

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Vectren	)	
Retail LLC, d.b.a. Vectren Source for a	)	Case No. 02-1668-GA-CRS
Certificate to Provide Competitive Retail	)	
Natural Gas Service in Ohio.	)	

FINDING AND ORDER

The Commission finds:

- (1) On July 5, 2002, Vectren Retail LLC, d.b.a. Vectren Source (Vectren Source), filed an application for a certificate to provide competitive retail natural gas service in Ohio. Vectren Source seeks a certificate for authority to offer competitive gas service, as a marketer, in the service territories of Columbia Gas of Ohio Inc., East Ohio Gas Company d.b.a. Dominion East Ohio, and The Cincinnati Gas & Electric Company.
- (2) As required by Section 4929.20, Revised Code, the Commission adopted rules for the provision of competitive retail natural gas services by entities other than local distribution companies. *In the Matter of the Commission's Promulgation of Rules for Competitive Retail Natural Gas Service and Its Providers Pursuant to Chapter 4929, Revised Code, Case No. 01-1371-GA-ORD.* In accordance with that statute and those rules, Vectren Source's application is subject to a 30-day automatic approval process.
- (3) At the same time that Vectren Source filed its application, it also filed a motion for expedited approval and a request for a protective order. Vectren Source seeks an expedited ruling upon its application, by July 11, 2002, because it believes that the receipt of an Ohio certificate will contribute to its ongoing attempt to acquire many of the existing gas supply customers of The NewPower Company (NewPower). NewPower provides gas supply to approximately 185,000 customers in the gas choice programs of Columbia Gas of Ohio Inc., East Ohio Gas Company d.b.a. Dominion East Ohio, and The Cincinnati Gas & Electric Company. NewPower recently sought bankruptcy protection and an auction is soon to be held for acquiring those customers.<sup>1</sup> Vectren Source has entered into a "stalking horse" agreement with NewPower and, depending upon the events at the upcoming auction, may acquire many of the customers under the terms of that agreement. Vectren

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<sup>1</sup> Just prior to receiving Vectren Source's application and motions, NewPower filed two waiver requests with the Commission, in which is describes the bankruptcy filing and the auction process that is occurring. *In the Matter of the Request of The NewPower Company for Waivers of Certain Rule Requirements Found in Section 4901:1-29, Ohio Administrative Code, Case No. 02-1666-GA-UNG.*

Source states that expedited approval of its certification application "will contribute to a positive outcome in the Bankruptcy Court and will benefit customers by increasing the likelihood of an orderly and seamless transfer to a reliable natural gas supplier."

- (4) The Commission has reviewed Vectren's expedited approval request and believes that it is reasonable. The Commission believes that the NewPower bankruptcy proceeding has created an extraordinary situation and that granting Vectren's request for an expedited ruling is in the public interest because it may limit any potential disruptions caused by the bankruptcy. Moreover, the Commission finds, after reviewing all of the documents, that Vectren Source should be granted a certificate to provide competitive retail natural gas service, as a marketer, in Ohio. In accordance with Rule 4901:1-27-06(E), Ohio Administrative Code, the certificate shall be valid for a period of two years, beginning on July 11, 2002, and ending on July 11, 2004. The Commission notes that, although this commission has ruled on the application on an expedited basis, the Commission retains the right to review any aspect of the application at any time, and the Commission may request that Vectren supplement its filing with additional documentation based upon such a review. A ruling upon Vectren Source's request for a protective order will be issued at a later time.

It is, therefore,

ORDERED, That Vectren Source's request for an expedited approval of its application is granted. It is, further,

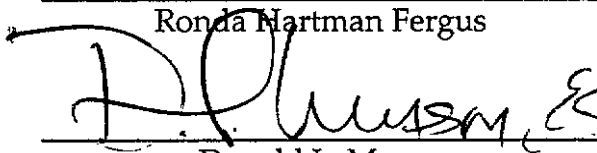
ORDERED, That Vectren Source is authorized to provide competitive retail natural gas service, as a marketer, in Ohio for a period of two years, beginning on July 11, 2002, and ending on July 11, 2004. It is, further,


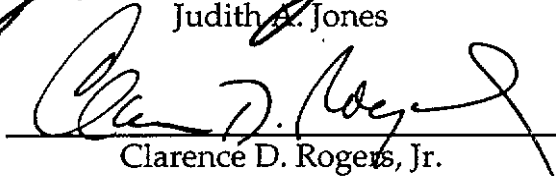
ORDERED, That the Docketing Division issue a certificate to Vectren Source in accordance with this decision. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Alan R. Schriber, Chairman

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Ronda Hartman Fergus  
  
Donald L. Mason

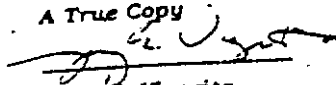
  
Judith A. Jones  
  
Clarence D. Rogers, Jr.

GLP;geb

Entered in the Journal

**JUL 11 2002**

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Gary E. Vigorito  
Secretary