

In the Matter of the Application of)
Vectren Energy Delivery of Ohio, Inc.) Case No. 20-320-GA-UEX
for Approval of an Adjustment to its)
Uncollectible Expense Rider Rate.)

**ATTORNEYS FOR VECTREN ENERGY DELIVERY OF OHIO,
INC., A CENTERPOINT ENERGY COMPANY**

In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Approval of an Adjustment to its Uncollectible Expense Rider Rate.) Case No. 20-320-GA-UEX)

Vectren Energy Delivery of Ohio, Inc. (“VEDO”), a CenterPoint Energy Company, hereby submits its annual Uncollectible Expense (“UEX”) Rider Report and respectfully requests approval to revise its UEX Rider rate. In support of its Application, VEDO states as follows:

- ¹ *In the Matter of the Joint Application of The East Ohio Gas Company d.b.a Dominion East Ohio, Columbia Gas of Ohio Inc., Vectren Energy Delivery of Ohio, Northeast Ohio Natural Gas Corp., and Oxford Natural Gas Company for Approval of an Adjustment Mechanism to Recover Uncollectible Expenses*, Case No. 03-1127-GA-UNC, Finding and Order (Dec. 17, 2003).

³ The annual filing is submitted in the format requested by Commission Staff. *In the Matter of the Application of Vectren Energy Delivery of Ohio, Inc. for Approval of Proposed Tariff Revisions to Recover Uncollectible Expenses*, Case No. 03-2571-GA-ATA, Staff Summary, Comments and Recommendation (Mar. 9, 2004).

balance, including the vintage of the additions during the calendar year; and credits to the UEX balance during the calendar year.⁴ VEDO has incorporated this additional information into Attachment 3 to this Application.⁵

3. Sheet No. 39 of VEDO's tariff further provides that VEDO shall file an application with the Commission requesting approval to change the UEX Rider rate if VEDO determines that an adjustment of more than plus or minus ten percent is needed.
4. The calculation of the UEX Rider rate is more than ten percent greater than the currently effective rate. The calculation of the proposed UEX Rider rate is comprised of: (1) the balance of deferred uncollectible accounts expense net of recoveries as of April 30, 2020 and (2) an estimate of net uncollectible accounts expense and recoveries for the 12 months ending April 30, 2021. The calculation yields a proposed UEX Rider rate of \$0.00785 per Billing Ccf. The calculation of the revised rate is shown on Attachment 2.
5. Copies of the proposed and red-lined tariff sheets are included as Attachment 4 of this Application.
6. The proposed rate of \$0.00785 per Billing Ccf is just and reasonable and should be approved.

⁴ *In the Matter of the Five-Year Review of Natural Gas Company Uncollectible Rider*, Case No. 08-1229-GA-COI, Finding and Order at 6 (Aug. 19, 2009).

⁵ The information on Attachment 3 also allows an identification of the portion of the proposed UEX Rider rate attributable to estimated UEX, which can be derived by subtracting from the estimated charge-off amount the estimated dollars attributable to agency assistance and customer payments.

WHEREFORE, VEDO respectfully requests that the Commission approve the new UEX Rider tariff sheet and UEX Rider rate proposed herein.

Respectfully submitted,

/s/ Matthew R. Pritchard

Matthew R. Pritchard (Reg. No. 0088070)
(Counsel of Record)

Rebekah J. Glover (Reg. No. 0088798)

MCNEES, WALLACE & NURICK LLC

21 East State Street, 17th Floor

COLUMBUS, OH 43215

TELEPHONE: (614) 469-8000

TELECOPIER: (614) 469-4653

MPRITCHARD@MCNEESLAW.COM

RGLOVER@MCNEESLAW.COM

(willing to accept service via email)

**ATTORNEYS FOR VECTREN ENERGY DELIVERY OF OHIO,
INC., A CENTERPOINT ENERGY COMPANY**

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 this 29th day of May 2020 *via* electronic transmission.

