



Received: December 8, 2017
IURC 30-Day Filing No.: 50103
Indiana Utility Regulatory Commission

Vectren Corporation
One Vectren Square
Evansville, IN 47708

December 8, 2017

Ms. 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 Rider ED and Rider AD

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 approval of the following modifications to the Vectren South Tariff for Electric Service:

1. Rider ED - Economic Development Rider (Sheet No. 58, Pages 1-3)
 - a. To clarify the Level 2 Incentives under the Applicability section
 - b. To clarify the applicable credit to the Monthly Billing Demand Charge
 - c. To add language regarding Eligible Demands
2. Rider AD - Area Development Rider (Sheet No. 59, Page 2 of 3)
 - a. To clarify the applicable credit to the Monthly Billing Demand Charge

Vectren South is making this filing to clarify the Rates and Charges applicable under Rider ED and Rider AD. Both riders were approved by the Commission's April 27, 2011 Order in Vectren South's last base rate case in Cause No. 43839. Vectren South requested a one (1) year extension through December 31, 2016 in Thirty-Day Filing No. 3408, which was approved by the Commission on January 20, 2016. Vectren South further requested in Thirty-Day Filing No. 50007, and approved by the Commission on December 7, 2016, a revision to the "Expiration" section with a "Termination" section which allows the Riders to continue without a firm deadline within the Tariff, but still allow for a twelve (12) month notice of termination by the Company to the Commission.

Vectren South is proposing these changes to provide clarification on the Applicability, Rates and Charges, and Eligible Demands terms under which a customer may receive Service.

Under the current Tariff terms, it is mathematically possible that a Large Power Service (Rate LP) customer could have a negative overall Demand Charge, should they qualify for other credits within the Electric Tariff. The proposed modification to the Applicability section of Rider ED requires a customer to meet all of the Level 1 incentives and at least two of the four Level 2 Incentives in order to be eligible for Rider ED Level 2 credits. The modifications to the Rates and Charges section for both Rider ED and Rider AD are to clarify that the credits received, when combined with other credits available within the

Company's Tariff, will be capped to ensure the total Demand-based charges will not result in an amount less than zero.

For example, the current approved Rate LP Demand Charge is \$10.00/kVa. If a Rate LP customer qualifies and receives the Transmission Voltage Discount (\$2.342/kVa credit), the Interruptible Contract Rider (\$3.681/kVa credit) and the Rider ED Level 2 Incentives (\$4.50/kVa credit), their overall Demand Charge would result in a credit of \$(0.523)/kVa.

The proposed changes to the Rates and Charges section allows for credits of up to the specified amount, and states the applicable credit will be limited such that, when combined with any other credits for which the Customer qualifies, the resulting net demand charge applicable to Customer's "eligible demands" shall not be less than \$0.00 per kVa/kV in any month.

Finally, a new section (Eligible Demands) is proposed to Rider ED to define the term "eligible demands" for new customers and existing customers. The proposed new section on Eligible Demands defines this term for new Customers, existing Customers adding new electric load to an existing establishment, and for existing Customers which meet the applicable retention criteria.

This filing is an allowable request under the Guidelines because it is a filing to change rules and regulations of the utility.

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. Vectren South also affirms that the notice has been posted on its website. Vectren South 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, whose contact information is as follows:

J. Cas Swiz
Director, Rates & Regulatory Analysis
One Vectren Square
Evansville, IN 47708
Tel: 812-491-4033
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, Office of Utility Consumer Counselor

Todd Richardson, Lewis & Kappes, P.C.

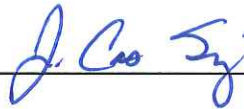
Robert Heidorn

Jason Stephenson

Scott Albertson

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.



