



For Immediate Release

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Vectren Electric Infrastructure Plan: Consumer Comments Invited, May 2 Hearing Scheduled in Evansville

If you would like to comment on Vectren Energy Delivery's proposed electric infrastructure improvement plan, with corresponding rate increases, you have two opportunities to do so.

The Indiana Office of Utility Consumer Counselor (OUCC) continues to invite written comments for the case record. In addition, the Indiana Utility Regulatory Commission (IURC) will hold a public field hearing on Tuesday, May 2, 2017 in Evansville.

The IURC's May 2 hearing will start at 6:00 p.m., local time, in the auditorium at the Academy for Innovative Studies – Diamond Campus (2319 Stringtown Road in Evansville).

- Consumers will be able to speak directly to the Commission, under oath and on the record, regarding the case.
- Consumers will also be able to submit written comments for the case record.
- Comments will carry equal weight whether they are oral or written.
- Commissioners are not allowed to answer questions during the field hearing. However, OUCC staff will be available before, during and after the hearing to address questions about the process.

Consumers who are unable to attend the field hearing but wish to submit written comments may do so via the OUCC's Website at www.in.gov/oucc/2361.htm, or by mail, email, or fax:

- Mail: Consumer Services Staff
Indiana Office of Utility Consumer Counselor
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204
- email: uccinfo@oucc.IN.gov
- Fax: (317) 232-5923

Written comments the OUCC receives in advance of the field hearing will be filed with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name**, **mailing address**, and a reference to "**IURC Cause No. 44910.**" Consumers with questions about submitting written comments may call the OUCC toll-free at 1-888-441-2494.

The OUCC – the state agency representing consumer interests in cases before the IURC – is reviewing the utility's plan and is scheduled to file testimony on May 4, 2017. Several additional parties have intervened and are also expected to file testimony on May 4. They include the Citizens Action Coalition of Indiana, Valley Watch, Inc., CountryMark Refining and Logistics, LLC, and Toyota Motor Manufacturing of Indiana, Inc.

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Vectren has filed its proposed plan under a 2013 Indiana law.

- The law allows an investor-owned electric or natural gas utility to seek IURC approval of a seven-year infrastructure improvement plan. The IURC must rule on the request within 210 days.
- If the plan is approved, the utility may then adjust rates every six months, subject to OUCC review and IURC approval, to recover project costs as they are incurred. The OUCC and IURC review periods are limited to 60 and 90 days, respectively.
- The rate adjustments – under a Transmission, Distribution, and Storage System Improvement Charge (TDSIC) mechanism – may not exceed two percent of the utility’s total retail revenues.
- Recovery of 20 percent of the costs must be deferred until the utility’s next base rate case, which must be filed before the end of the seven-year period.

According to Vectren’s testimony and exhibits:

- The proposed projects in its \$514 million plan – aimed at improving system reliability while replacing aging infrastructure – would be built from 2017 through 2023.
- Projects would include the installation of advanced metering infrastructure throughout Vectren’s southwestern Indiana electric service territory. Other projects would include distribution system and underground network upgrades, along with replacements and improvements of substations, transformers, circuit breakers, poles, and lines.
- If the plan receives IURC approval, Vectren’s first electric TDSIC rate increase of about 0.83 percent would take effect in 2018.
- Estimated TDSIC rate increases from 2018 through 2024 would vary annually and would range between 0.83 percent and 1.72 percent each year.
 - The proposed increases on residential bills would be added as fixed charges that would not vary by usage or among customers.
 - The projected residential charge added in 2018 would be \$1.29, rising to \$3.29 in 2019. The monthly charge would continue to rise annually, reaching \$13.46 in 2024.

The new tracker rate increases requested in this case are in addition to Vectren’s current base electric rates, which were approved in 2011, and in addition to various other trackers through which Vectren may currently adjust its rates subject to OUCC review and IURC approval. All Indiana investor-owned electric utilities use trackers, with Vectren using them to recover costs for generating fuel, environmental compliance, regional transmission, energy efficiency programs, and system reliability.

Other utilities that have received IURC approval to implement seven-year infrastructure plans include Duke Energy, Northern Indiana Public Service Company (NIPSCO), and Community Natural Gas Corp.

Natural gas rates and services are not at issue in this case. Seven-year infrastructure plans for both of Vectren’s Indiana gas utilities received IURC approval in 2014.

Under the law’s timing requirements, the IURC must issue an order on the proposed plan by late September 2017. The OUCC is posting case updates online at www.in.gov/oucc/2871.htm.

(IURC Cause No. 44910)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC’s mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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