



December 8, 2017

Mary M. Becerra
Secretary to the Commission
Indiana Utility Regulatory Commission
PNC Center
101 W. Washington Street, Suite 1500 East
Indianapolis, IN 46204

RE: Thirty Day Filing for Vectren South for Rate MLA

Dear Ms. Becerra:

This filing is being made on behalf of Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren South" or "the Company") under the Commission's Thirty-Day Administrative Filing Procedures and Guidelines ("Guidelines") to request corrections to Vectren South's Municipal Levee Authority Service Rate Schedule ("Rate MLA"), applicable to electric service to the City of Evansville's Municipal Levee Authority ("MLA"). Copies of the proposed Rate MLA tariff sheet changes, in both clean and redline forms, are included as Attachment 1.

Rate MLA was first approved and made effective through the Commission's 30-day filing process in November 2008. In its 2008 30-day filing, Vectren South requested Commission approval to establish Rate MLA, creating a separate rate schedule for the applicable MLA accounts. The Company proposed moving the MLA accounts to a separate rate schedule to eliminate these accounts' exposure to material and unintended bill impacts that could occur under the billing provisions of the MLA accounts' then-current tariff rate, Demand General Service ("Rate DGS"). A combination of the MLA's operational/pumping requirements, the demand ratcheting provisions of Rate DGS, and the unpredictable occurrence of rare and excessive amounts of rain and the associated electricity requirements revealed the MLA's exposure to significant demand-related billing impacts related to circumstances entirely outside of its control. Rate MLA was derived from Rate DGS, replacing the demand ratchets of Rate DGS with site specific contract demand levels.

The MLA accounts, along with the monthly contract demands proposed in Vectren South's initial 30-day filing are shown in the table below:

<u>MLA Customer Site</u>	<u>Monthly Contract Demand (kW)</u> <u>As of November 20, 2008</u>
Shawnee Drive	300
Sunset Park	150
Fickas and Green River Road	300
Lodge Avenue	150
Broadway Avenue	75
Richardt Aveue	600
Sycamore Avenue	75
Delaware Street	300

Attachment 2 is the original Rate MLA tariff sheet, approved in the 2008 30-day filing on November 20, 2008. As shown, Rate MLA was applicable to MLA customers “with a maximum demand of more than 200 kW for light and/or power requirements supplied through one light meter and/or one power meter, or at the option of the Company, through a single meter for lighting and power.”

After the approval of Vectren South’s original MLA filing, in Cause No. 43839, Vectren South’s 2009 rate case (“the Rate Case”), the Company proposed to modify the Applicability section of Rate MLA as part of a broader effort to standardize its electric tariff. During the Rate Case, as shown in Attachment 3, Page 1 of 2, the Company proposed to change the wording in the applicability section of Rate MLA to make Rate MLA available to any MLA customer with a **contract** demand of more than 200 kW (emphasis added). This change, inadvertently, results in four (4) of the eight (8) MLA customers listed above being ineligible to receive service under Rate MLA, negating the Company’s intent in the original 30-day filing.

As shown in Attachment 1, the Company proposes to remedy this situation by reverting to the prior approved tariff language, making Rate MLA available and applicable to MLA customers with a maximum demand of 200 kW, a threshold each MLA customer has met.

The Company proposed another change to the Applicability section of Rate MLA during the Rate Case, the creation of MLA customer tiers. The MLA customer tiers, MLA-2 and MLA-3, were designed to recognize the different-sized accounts that exist within the rate schedule and the cost difference of serving them, consistent with the rate design for Rate DGS.

This change took place in two steps as the Rate Case proceeded. First, in its Case-in-Chief, as shown in Attachment 3, Page 1 of 2, the Company established two Rate MLA customer tiers based on customers’ prior year maximum demand, one for customers with a maximum demand greater than or equal to 200 kW up to and including 300 kW, and a second tier for Rate MLA customers with a maximum demand of over 300 kW.

In Rebuttal testimony, the Company identified a correction that needed to be made to the applicability section of Rate MLA. The Company changed the Applicability section of the MLA rate schedule to state that “customers shall be classified for billing purposes based on monthly contract demands, rather than on prior year maximum demands” (Rebuttal testimony of Vectren South witness Jerrold L. Ulrey, Page 19 of 20, Lines 4-12, Cause No. 43839). This change was made to ensure that MLA accounts did not inadvertently migrate among MLA customer tiers, or even out of Rate MLA applicability altogether based on maximum demands that could fluctuate. While this type of change is appropriate, the Company has determined that it overlooked the

resulting impact of this change on the applicability of Rate MLA to the smaller MLA accounts identified previously. As shown in the table above, four of the MLA accounts have contract demands of less than 200 kW per month. In order to preserve the original intent of Rate MLA, the tier levels should be modified to capture all of the applicable MLA accounts by establishing a bottom tier (MLA-2) for customers with contract demands of 300 kW and lower, and a second tier (MLA-3) for customers with a contract demand above 300 kW. A copy of Vectren South's Cause No. 43839 Rate MLA Compliance tariff sheet is attached as Attachment 3, Page 2 of 2 as a reference.