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 Economic Development Rider (Sheet No. 58 – Rider ED) and Area Development Rider (Sheet No. 59 – Rider AD) included in Vectren South's Tariff for Electric Service. Sheet No. 58 is applicable to any new Non-Residential Customer who establishes initial permanent service in a new or existing establishment, and to any existing Non-Residential Customer who expands an existing establishment, who receives service under Demand General Service ("Rate DGS"), Large Power Service ("Rate LP"), or High Load Factor Service ("Rate HLF"), and meets other criteria as indicated in the currently-effective Economic Development Rider. Sheet No. 59 is applicable to any Non-Residential Customer who receives service under Rates DGS, LP, or HLF, and meets the minimum demand and other criteria as indicated in the currently-effective Area Development Rider.

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.

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RIDER ED **ECONOMIC DEVELOPMENT RIDER**

AVAILABILITY

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

APPLICABILITY

The Economic Development Rider shall be applicable to any new Non-Residential Customer who establishes initial permanent service in a new or existing establishment, and to any existing Non-Residential Customer who expands an existing establishment, who:

1. Receives service under Rate DGS, LP, or HLF,
2. Makes application to Company for service under this Rider,
3. Has applied for and received economic development assistance from State or local government or other public agency,
4. Affirms that without this Rider, it would not be financially advantageous for Customer to expand the existing or build the proposed new establishment.

Customers meeting all Applicability criteria above are eligible for incentives under ~~this~~ Rider at two levels:

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Level 1 Incentives – Customer's new electric load addition must meet all of the following minimum criteria:

1. Expected monthly load factor of 50% or higher
2. Expected load addition of 500 kVa/kW ~~or more~~ per month at one delivery point.
3. Result in the creation of 25 new full-time equivalent jobs at the same location.

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Level 2 Incentives – Customer's new electric load must meet ~~all of the Level 1 Incentives, and at least~~ 2 out of 4 of the following minimum criteria:

1. Expected monthly load factor of 65%, or higher.
2. Expected load addition of 1500 kVa/kW ~~or more~~ per month at one delivery point.
3. Result in the creation of 100 new full-time equivalent jobs at the same location.
4. Result in capital investment at Customer's establishment of one million dollars (\$1,000,000) or more for each 1000 kVa/kW per month of new load ~~(minimum of 1000 kVa/kW per month of new load required)~~.

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Company may also apply this Rider to an existing customer who, but for economic incentives being provided from the State and/or local government or public agency, would leave or not expand facilities within Company's service area. In this event, Customer must agree, at a minimum, to retain the current number of full-time equivalent jobs at the existing location.

For new Customers, application for service hereunder must be made at the time of initial application for electric service.

Effective:

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RIDER ED
ECONOMIC DEVELOPMENT RIDER
(Continued)

This Rider is not available:

1. To a Customer who is a "new" Customer as a result of a change in ownership of an existing establishment, unless the prior owner was a customer hereunder or the ownership change is accompanied by State, local governmental or other public agency economic assistance.
2. To a new Customer who has relocated to Company's Service Area from another location within the State.
3. For renewal of service following service interruptions related to, but not limited to, equipment failure, temporary plant shutdown, work stoppage, or economic conditions.

EVIDENCE OF CONTINUING APPLICABILITY

Customer shall make available to Company, at its reasonable request, evidence of full-time employment levels and capital investments used as the basis for applicability for receiving service hereunder.

RATES AND CHARGES

Customer receiving service under this Rider:

1. Shall receive a credit to the Monthly Billing Demand Charge due per month under the applicable tariff rate schedule for a period of twenty-four (24) consecutive months, as follows:
 - a. for all Level 1 demand additions, credit ~~of up to~~ \$2.25 per kVA/kW.
 - b. for all Level 2 demand additions, credit ~~of up to~~ \$4.50 per kVA/kW.
 - c. ~~The applicable credit denoted in (a) and (b) will be limited such that, when combined with any other credits for which Customer qualifies, the resulting net demand charge applicable to Customer's "eligible demands", shall not be less than \$0.00 per kVA/kW in any month.~~

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The monthly base period demand shall be specified in the contract and will be the average of the Maximum Demands during the 12 months preceding the new demand addition or parts thereof. Any demand served greater than the monthly base period demand will be considered new demand additions and shall qualify for the credit.