/s/ Matthew R. Pritchard

Matthew R. Pritchard

John Jones

Section Chief – Public Utilities Section
Office of Ohio Attorney General Dave Yost
30 East Broad Street, 16th Floor
Columbus, Ohio 43215
John.Jones@OhioAttorneyGeneral.gov

**Attorney for the Staff of the Public Utilities
Commission of Ohio**

ATTACHMENT 1

[ANNUAL BALANCE RECONCILIATION]

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
2020 Annual Balance Reconciliation

Line No.	Description	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
1	Balance - Beginning of Month	\$ 1,361,767	\$ 918,424	\$ 553,162	\$ 260,865	\$ 204,513	\$ 247,475	\$ 541,666	\$ 872,620	\$ 1,176,639	\$ 1,597,837	\$ 1,638,501	\$ 1,206,332	\$ 1,361,767
2	Bad Debts Written Off (b)	\$ 69	\$ (9,075)	\$ (5,613)	\$ 83,295	\$ 160,849	\$ 371,948	\$ 389,430	\$ 391,478	\$ 476,276	\$ 235,270	\$ (30,446)	\$ 67,193	\$ 2,130,676
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (a)	\$ 391,147	\$ 296,241	\$ 277,084	\$ 108,697	\$ 88,184	\$ 32,897	\$ 35,705	\$ 42,065	\$ 40,521	\$ 99,106	\$ 287,732	\$ 341,747	\$ 2,041,125
5	Recovery - Other (b)	\$ 54,373	\$ 61,282	\$ 10,330	\$ 31,365	\$ 30,106	\$ 45,549	\$ 23,980	\$ 47,026	\$ 16,693	\$ 97,831	\$ 115,824	\$ 47,980	\$ 582,339
6	Incremental Uncollectible Expense [(2 + 3 - (4 + 5))]	\$ (445,450)	\$ (366,598)	\$ (293,027)	\$ (56,767)	\$ 42,559	\$ 293,503	\$ 329,745	\$ 302,388	\$ 419,062	\$ 38,333	\$ (434,003)	\$ (322,534)	\$ (492,789)
7	Balance Subtotal [1+ 6]	\$ 916,316	\$ 551,826	\$ 260,134	\$ 204,099	\$ 247,072	\$ 540,978	\$ 871,411	\$ 1,175,008	\$ 1,595,701	\$ 1,636,170	\$ 1,204,498	\$ 883,799	\$ 868,978
8	Carrying Charges [(((1+7) X 79%) X .50 X (c))] *	\$ 2,107	\$ 1,336	\$ 731	\$ 415	\$ 403	\$ 688	\$ 1,209	\$ 1,631	\$ 2,135	\$ 2,331	\$ 1,834	\$ 1,383	\$ 16,203
9	Balance - End of Month [7 + 8]	\$ 918,424	\$ 553,162	\$ 260,865	\$ 204,513	\$ 247,475	\$ 541,666	\$ 872,620	\$ 1,176,639	\$ 1,597,837	\$ 1,638,501	\$ 1,206,332	\$ 885,181	\$ 885,181

(a) Represents calendar uncollectible expense rider revenues.

(b) See write-off vintage and recovery source detail required by Case No. 08-1229-GA-COI on Attachment 3. Bad debt write-offs include account balances restored due to the moratorium.

(c) Monthly carrying charge rate 0.23417% 0.23000% 0.22750% 0.22583% 0.22583% 0.22083% 0.21667% 0.20167% 0.19500% 0.18250% 0.16333% 0.16750%

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
2020 Annual Balance Reconciliation

Line No.	Description	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
1	Balance - Beginning of Month	\$ 885,181	\$ 527,619	\$ 213,583	\$ (36,929)									\$ 885,181
2	Bad Debts Written Off (b)	\$ 48,883	\$ 120,144	\$ 17,672	\$ 54,873									\$ 241,572
3	Other													\$ -
4	Recovery - Uncollectible Expense Rider (a)	\$ 381,715	\$ 389,573	\$ 241,820	\$ 174,988									\$ 1,188,095
5	Recovery - Other (b)	\$ 25,651	\$ 45,063	\$ 26,512	\$ 32,240									\$ 129,466
6	Incremental Uncollectible Expense [(2 + 3 - (4 + 5))]	\$ (358,483)	\$ (314,492)	\$ (250,660)	\$ (152,355)									\$ (1,075,990)
7	Balance Subtotal [1 + 6]	\$ 526,699	\$ 213,127	\$ (37,077)	\$ (189,285)									\$ (190,808)
8	Carrying Charges [(((1+7) X 79%) X .50 X (c))] *	\$ 920	\$ 456	\$ 148	\$ (105)									\$ 1,419
9	Balance - End of Month [7 + 8]	\$ 527,619	\$ 213,583	\$ (36,929)	\$ (189,390)									\$ (189,390)

(a) Represents calendar uncollectible expense rider revenues.

(b) See write-off vintage and recovery source detail required by Case No. 08-1229-GA-COI on Attachment 3. Bad debt write-offs include account balances restored due to the moratorium.

(c) Monthly carrying charge rate 0.16500% 0.15583% 0.21167% 0.11750%

ATTACHMENT 2

[CALCULATION OF REVISED RATE]

VECTREN ENERGY DELIVERY OF OHIO, INC
Uncollectible Expense Rider Calculation
Report for May 2020

Line No.	Col. A Amount	Col. B Applicable Volumes (Billing Ccf)	Col. C Unit Rate / Billing Ccf
1	Actual Deferred Uncollectible Expense Balance through April 2020	\$ (189,390)	
2	Projected Net Uncollectible Expense: May 2020 - April 2021	<u>\$ 2,700,000</u>	
3	Unit Rate on which to Collect	\$ 2,510,610 319,771,742	<u>\$ 0.00785</u>
4	Prior approved UEX Rider Rate Effective August 1, 2019		<u>\$ 0.00703</u>
5	Increase/(Decrease) in Uncollectible Expense Rider		<u><u>\$ 0.00082</u></u>
6	Percentage Difference		11.7%

ATTACHMENT 3

[WRITE-OFFS AND COLLECTIONS SUMMARY]

VECTREN ENERGY DELIVERY OF OHIO, INC.
Uncollectible Expense Rider
Write-Off and Collection Summary

Line No.		Bad Debts Written off by Vintage (a)												Total
		2019 May	2019 June	2019 July	2019 August	2019 September	2019 October	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	
1	1-6 Months	(248,921)	(551,603)	(546,551)	(536,030)	(664,426)	(491,987)	(366,908)	(282,904)	(236,887)	(301,810)	(170,691)	(202,949)	(4,601,666.54)
2	6-12 months	1,891	8,530	8,659	11,149	5,917	15,104	69,246	31,686	25,491	12,519	17,377	16,871	224,439.42
3	> 12 months (b)	20,555	13,188	40,998	40,578	27,126	205,797	527,327	212,966	173,434	164,264	146,457	109,762	1,682,452
4	Subtotal	(226,475)	(529,884)	(496,894)	(484,303)	(631,383)	(271,085)	229,665	(38,252)	(37,961)	(125,027)	(6,857)	(76,317)	(2,694,775)
5	Other Write-Off Activity	-	-	-	-	-	-	-	-	-	-	-	-	-
6	PIPP Bad Debt Write-Offs	(65,626)	(157,936)	(107,464)	(92,825)	(155,107)	(35,815)	199,219	28,941	10,922	(4,883)	10,815	(21,444)	(391,205)
7	Total Bad Debts Written Off (Attachment 1)	(160,849)	(371,948)	(389,430)	(391,478)	(476,276)	(235,270)	30,446	(67,193)	(48,883)	(120,144)	(17,672)	(54,873)	(2,303,570)

Collections by Type		2019 May	2019 June	2019 July	2019 August	2019 September	2019 October	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	Total
8	From Customers	55,167	56,783	58,575	51,510	61,046	131,739	130,532	58,564	55,266	73,092	37,155	44,804	814,233.60
9	From Collection Agencies	5,924	5,075	4,119	5,218	2,550	9,027	8,430	6,352	4,748	4,520	4,683	6,855	67,502
10	From Other	50	-	-	-	11	-	5,179	2,745	1,421	1,610	860	6	11,882
11	Subtotal	61,141	61,858	62,694	56,728	63,607	140,766	144,142	67,661	61,435	79,223	42,698	51,665	893,617
12	Other Activity	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Collection Agency Commissions	17,891	6,442	33,942	6,393	37,532	34,028	19,437	18,715	30,848	18,956	9,558	14,611	248,352.59
14	Collections from PIPP Customers	13,144	9,867	4,773	3,309	9,382	8,907	8,880	966	4,936	15,204	6,628	4,814	90,809.25
15	Total Recovery - Other (Attachment 1)	30,106	45,549	23,980	47,026	16,693	97,831	115,824	47,980	25,651	45,063	26,512	32,240	554,455

(a) - Bad debt write-offs include account balances restored due to the moratorium.

(b) - Write-offs without a print date have been categorized as greater than twelve months.

ATTACHMENT 4

[COPIES OF RED-LINED AND PROPOSED TARIFF SHEETS]

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UNCOLLECTIBLE EXPENSE RIDER

APPLICABILITY

The Uncollectible Expense Rider Rate shall be applicable to all Customers responsible for payment of Company's Percentage of Income Payment Plan Rider on Sheet No. 40.

DESCRIPTION

The Uncollectible Expense 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 costs associated with uncollectible accounts arising from those Customers in those Rate Schedules responsible for paying the Uncollectible Expense Rider.

Company's actual uncollectible expense for the applicable Rate Schedules, including carrying charges, shall be reconciled annually, with any over or under collection being reflected as a charge or credit in a subsequent update of the Rider Rate.

Company shall file an application with the Commission requesting approval to change the Uncollectible Expense Rider Rate if Company determines that an adjustment of more than plus or minus ten percent (10%) is needed.

RECONCILIATION

The Uncollectible Expense Rider is subject to reconciliation or adjustment annually, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to the twelve-month period of expenditures upon which the 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.

UNCOLLECTIBLE EXPENSE RIDER RATE

The Uncollectible Expense Rider Rate is \$0.00785 per Billing Ccf.

Deleted: 00703

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Deleted: August 28, 2019

Deleted: 18-0298-GA-AIR

Deleted: August 29, 2019

Deleted: September 1, 2019

Filed pursuant to the Finding and Order dated _____ in Case No. 20-0320-GA-UEx of The Public Utilities Commission of Ohio.

Issued _____ Issued by J. Cas Swiz, Director _____ Effective _____

UNCOLLECTIBLE EXPENSE RIDER

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Company shall file an application with the Commission requesting approval to change the Uncollectible Expense Rider Rate if Company determines that an adjustment of more than plus or minus ten percent (10%) is needed.

RECONCILIATION

The Uncollectible Expense Rider is subject to reconciliation or adjustment annually, including but not limited to, increases or refunds. Such reconciliation or adjustment shall be limited to the twelve-month period of expenditures upon which the 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.

UNCOLLECTIBLE EXPENSE RIDER RATE

The Uncollectible Expense Rider Rate is \$0.00785 per Billing Ccf.

Filed pursuant to the Finding and Order dated _____ in Case No. 20-0320-GA-UEx of The Public Utilities Commission of Ohio.

Issued _____

Issued by J. Cas Swiz, Director

Effective _____

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Case No(s). 20-0320-GA-UEX

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