In addition to the attached tariff sheets, which reflect the above-described changes to Rate MLA, Attachment 4 provides a tabular summary of the past modifications made to the applicability section of Rate MLA and the criteria establishing the Rate MLA tiers.

Importantly, the Rate MLA tariff sheet corrections proposed herein preserve the original intent of creating Rate MLA in 2008. The Company's filing is an allowable filing under 170 IAC 1-6-3 because the proposed modifications to Rate MLA are revenue-neutral within the specific rate schedule (Rate MLA). The changes proposed in this filing are wording changes to ensure that all MLA accounts being billed on Rate MLA, satisfy the Applicability criteria of Rate MLA.

Vectren South affirms that a notice regarding the filing in the form attached hereto will be published on December 8, 2017 in the *Evansville Courier & Press*, a newspaper of general circulation in Vanderburgh County, where the largest number of Vectren South's customers is located. The Company also affirms that the notice has been posted on its website. The Company does not have a local customer service office in which to post the notice.

Any questions concerning this submission should be directed to J. Cas Swiz by using the following contact information:

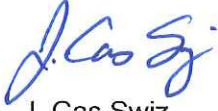
J. Cas Swiz
Director, Rates and Regulatory Analysis
One Vectren Square
211 N.W. Riverside Drive
Evansville, IN 47708
Tel.: 812.491.4033
Fax: 812.491.4138
Email: jcs wiz@vectren.com

The proposed tariff sheets will reflect an effective date consistent with the Commission's approval thereof.

Upon approval of the enclosed tariff sheets, please return one (1) file marked and approved copy of the tariff sheets to me for our files.

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,



J. Cas Swiz

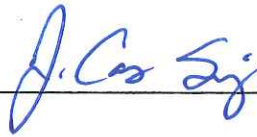
Enclosures

cc: William Fine

Indiana Office of Utility Consumer Counselor (w/ encl.)

VERIFICATION

I, J. Cas Swiz, Director, Rates & Regulatory Analysis for Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. (Vectren South), affirm under penalties of perjury that, in addition to the attached schedules, the foregoing representations concerning the notice attached hereto are true and correct to the best of my knowledge, information, and belief. The attached notice was published in a newspaper of general circulation encompassing the highest number of the utility's customers affected by the enclosed filing. The attached notice was also published on the Vectren.com website.

A handwritten signature in blue ink, reading "J. Cas Swiz", is positioned above a horizontal line.

J. Cas Swiz

Date: 12/8/2017

LEGAL NOTICE

Notice is hereby given that on or about December 8, 2017, Southern Indiana Gas and Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren South") will file a request for approval of an update to its Rate MLA - Municipal Levee Authority Service (Sheet No. 20) included in Vectren South's Tariff for Electric Service. Sheet No. 20 is currently applicable to multiple accounts of one municipal customer. This filing seeks to clarify applicability requirements of Rate MLA, and customers currently receiving service under Rate MLA are not impacted by this filing.

Vectren South anticipates approval of the filing in January 2018, but no sooner than 30 days after receipt of the filing by the Commission. Objections to the filing should be made in writing addressed to:

Mary M. Becerra
Secretary to the Commission
Indiana Utility Regulatory Commission
PNC Center
101 W. Washington Street, Suite 1500 East
Indianapolis, Indiana 46204

William Fine
Indiana Utility Consumer Counselor
Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington St., Suite 1500 South
Indianapolis, Indiana 46204

Scott E. Albertson
Vice President, Regulatory Affairs and Gas Supply
VECTREN UTILITY HOLDINGS, INC.

Attachment 1

Redline Tariff

Clean Tariff

Deleted: Third

Deleted: Second

RATE MLA **MUNICIPAL LEVEE AUTHORITY SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and power supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Municipal Levee Authority Customer with a ~~Maximum~~ Demand of more than 200kW for light and/or power requirements supplied through one light meter and/or one power meter, or at the option of Company, through a single meter for lighting and power, which elects service hereunder. Customers shall be classified for billing purposes based on Monthly Contract Demand as follows:

Deleted: onthly Contract

MLA-2 – ~~Up~~ to and including 300 kW
MLA-3 – Over 300 kW

Deleted: Over 200 kW u

CHARACTER OF SERVICE

Service provided hereunder shall be alternating current, sixty hertz, three phase, nominal voltages 120/240, 120/208, 240, 277/480, 480 volts, or any other mutually agreed upon voltages.

RATES AND CHARGES

The monthly Rates and Charges for service hereunder shall be:

Customer Facilities Charge:

MLA-2 - \$35.00 per month
MLA-3 - \$75.00 per month

Demand Charge:

The monthly charge for the first 10 kW of Billing Demand is included in the Energy Charge below.

\$5.500 per kW per Month for all kW of Billing Demand in excess of 10 kW

Energy Charge:

\$0.08025 per kWh for the first 1,000 kWh used per month
\$0.05747 per kWh for the next 14,000 kWh used per month *
\$0.02673 per kWh for all over 15,000 kWh used per month

*For Billing Demand in excess of 10 kW add 300 kWh per kW of such excess to this rate usage step.

Fuel Charge:

\$0.03887 per kWh for all kWh used per month

Variable Production Charge:

\$0.00474 per kWh for all kWh used per month

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Facilities Charge plus the Demand Charge.

Effective: Deleted: May 3, 2016

RATE MLA
MUNICIPAL LEVEE AUTHORITY SERVICE

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and power supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Municipal Levee Authority Customer with a Maximum Demand of more than 200kW for light and/or power requirements supplied through one light meter and/or one power meter, or at the option of Company, through a single meter for lighting and power, which elects service hereunder. Customers shall be classified for billing purposes based on Monthly Contract Demand as follows:

MLA-2 – Up to and including 300 kW

MLA-3 – Over 300 kW

CHARACTER OF SERVICE

Service provided hereunder shall be alternating current, sixty hertz, three phase, nominal voltages 120/240, 120/208, 240, 277/480, 480 volts, or any other mutually agreed upon voltages.

RATES AND CHARGES

The monthly Rates and Charges for service hereunder shall be:

Customer Facilities Charge:

MLA-2 - \$35.00 per month

MLA-3 - \$75.00 per month

Demand Charge:

The monthly charge for the first 10 kW of Billing Demand is included in the Energy Charge below.

\$5.500 per kW per Month for all kW of Billing Demand in excess of 10 kW

Energy Charge:

\$0.08025 per kWh for the first 1,000 kWh used per month

\$0.05747 per kWh for the next 14,000 kWh used per month *

\$0.02673 per kWh for all over 15,000 kWh used per month

*For Billing Demand in excess of 10 kW add 300 kWh per kW of such excess to this rate usage step.

Fuel Charge:

\$0.03887 per kWh for all kWh used per month

Variable Production Charge:

\$0.00474 per kWh for all kWh used per month

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Facilities Charge plus the Demand Charge.

Effective:

Southern Indiana Gas and Electric Company D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren South)
Tariff for Electric Service
I.U.R.C. No. E-12

Sheet No. 20
Original Page 1 of 2

RATE MLA MUNICIPAL LEVEE AUTHORITY SERVICE

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and power supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Municipal Levee Authority Customer with a **Maximum Demand of more than 200kW** for light and/or power requirements supplied through one light meter and/or one power meter, or at the option of Company, through a single meter for lighting and power, which elects service hereunder.

CHARACTER OF SERVICE

Service provided hereunder shall be alternating current, sixty hertz, three phase, nominal voltages 120/240, 120/208, 240, 277/480, 480 volts, or any other mutually agreed upon voltages.

RATES AND CHARGES

The monthly Rates and Charges for service hereunder shall be:

Customer Facilities Charge:

\$11.00 per month

Monthly Demand Charge:

The monthly Demand Charge is the Billing Demand at \$4.30 per kW.

Energy Charge:

\$0.11195 per kWh for the first 1,000 kWh used per month

\$0.07733 per kWh for the next 14,000 kWh used per month *

\$0.04797 per kWh for all additional kWh used per month

*For Billing Demand in excess of 10 kW add 300 kWh per kW of such excess to this rate usage step.

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Facilities Charge plus the Demand Charge.

Transformer Ownership Discount:

This discount is available to Customers with Billing Demands exceeding 100 kW, when Customer owns, operates and maintains all transformer facilities and receives service at Company's available primary voltage. Customer's current monthly bill will be decreased nineteen cents (\$0.19) per kW of Billing Demand.

Effective: November 20, 2008

Southern Indiana Gas and Electric Company D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren South)
Tariff for Electric Service
I.U.R.C. No. E-13

Sheet No. 20
Original Page 1 of 2

RATE MLA **MUNICIPAL LEVEE AUTHORITY SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and power supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Municipal Levee Authority Customer with a Contract Demand of more than 200kW for light and/or power requirements supplied through one light meter and/or one power meter, or at the option of Company, through a single meter for lighting and power, which elects service hereunder. Customers shall be classified for billing purposes based on Prior Year Maximum Demand as follows:

MLA-2 – Over 200 kW up to and including 300 kW

MLA-3 – Over 300 kW

CHARACTER OF SERVICE

Service provided hereunder shall be alternating current, sixty hertz, three phase, nominal voltages 120/240, 120/208, 240, 277/480, 480 volts, or any other mutually agreed upon voltages.

RATES AND CHARGES

The monthly Rates and Charges for service hereunder shall be:

Customer Facilities Charge:

MLA-2 - \$35.00 per month

MLA-3 - \$75.00 per month

Demand Charge:

The monthly charge for the first 10 kW of Billing Demand is included in the Energy Charge below.

\$5.500 per kW per Month for all kW of Billing Demand in excess of 10 kW

Energy Charge:

\$0.08804 per kWh for the first 1,000 kWh used per month

\$0.06303 per kWh for the next 14,000 kWh used per month *

\$0.02945 per kWh for all over 15,000 kWh used per month

*For Billing Demand in excess of 10 kW add 300 kWh per kW of such excess to this rate usage step.

Variable Production Charge:

\$0.00533 per kWh for all kWh used per month

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Facilities Charge plus the Demand Charge.

Effective:

Southern Indiana Gas and Electric Company D/B/A
Vectren Energy Delivery of Indiana, Inc. (Vectren South)
Tariff for Electric Service
I.U.R.C. No. E-13

Sheet No. 20
Original Page 1 of 2

RATE MLA **MUNICIPAL LEVEE AUTHORITY SERVICE**

AVAILABILITY

This Rate Schedule shall be available throughout Company's Service Area, subject to the availability of adequate facilities and power supplies, which determinations shall be within Company's reasonable discretion.

APPLICABILITY

This Rate Schedule shall be applicable to any Municipal Levee Authority Customer with a Monthly Contract Demand of more than 200kW for light and/or power requirements supplied through one light meter and/or one power meter, or at the option of Company, through a single meter for lighting and power, which elects service hereunder. Customers shall be classified for billing purposes based on Monthly Contract Demand as follows:

MLA-2 – Over 200 kW up to and including 300 kW

MLA-3 – Over 300 kW

CHARACTER OF SERVICE

Service provided hereunder shall be alternating current, sixty hertz, three phase, nominal voltages 120/240, 120/208, 240, 277/480, 480 volts, or any other mutually agreed upon voltages.

RATES AND CHARGES

The monthly Rates and Charges for service hereunder shall be:

Customer Facilities Charge:

MLA-2 - \$35.00 per month

MLA-3 - \$75.00 per month

Demand Charge:

The monthly charge for the first 10 kW of Billing Demand is included in the Energy Charge below.

\$5.500 per kW per Month for all kW of Billing Demand in excess of 10 kW

Energy Charge:

\$0.08146 per kWh for the first 1,000 kWh used per month

\$0.05834 per kWh for the next 14,000 kWh used per month *

\$0.02713 per kWh for all over 15,000 kWh used per month

*For Billing Demand in excess of 10 kW add 300 kWh per kW of such excess to this rate usage step.

Fuel Charge:

\$0.03887 per kWh for all kWh used per month

Variable Production Charge:

\$0.00474 per kWh for all kWh used per month

Minimum Monthly Charge:

The Minimum Monthly Charge shall be the Customer Facilities Charge plus the Demand Charge.

Effective:

MLA Chronology			
	Date	Applicability Basis	Tier Basis
2008 Original 30-Day Filing	11/20/2008	Maximum Demand > 200 kW	N/A
2009 Rate Case (Cause No. 43839)	12/11/2009	Monthly Contract Demand > 200 kW	Prior Year Maximum Demand
2009 Cause No. 43839 Rebuttal	7/30/2010	Monthly Contract Demand	Monthly Contract Demand
Existing Tariff Sheet	4/27/2011	Monthly Contract Demand	Monthly Contract Demand
2017 30-Day Filing	-	Maximum Demand > 200 kW	Monthly Contract Demand