2. Shall designate the date on which the Billing Demand credits shall commence, said date not to be later than twelve (12) months after Company's approval of Customer's application.
3. Shall continue to be billed the full amount of all other Monthly Rates and Charges applicable to Customer's applicable Rate Schedule.
4. Shall resume being billed the full Monthly Rates and Charges under Customer's applicable Rate Schedule after receiving service under this Rider for twenty-four (24) months.

Effective:

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RIDER ED
ECONOMIC DEVELOPMENT RIDER
(Continued)

ELIGIBLE DEMANDS

1. For new Customers, "eligible demands" are defined as all demand, subject to Customer having met the criteria of Level 1 or Level 2 Incentives.
2. For existing Customers adding new electric load to an existing establishment, "eligible demands" are defined as all incremental demand above the Customer's historical usage, subject to Customer having met the criteria of Level 1 or Level 2 Incentives.
3. For existing Customers which meet the applicable retention criteria requirements, "eligible demands" will be determined by Company, giving consideration to Customer's historical usage.

CONTRACT

Upon approval of application by Company, Customer must enter into a Contract under this Rider for a contract period of six (6) years. Employment additions must occur no later than six months following Company's approval of the Contract and initiation of service hereunder.

The Contract shall also include such other terms and conditions which Company determines in its reasonable discretion to be necessary or advisable in connection with offering service under this Rider, including, but not limited to, the requirement for Customer to pay to Company the difference between the total charges under this Rider and the otherwise applicable Rate Schedule charges if during the term of the Contract Customer fails to meet the employment additions and retentions specified at the beginning of the service relationship.

In the event a change in ownership occurs after Customer has entered into a Contract under this Rider, Customer shall receive service hereunder for the balance of the term of the Contract, as long as the new owner upholds all other conditions of the Contract and this Rider.

Company reserves the right to immediately terminate service under this Rider, if Company determines that Customer has failed to comply with the terms of the APPLICABILITY section, or this Contract, at any time during the term of the Contract.

TERMINATION

This Rider may be terminated by Company upon approval by the Commission, with such request for termination provided to the Commission at least twelve (12) months prior to the proposed effective date of Rider termination ("Termination Date"). Customers making application for service hereunder prior to the Termination Date shall be eligible for the full twenty-four (24) months of Billing Demand credit described herein.

Once a Customer enters into a new Contract hereunder, that Customer will receive credits pursuant to this Rider, under the then-current terms of this Rider, for the duration of the Contract term.

Effective:

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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. 59

~~Second~~ Revised Page 2 of 3

~~Cancels First Revised~~ Page 2 of 3

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RIDER AD
AREA DEVELOPMENT RIDER
(Continued)

RATES AND CHARGES

Customer receiving service under this Rider:

1. Shall be billed the full monthly Rates and Charges under Customer's applicable Rate Schedule for all "incremental volumes" (defined below), for a period of sixty (60) consecutive months, except that the applicable Rate Schedule Demand Charge, exclusive of any included charges from applicable Appendices or Riders, shall be discounted as follows:
 - a. For the first 12-month period, the Demand Charge will be discounted up to 50% per month;
 - b. For the second 12-month period, the Demand Charge will be discounted up to 40% per month;
 - c. For the third 12-month period, the Demand Charge will be discounted up to 30% per month;
 - d. For the fourth 12-month period, the Demand Charge will be discounted up to 20% per month;
 - e. For the fifth 12-month period, the Demand Charge will be discounted up to 10% per month;
 - f. The applicable credits denoted in (a) through (e) will be limited such that, when combined with any other credits for which Customer qualifies, the resulting net demand charge applicable to Customer's "incremental demands" shall not be less than \$0.00 per kVA/kW in any month.
2. Shall resume being billed the full monthly Rates and Charges under Customer's applicable Rate Schedule after receiving service under this Rider for sixty (60) months.
3. Shall designate the date on which the discount applicable to Demand Charges on incremental demand shall commence, said date not to be later than twelve (12) months after Company's approval of Customer's application.

