficiency programs as determined by the Demand Side Management ("DSM") Collaborative and as approved by the Commission.

The EEFR Rate shall be updated periodically in accordance with the Commission's Order in Case No. 18-0298-GA-AIR.

The EEFR 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.

RECONCILIATION

The EEFR is subject to reconciliation or adjustment annually, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to: (1) the twelve-month period of expenditures upon which rates were calculated, if determined to be unlawful, unreasonable, or imprudent by the Commission in the docket those rates were approved or the Supreme Court of Ohio; (2) the Commission's orders in Case No. 18-47-AU-COI or any case ordered by the Commission to address tax reform changes.

ENERGY EFFICIENCY FUNDING RIDER RATE

The EEFR Rate is \$0.~~01809~~ 01630 per Billing Ccf.

Filed pursuant to Case No. 20-0640-GA-RDR and ~~to~~ the Opinion and Order dated August 28, 2019 in Case No. 18-0298-GA-AIR of The Public Utilities Commission of Ohio.

Issued ~~August 29, 2019~~ September 1, 2019 Issued by J. Cas Swiz, Director Effective

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DESCRIPTION

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The EEFR Rate shall be updated periodically in accordance with the Commission's Order in Case No. 18-298-GA-AIR.

The EEFR 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.

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ENERGY EFFICIENCY FUNDING RIDER RATE

The EEFR Rate is \$0.01630 per Billing Ccf.

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Case No(s). 20-0640-GA-RDR

Summary: Application Application electronically filed by Mr. Matthew R. Pritchard on behalf of Vectren Energy Delivery of Ohio, Inc.