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INCREMENTAL DEMANDS

1. For new Customers, "incremental demands" are defined as all demand, subject to Customer having met the 300 kVA/kW per month minimum threshold.
2. For existing Customers, "incremental demands" must be at least 300 kVA/kW per month and will be determined by Company, giving consideration to Customer's historical usage.

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CONTRACT

Upon approval of application by Company, Customer must enter into a Contract under this Rider. The Contract shall also include such other terms and conditions which Company determines in its reasonable discretion to be necessary or advisable in connection with offering service under this Rider, including, but not limited to, the requirement for Customer to pay to Company the difference between the total charges under this Rider and the otherwise applicable Rate Schedule charges if during the term of the Contract Customer fails to meet the employment additions / retentions specified at the beginning of the service relationship.

In the event a change in ownership occurs after Customer has entered into a Contract under this Rider, Customer shall receive service hereunder for the balance of the term of the Contract, as long as the new owner upholds all other conditions of the Contract of this Rider.

Effective:

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RIDER ED
ECONOMIC DEVELOPMENT RIDER

AVAILABILITY

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

APPLICABILITY

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1. Receives service under Rate DGS, LP, or HLF,
2. Makes application to Company for service under this Rider,
3. Has applied for and received economic development assistance from State or local government or other public agency,
4. Affirms that without this Rider, it would not be financially advantageous for Customer to expand the existing or build the proposed new establishment.

Customers meeting all Applicability criteria above are eligible for incentives under this Rider at two levels:

Level 1 Incentives – Customer's new electric load addition must meet all of the following minimum criteria:

1. Expected monthly load factor of 50% or higher
2. Expected load addition of 500 kVa/kW or more per month at one delivery point.
3. Result in the creation of 25 new full-time equivalent jobs at the same location.

Level 2 Incentives – Customer's new electric load must meet all of the Level 1 Incentives, and at least 2 out of 4 of the following minimum criteria:

1. Expected monthly load factor of 65%, or higher.
2. Expected load addition of 1500 kVa/kW or more per month at one delivery point.
3. Result in the creation of 100 new full-time equivalent jobs at the same location.
4. Result in capital investment at Customer's establishment of one million dollars (\$1,000,000) or more for each 1000 kVa/kW per month of new load (minimum of 1000 kVa/kW per month of new load required).

Company may also apply this Rider to an existing customer who, but for economic incentives being provided from the State and/or local government or public agency, would leave or not expand facilities within Company's service area. In this event, Customer must agree, at a minimum, to retain the current number of full-time equivalent jobs at the existing location.

For new Customers, application for service hereunder must be made at the time of initial application for electric service.

RIDER ED
ECONOMIC DEVELOPMENT RIDER
(Continued)

This Rider is not available:

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3. For renewal of service following service interruptions related to, but not limited to, equipment failure, temporary plant shutdown, work stoppage, or economic conditions.

EVIDENCE OF CONTINUING APPLICABILITY

Customer shall make available to Company, at its reasonable request, evidence of full-time employment levels and capital investments used as the basis for applicability for receiving service hereunder.

RATES AND CHARGES

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 - b. for all Level 2 demand additions, credit of up to \$4.50 per kVA/kW.
 - c. The applicable credit denoted in (a) and (b) will be limited such that, when combined with any other credits for which Customer qualifies, the resulting net demand charge applicable to Customer's "eligible demands" shall not be less than \$0.00 per kVA/kW in any month.

The monthly base period demand shall be specified in the contract and will be the average of the Maximum Demands during the 12 months preceding the new demand addition or parts thereof. Any demand served greater than the monthly base period demand will be considered new demand additions and shall qualify for the credit.
2. Shall designate the date on which the Billing Demand credits shall commence, said date not to be later than twelve (12) months after Company's approval of Customer's application.
3. Shall continue to be billed the full amount of all other Monthly Rates and Charges applicable to Customer's applicable Rate Schedule.
4. Shall resume being billed the full Monthly Rates and Charges under Customer's applicable Rate Schedule after receiving service under this Rider for twenty-four (24) months.

Effective:

RIDER ED
ECONOMIC DEVELOPMENT RIDER
(Continued)

ELIGIBLE DEMANDS

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3. For existing Customers which meet the applicable retention criteria requirements, "eligible demands" will be determined by Company, giving consideration to Customer's historical usage.

CONTRACT

Upon approval of application by Company, Customer must enter into a Contract under this Rider for a contract period of six (6) years. Employment additions must occur no later than six months following Company's approval of the Contract and initiation of service hereunder.

The Contract shall also include such other terms and conditions which Company determines in its reasonable discretion to be necessary or advisable in connection with offering service under this Rider, including, but not limited to, the requirement for Customer to pay to Company the difference between the total charges under this Rider and the otherwise applicable Rate Schedule charges if during the term of the Contract Customer fails to meet the employment additions and retentions specified at the beginning of the service relationship.

In the event a change in ownership occurs after Customer has entered into a Contract under this Rider, Customer shall receive service hereunder for the balance of the term of the Contract, as long as the new owner upholds all other conditions of the Contract and this Rider.

Company reserves the right to immediately terminate service under this Rider, if Company determines that Customer has failed to comply with the terms of the APPLICABILITY section, or this Contract, at any time during the term of the Contract.

TERMINATION

This Rider may be terminated by Company upon approval by the Commission, with such request for termination provided to the Commission at least twelve (12) months prior to the proposed effective date of Rider termination ("Termination Date"). Customers making application for service hereunder prior to the Termination Date shall be eligible for the full twenty-four (24) months of Billing Demand credit described herein.

Once a Customer enters into a new Contract hereunder, that Customer will receive credits pursuant to this Rider, under the then-current terms of this Rider, for the duration of the Contract term.

Effective:

RIDER AD
AREA DEVELOPMENT RIDER
(Continued)

RATES AND CHARGES

Customer receiving service under this Rider:

1. Shall be billed the full monthly Rates and Charges under Customer's applicable Rate Schedule for all "incremental volumes" (defined below), for a period of sixty (60) consecutive months, except that the applicable Rate Schedule Demand Charge, exclusive of any included charges from applicable Appendices or Riders, shall be discounted as follows:
 - a. For the first 12-month period, the Demand Charge will be discounted up to 50% per month;
 - b. For the second 12-month period, the Demand Charge will be discounted up to 40% per month;
 - c. For the third 12-month period, the Demand Charge will be discounted up to 30% per month;
 - d. For the fourth 12-month period, the Demand Charge will be discounted up to 20% per month;
 - e. For the fifth 12-month period, the Demand Charge will be discounted up to 10% per month;
 - f. The applicable credits denoted in (a) through (e) will be limited such that, when combined with any other credits for which Customer qualifies, the resulting net demand charge applicable to Customer's "incremental demands" shall not be less than \$0.00 per kVA/kW in any month.
2. Shall resume being billed the full monthly Rates and Charges under Customer's applicable Rate Schedule after receiving service under this Rider for sixty (60) months.
3. Shall designate the date on which the discount applicable to Demand Charges on incremental demand shall commence, said date not to be later than twelve (12) months after Company's approval of Customer's application.

INCREMENTAL DEMANDS

1. For new Customers, "incremental demands" are defined as all demand, subject to Customer having met the 300 kVA/kW per month minimum threshold.
2. For existing Customers, "incremental demands" must be at least 300 kVA/kW per month and will be determined by Company, giving consideration to Customer's historical usage.

CONTRACT

Upon approval of application by Company, Customer must enter into a Contract under this Rider. The Contract shall also include such other terms and conditions which Company determines in its reasonable discretion to be necessary or advisable in connection with offering service under this Rider, including, but not limited to, the requirement for Customer to pay to Company the difference between the total charges under this Rider and the otherwise applicable Rate Schedule charges if during the term of the Contract Customer fails to meet the employment additions / retentions specified at the beginning of the service relationship.

In the event a change in ownership occurs after Customer has entered into a Contract under this Rider, Customer shall receive service hereunder for the balance of the term of the Contract, as long as the new owner upholds all other conditions of the Contract of this Rider.

Effective: