

**SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
d/b/a VECTREN ENERGY DELIVERY OF INDIANA, INC.
A CENTERPOINT ENERGY COMPANY
(VECTREN SOUTH)**

IURC CAUSE NO. 43405-DSMA 18

**DIRECT TESTIMONY
OF
J. CAS SWIZ
DIRECTOR, REGULATORY AND RATES**

ON

VECTREN SOUTH'S PROPOSED DEMAND SIDE MANAGEMENT ADJUSTMENTS

**SPONSORING PETITIONER'S EXHIBIT NO. 2,
ATTACHMENTS JCS-1 THROUGH JCS-2**

DIRECT TESTIMONY OF J. CAS SWIZ

1 **I. INTRODUCTION**

2
3 **Q. Please state your name and business address.**

4 A. J. Cas Swiz
5 One Vectren Square
6 Evansville, Indiana 47708
7

8 **Q. By whom are you employed?**

9 A. I am employed by CenterPoint Energy, Inc. ("CenterPoint"). Southern Indiana Gas and
10 Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. ("Petitioner", "Vectren
11 South", or "the Company") is an indirect subsidiary of CenterPoint.
12

13 **Q. What position do you hold with Petitioner Vectren South?**

14 A. I am Director, Regulatory and Rates of CenterPoint, the immediate parent company of
15 Vectren South. I hold the same position with two other utility subsidiaries of
16 CenterPoint—Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana,
17 Inc. ("Vectren North") and Vectren Energy Delivery of Ohio, Inc. ("Vectren Ohio").
18

19 **Q. Please describe your educational background.**

20 A. I am a 2001 graduate of the University of Evansville with a Bachelor of Science Degree
21 in Accounting, and a 2005 graduate of the University of Southern Indiana with a
22 Masters of Business Administration.
23

24 **Q. Please describe your professional experience.**

25 A. From 2001 to 2003, I was employed by ExxonMobil Chemical as a Product and
26 Inventory accountant. Since 2003, I have been employed with VUHI in various
27 accounting capacities. In 2008, I was named Manager, Regulatory and Utility
28 Accounting, and in November 2012, I was promoted to Director, Regulatory
29 Implementation and Analysis. In August 2015, I was named Director, Rates and
30 Regulatory Analysis. I was named to my current position in February 2019.
31

32 **Q. What are your present duties and responsibilities as Director, Regulatory and**

1 **Rates?**

2 A. I am responsible for the Indiana and Ohio regulatory and rate matters of the regulated
3 utilities within CenterPoint in proceedings before the Indiana and Ohio utility regulatory
4 commissions. I also have responsibility for the implementation of all regulatory
5 initiatives for Vectren South (and other utility subsidiaries in Indiana and Ohio), as well
6 as the preparation of accounting exhibits submitted in various regulatory proceedings.

7

8 **Q. Are you familiar with the books, records, and accounting procedures of Vectren**
9 **South?**

10 A. Yes, I am.

11

12 **Q. Have you previously testified before this Commission?**

13 A. Yes. I have testified before the Indiana Utility Regulatory Commission ("Commission")
14 on behalf of Vectren South and Vectren North in its TDSIC proceedings, Cause No.
15 44429 (Vectren South) and Cause No. 44430 (Vectren North). I have testified on
16 behalf of Vectren South in Cause No. 44645 for approval of its 2016-2017 Demand
17 Side Management ("DSM") Program Plan ("2016-2017 DSM Plan"), in Cause No.
18 44927 for approval of its 2018-2020 DSM Program Plan ("2018-2020 DSM Plan"), in
19 Cause No. 45387 for approval of its 2021-2023 DSM Program Plan ("2021-2023 DSM
20 Plan") and in Cause No. 43405 for DSMA13 through DSMA17. I have testified on
21 behalf of Vectren South in Cause No. 43354-MCRA 21-S1 ("MCRA 21-S1") for
22 modifications to Four Coincident Peak ("4CP") allocation factors various electric
23 mechanisms, including the Demand Side Management Adjustment ("DSMA"). I have
24 testified on behalf of Vectren South and Vectren North in its Gas Cost Adjustment
25 ("GCA") proceedings Cause No. 37366 (Vectren South) and Cause No. 37394
26 (Vectren North) and on behalf of Vectren South in its Fuel Adjustment Clause ("FAC"),
27 Cause No. 38708. I have also testified before the Public Utilities Commission of Ohio
28 on behalf of Vectren Ohio.

29

30 **Q. What is the purpose of your testimony in this proceeding?**

31 A. My testimony supports Vectren South's proposed DSMA to be applicable from January
32 1, 2021 through December 31, 2021 ("the DSMA18 Period" or "the Projection Period").
33 I will sponsor Vectren South's proposed tariff sheet revisions reflecting the proposed

1 DSMA and how the DSMA for each Rate Schedule was calculated. I will describe the
2 DSMA allocation percentages applicable to each Rate Schedule consistent with the
3 September 2, 2020 Order in MCRA 21-S1. I will also describe how the DSMA
4 complies with the requirements of Ind. Code 8-1-8.5-9 and 8-1-8.5-10 ("Energy
5 Efficiency Statute") enacted and amended in Senate Enrolled Act 340 ("SEA 340") and
6 Senate Enrolled Act 412 ("SEA 412"). I will also describe the impacts of the Tax Cuts
7 and Jobs Act of 2017 ("2017 Tax Act") to the DSMA.

8
9 **Q. Are you sponsoring any exhibits in this proceeding?**

10 A. Yes. I am sponsoring, and will discuss in greater detail below, the following exhibits
11 in this proceeding:

- 12 • Petitioner's Exhibit No. 2, Attachment JCS-1: Proposed tariff, Sheet No. 66,
13 clean and red-lined.
- 14 • Petitioner's Exhibit No. 2, Attachment JCS-2 (Schedules 1 through 9):
15 Detailed calculation of the proposed DSMA charges.

16
17 **Q. Were these exhibits prepared by you or under your supervision?**

18 A. Yes, they were.
19
20

21 **II. BACKGROUND**
22

23 **Q. Please describe the DSMA and the procedural history of the components of the**
24 **DSMA.**

25 A. Consistent with a settlement approved in 2007 in Cause No. 43111, the DSMA was
26 created to specifically recover all of Vectren South's DSM costs, including (at that time)
27 a Direct Load Control ("DLC") Component and any associated variances. The
28 Commission, in its order in Cause No. 43427, authorized Vectren South to include
29 both Core and Core-Plus DSM Program Costs in an Energy Efficiency Funding
30 Component ("EEFC") of the DSMA. In subsequent orders, the Commission approved
31 performance incentives related to DSM Program Costs, and the inclusion of those
32 incentives for recovery as part of the Incentives and Variance Component. In its order

1 in Cause No. 43839 ("Rate Order"), Vectren South's most recent general electric rate
2 case, the Commission authorized recovery of the cost of the DLC inspection and
3 maintenance ("I&M").
4

5 In Cause No. 43938, the Commission approved the Company's Second Revised Initial
6 Plan, which included implementation of Core and Core Plus Conservation Programs
7 in order to meet the energy savings goals established in the Commission's Phase II
8 Order in Cause No. 42693. The Commission also approved Vectren South's request
9 for a Lost Margin Component for recovery in the DSMA of lost margins resulting from
10 large customer participation in commercial/industrial Core and Core Plus programs.
11 In addition, the Commission authorized the deferral of up to \$1 million in small
12 customer lost margins in 2011 for subsequent recovery over a two year period through
13 a mechanism to be approved in a future proceeding in the event the Company's
14 decoupling request in Cause No. 43839 was not approved.
15

16 In DSMA9-S1, the Commission approved the addition of a Lost Margin Component
17 applicable to Small Customers (defined later in my testimony). The Commission also
18 granted Vectren South the authority to continue deferring small customer lost margins
19 incurred after December 31, 2011 until such time as projected small customer lost
20 margins are reflected in rates. Finally, the recovery of small customer lost margins
21 deferred during 2012 were to be amortized over two years, with 50% included in
22 DSMA11 and the remainder included in DSMA12.
23

24 In DSMA10, the Commission approved Vectren South's proposal to include its annual
25 DLC report as required by 170 IAC 4-8-4(b) in its annual DSMA filing.
26

27 In DSMA12, the large customer opt out provision in the Energy Efficiency Statute as a
28 result of SEA 340 necessitated the creation of additional schedules to calculate DSMA
29 rates applicable to groups of customers who have opted out (or will opt out in the
30 future) of DSM Programs ("Opt Out Groups"). The Commission approved these
31 additional schedules and the rates assigned to the initial Opt Out Groups.
32

1 In DSMA13, the Commission approved Vectren South's DSMA rates and charges to
2 recover costs associated with DSM Programs for calendar year 2016. DSMA13 also
3 captured modifications to the forecasting of lost revenues to better align Vectren South
4 with the requirements of SEA 412, and modifications to how the annual over or under
5 recovery variances will be included and allocated to each Rate Schedule. The
6 Commission also ordered Vectren South to submit a scorecard reviewing program
7 performance with its next DSMA filing, which Vectren South witness Rina H. Harris
8 discusses.

9
10 In DSMA14, the Commission approved Vectren South's DSMA rates and charges to
11 recover costs associated with DSM Programs for calendar year 2017. DSMA14
12 continued the modifications to the forecasting of lost revenues to better align Vectren
13 South with the requirements of SEA 412, and modifications to how the annual over or
14 under recovery variances were included and allocated to each Rate Schedule.
15 Vectren South also submitted a scorecard reviewing program performance in DSMA14
16 consistent with the DSMA13 order. The DSMA14 order also approved modifications
17 to the cost allocation methodology.

18
19 The DSMA15 Petition and its case-in-chief consisting of verified direct testimony and
20 attachments was filed August 31, 2017. On October 6, 2017, Vectren South filed a
21 *Motion to Stay Proceedings and Vacate Evidentiary Hearing and Pre-Hearing*
22 *Schedule*, which the Commission granted pursuant to a Docket Entry on October 17,
23 2017. The stay allowed the parties time to reach a settlement on the allocation factors
24 affecting the MISO Cost and Revenue Adjustment ("MCRA"), Reliability Cost and
25 Revenue Adjustment ("RCRA") and DSMA proceedings. The Commission order dated
26 March 7, 2018 in Cause No. 43354-MCRA 21 approved a Stipulation and Settlement
27 Agreement ("the Allocation Settlement") between Vectren South, the Indiana Office of
28 Utility Consumer Counselor ("OUCC") and the Vectren Industrial Group (collectively,
29 the "Settling Parties"). Vectren South requested DSMA 15 to be dismissed on May
30 10, 2018 with the commitment that Vectren South would maintain rates that were
31 approved in DSMA 14 and reconcile any resulting under- or over- recoveries for
32 calendar year 2018 in DSMA 17. The Commission granted the Unopposed Motion to
33 Dismiss on May 16, 2018.

1
2 The DSMA16 Petition and its case-in-chief consisting of verified direct testimony and
3 attachments was filed August 31, 2018. The Commission approved Vectren South's
4 DSMA rates and charges to recover costs associated with DSM Programs for
5 Calendar Year 2019. DSMA16 continued the modification to the forecasting of lost
6 revenues to better align Vectren South with the requirements of SEA 412, and
7 modifications to how the annual over or under recovery variances were included and
8 allocated to each Rate Schedule. Vectren South also submitted a scorecard reviewing
9 program performance in DSMA16 consistent with DSMA13 order.

10
11 The DSMA17 Petition and its case-in-chief consisting of verified direct testimony and
12 attachments was filed September 10, 2019. The Commission approved Vectren
13 South's DSMA rates and charges to recover costs associated with DSM Programs for
14 Calendar Year 2020. DSMA17 continued the modification to the forecasting of lost
15 revenues to better align Vectren South with the requirements of SEA 412, and
16 modifications to how the annual over or under recovery variances were included and
17 allocated to each Rate Schedule. Vectren South also submitted a scorecard reviewing
18 program performance in DSMA17 consistent with DSMA13 order.

19
20 On December 12, 2019, Vectren filed a Motion to create a sub-docket in Cause No.
21 43354-MCRA 21 for the purpose of submitting a 4CP Demand Study in accordance
22 with the Order approving the Allocation Settlement. The Commission's Order dated
23 September 2, 2020 approved a Stipulation and Settlement Agreement (the "MCRA21-
24 S1 Settlement Agreement") among Vectren South, the OUCC, the Industrial Group
25 and SABIC Innovative Plastics Mt. Vernon (the "MCRA 21-S1 Settling Parties") for
26 allocation factors for the MCRA, the RCRA, the Environmental Cost Adjustment
27 ("ECA"), the Clean Energy Cost Adjustment ("CECA") and DSMA mechanisms
28 (collectively, the "Electric Adjustment Mechanisms"), as outlined in the MCRA21-S1
29 Settlement Agreement.

30
31 Consistent with these Commission findings, the DSMA proposed herein includes four
32 components: a DLC and I&M Component, an Incentives and Variance Component, an
33 EEFC, and a Lost Margin Component.

1
2 **Q. Please describe how SEA 412, enacted in May 2015, impacts the DSMA**
3 **mechanism.**

4 A. SEA 412 modified Ind. Code § 8-1-8.5-9, previously established by SEA 340, by
5 eliminating the end date for customers to formally opt out of DSM Programs. Vectren
6 South modified its schedules within DSMA12 to capture the impact of these opt out
7 provisions, and will continue to adjust its DSMA filings for each Opt Out Group, as
8 defined below, to ensure compliance with the Energy Efficiency Statute.

9
10 SEA 412 also added Ind. Code § 8-1-8.5-10, which defines the requirements for an
11 electric utility to file for approval of its DSM Program Plan. In its initial filing in
12 accordance with these requirements, Vectren South received approval of its 2016-
13 2017 DSM Plan in Cause No. 44645 dated December 20, 2017¹ ("44645 Order").
14 Subsequently, Vectren South received approval of its 2018-2020 DSM Plan in Cause
15 No. 44927 dated December 28, 2017² ("44927 Order"), in accordance with these
16 requirements.

17
18 Finally, Ind. Code § 8-1-8.5-10(o)(2) covers specifically how the adjustment
19 mechanism (in Vectren South's case, the DSMA) should be implemented in
20 accordance with the Plan requirements:

21 "A retail rate adjustment mechanism proposed by an electricity supplier
22 under this section to implement the timely recovery of program costs
23 (including reasonable lost revenues) may be based on a reasonable
24 forecast, with consideration given to the electricity supplier's historical
25 lost revenue forecasting accuracy. If forecasted data is used, the retail
26 rate adjustment mechanism must include a reconciliation mechanism
27 to correct for any variance between the forecasted program costs
28 (including reasonable lost revenues and financial incentives) and the
29 actual program costs (including reasonable lost revenues and financial
30 incentives based on the evaluation, measurement, and verification of
31 the energy efficiency programs under the plan)."

¹ Initial approval was received on March 23, 2016, and was subsequently appealed with the Indiana Court of Appeals, and remanded back to the Commission for a decision. The final Commission Order in December 2017 was also appealed, with a final opinion issued on March 11, 2019.

² The December 27, 2017 Order in Cause No. 44927 was appealed with the Indiana Court of Appeals, with a final opinion issued on February 19, 2019.

1
2 As discussed later in my testimony, Vectren South's DSMA has included, and will
3 continue to include, the required reconciliation of projected program costs (inclusive of
4 lost revenues) and actual program costs (inclusive of lost revenues based on the
5 evaluation, measurement, and verification ("EM&V") process). Specific to projected
6 lost revenues reflected in the schedules discussed hereafter and in accordance with
7 the language noted previously, Vectren South has developed a forecasting process
8 that ensures its projection is "reasonable" and prepared "with consideration given to"
9 historical lost revenue results.

10
11 The testimony of witness Harris explains in greater detail how the estimated net
12 savings (both energy and demand) were calculated to support the Company's lost
13 revenue projection.

14
15 **Q. Please explain the meaning of each Opt Out Group (2014 through 2021) listed**
16 **within the DSMA.**

17 A. Opt Out Group 2014 consists of customers who opted out of participation in DSM
18 Programs effective July 1, 2014. Starting with Opt Out Group 2015, each Opt Out
19 Group consists of customers who opted out of participation in DSM Programs effective
20 January 1 of each calendar year. In anticipation of the possibility of additional
21 customer opt outs later in 2020, Opt Out Group 2021 was created for customers who
22 may decide to opt out of participation in DSM Programs effective January 1, 2021. As
23 eligible customers formally elect to opt out of DSM Programs in the future, new Opt
24 Out Groups will be added. Vectren South had one customer elect to opt back in to the
25 programs in 2018, and this customer is considered in the Non Opt Out customer group.

26
27 **Q. Please describe how the 2017 Tax Act enacted on December 22, 2017 impacts**
28 **the DSMA.**

29 A. In accordance with the Commission's Order in Cause No. 45032 (February 16, 2018),
30 Vectren South filed a Thirty-Day Administrative Filing on March 26, 2018 (#50171) to
31 capture the impact on approved base rates and charges of the reduction in the Federal
32 income tax rate from 35% to 21%. On May 30, 2018, the Commission approved
33 Vectren South's adjusted base rates and charges, effective June 1, 2018. As the

Commission's Order in Cause No. 45032 directed Vectren South to recognize the impact of the 2017 Tax Act effective January 1, 2018, these revised base rates and charges are used to calculate the actual lost margin recoverable in the DSMA effective January 1, 2018, which were reconciled in DSMA17. In addition, these revised base rates and charges are used to calculate the projected lost margins by Rate Schedule discussed later in my testimony.

Q. Are there other impacts to DSMA components as a result of the 2017 Tax Act?

A. Yes. The Commission's Order in Cause No. 44927 (December 28, 2017, "44927 Order") approved, as part of the 2018-2020 DSM Plan, the recovery of depreciation and operating expenses and carrying costs associated with the conservation voltage reduction ("CVR") program investment. The carrying costs are calculated using a pre-tax rate of return, which has been adjusted effective January 1, 2018 to reflect the lower Federal income tax rate. The recoverable costs associated with the CVR investments, adjusted for the lower pre-tax rate of return, are included as part of Vectren South's proposed DSM Program costs discussed later in my testimony.

III. ALLOCATION OF THE DSMA

Q. Please explain the basis for the allocation of costs and revenues recoverable in the DSMA to each rate schedule.

A. Vectren South allocates costs and revenues recoverable in the DSMA based on the 4CP allocation percentages as approved in the MCRA21-S1 Settlement Agreement. As previously discussed, Vectren South filed a 4CP Refresh Study under MCRA 21-S1 and the Commission approved the MCRA21-S1 Settlement Agreement with allocation factors for the Electric Adjustment Mechanisms. The Settling Parties agree the currently approved and effective allocation percentages for Vectren South's DSMA proceeding will remain unchanged until further changes are authorized by the Commission within the Company's next base rate case proceeding. The resulting modified 4CP allocation factors are as follows, and are reflected on Petitioner's Exhibit

1 No. 2, Attachment JCS-2, Schedule 1, Page 3 of 3³:

DSMA		
Rate Schedule	Current Allocation Percentages - DLC/I&M	Current Allocation Percentages - Program Costs
RS	43.1221%	43.5114%
B	0.1307%	0.1318%
SGS	1.8234%	1.8399%
DGS/MLA	27.9043%	28.1563%
OSS	2.1556%	2.1750%
LP/BAMP	23.9692%	24.1856%
HLF	0.8947%	0.0000%
	100.0000%	100.0000%

2
3
4
5 **IV. COMPONENTS OF THE DSMA**

6
7 **Q. Please describe the DLC Component of the DSMA.**

8 A. The DLC Component is calculated for each Rate Schedule as follows:

9
10
$$\text{DLC Component} = \frac{(\text{Actual DLC Credits} - \text{Base Rate Amount DLC Credits}) \times \text{Rate Schedule Allocation}\%}{\text{Rate Schedule Sales Quantities}}$$

11
12
13 Actual DLC Credits is the amount of DLC Credits to be paid to customers during the
14 Projection Period. Currently, DLC Credits are available to customers
15 during the months of June through September.

16
17 Base Rate Amount is the base rate level of DLC Credits (annual amount of
18 \$817,000).

19
20 **Q. Please describe the I&M Component.**

21 A. The I&M Component recovers or passes back any differences between actual

³ These percentages are also reflected in Vectren South's Tariff, Appendix B, page 2, column (b).

expenses and the base rate level of expenses associated with the inspection and maintenance of the Company's DLC equipment.

The I&M Component is calculated for each Rate Schedule as follows:

$$\text{I\&M Component} = \frac{(\text{Actual I\&M Expenses} - \text{Base Rate Amount of I\&M Expenses}) \times \text{Rate Schedule Allocation\%}}{\text{Rate Schedule Sales Quantities}}$$

Actual I&M Expenses are the expenses to be incurred under the I&M program during the Projection Period.

Base Rate Amount of I&M Expenses is \$569,628 per year.

Q. Please explain how the DLC and I&M Components are allocated to customers.

A. The Rate Schedule Allocation Percentage in each formula above is the proportion of each component applicable to each Rate Schedule. The following percentages applicable to each Rate Schedule are the 4CP percentages approved in the MCRA 21-S1 Settlement Agreement:

DSMA	
Rate Schedule	Current Allocation Percentages - DLC/I&M
RS	43.1221%
B	0.1307%
SGS	1.8234%
DGS/MLA	27.9043%
OSS	2.1556%
LP/BAMP	23.9692%
HLF	0.8947%
	100.0000%

The Rate Schedule Sales Quantities, used to determine the per unit rate component applicable to the DLC and I&M Component, are the estimated quantities of Energy Sales for each Rate Schedule for the Projection Period. Once calculated, both the DLC Component and I&M Component are modified to provide for the recovery of Indiana Utility Receipts Tax ("IURT").

1

2 **Q. Why do the Opt Out Groups continue to be responsible for DLC and I&M costs?**

3 A. DLC and I&M costs are demand related costs included in base rates and are not
4 considered DSM Program costs. The DLC and I&M Components included in the
5 DSMA represent the difference between actual costs and the respective amounts
6 included in base rates, so this component of the DSMA should continue to apply to all
7 Opt Out Groups.

8

9 **Q. Please describe the EEFC.**

10 A. The EEFC supports the Company's efforts to help customers reduce their
11 consumption of electricity and related impacts on peak demand. It is designed to
12 recover the costs of Commission-approved DSM Programs from all customers
13 receiving the benefit of these programs. At the time of this filing, approval of the
14 proposed 2021 DSM Programs is pending in Cause No. 45387.

15

16 In Cause No. 43427 (and subsequent proceedings), the Commission approved
17 recovery of the cost of Conservation Programs via the EEFC. These costs are
18 allocated to both energy and demand based on the estimated energy and demand
19 savings to be realized from the programs. Once the energy/demand allocation is
20 determined, the resulting costs are allocated to the Rate Schedules based on the
21 benefit(s) provided. Energy-related program costs are allocated based on projected
22 sales (adjusted for line losses) to the Rate Schedules. Demand-related program costs
23 savings are allocated to all Rate Schedules based on the MCRA 21-S1 Settlement
24 Agreement approved allocation factors. As the remaining Rate HLF customer has
25 opted out of program participation, demand related costs are allocated using the
26 Program Cost Demand Allocations (or Program Cost 4CP Allocation):

DSMA	
Rate Schedule	Current Allocation Percentages - Program Costs
RS	43.5114%
B	0.1318%
SGS	1.8399%
DGS/MLA	28.1563%
OSS	2.1750%
LP/BAMP	24.1856%
HLF	0.0000%
	100.0000%

The costs are recovered in the DSMA via energy charges from smaller customers who do not have demand charges, and via demand and energy charges from larger customers who have both charges.

Q. Please describe the Lost Margin Component.

A. The Lost Margin Component approved by the Commission in Cause No. 43938 recovers lost margins resulting from DSM programs implemented by customers receiving service under the following Rate Schedules: Demand General Service - 3 ("DGS-3"), Municipal Levee Authority Service - 3 ("MLA-3"), Large Power Service ("LP") and High Load Factor Service ("HLF") (collectively, "Large Customers"). The Lost Margin Component approved in DSMA9-S1 recovers lost margins resulting from DSM programs implemented by customers receiving service under the following Rate Schedules: Residential Service ("Rate RS"), Water Heating Service ("Rate B"), Small General Service ("Rate SGS"), Demand General Service -1 and -2 ("Rate DGS-1 and Rate DGS-2"), and Off-Season Service ("Rate OSS") (collectively, "Small Customers").

Q. Please describe the Lost Margin Component applicable to Opt Out Groups.

A. Opt out customers continue to be responsible for lost margins associated with measures that were installed prior to the individual customer's opt out date. In DSMA12, Vectren South created separate DSMA charges for Opt Out Groups to separate the lost margins between those driven by historical DSM Program savings

for which the Opt Out Groups remain responsible for in the DSMA, and those driven by future savings that the non-opt out customers will remain responsible for in the DSMA.

V. EXHIBITS AND SCHEDULES

Q. Please describe Petitioner's Exhibit No. 2, Attachment JCS-1.

A. Attachment JCS-1 is a copy of the proposed tariff, Sheet No. 66, with both a clean (pages 1 through 8) and red-lined (pages 9 through 16) version. Page 2 (page 10 for red-lined) is the Eleventh Revised Page 2 of 8 of Sheet No. 66, and reflects the proposed DSMAs for customers participating in Company-sponsored DSM Programs derived in Attachment JCS-2. Page 3 (page 11 for red-lined) is the Sixth Revised Page 3 of 8 of Sheet No. 66, and reflects the DSMAs derived in Attachment JCS-2 for Opt Out Group 2014, Opt Out Group 2015, Opt Out Group 2016, Opt Out Group 2017, Opt Out Group 2018, and Opt Out Group 2019. Page 4 (page 12 for red-lined) is the Fifth Revised Page 4 of 8 of Sheet No. 66, and reflects the DSMAs derived in Attachment JCS-2 for Opt Out Group 2020 and Opt Out Group 2021.

Q. Please describe Petitioner's Exhibit No. 2, Attachment JCS-2.

A. Attachment JCS-2 consists of schedules prepared under my direction that show the calculation of the proposed DSMAs and the associated residential bill impacts.

Q. Please describe Schedule 1 of Petitioner's Exhibit No. 2, Attachment JCS-2.

A. Schedule 1 provides the basis for the allocation of costs and the derivation of rates of the DSMA components.

Schedule 1, Page 1 of 3 presents the actual kWh sales for 2019, which are used to allocate actual energy-related DSMA costs incurred in 2019 to the specific Rate Schedules.

Schedule 1, Page 2 of 3 presents the projected kWh and kW / kVa sales for 2021, which are used to both allocate projected DSMA costs to be incurred in 2021 to the

Rate Schedules, as well as the basis to derive the various DSMA components. The projections of kWh and kW / kVa consider the split between 2014, 2015, 2016, 2017, 2018, 2019, and 2020 Opt Out Groups in order to appropriately allocate and derive rates for the various DSMA components for which the respective groups are responsible.

Schedule 1, Page 3 of 3 presents the two (2) demand 4CP percentages used to allocate costs within the DSMA. The first derivation (column b) is the Modified 4CP Allocation discussed previously, which is used to allocate DLC and I&M costs applicable to all customers. Within this, Rate DGS is split between Rates DGS-1&2 and Rate DGS-3. Additionally, rate schedules are split between non-opt out and opt out. The second derivation (column c) is the Program Cost 4CP Allocation and is used to allocate the actual and projected demand related EEFC costs. Within this, Rate DGS is split between Rates DGS-1&2 and Rate DGS-3.

Q. Please describe Schedule 2 of Petitioner's Exhibit No. 2, Attachment JCS-2.

A. Schedule 2 presents the DSMA variance by Rate Schedule to be recovered in DSMA18.

Q. Is Vectren South allocating the DSMA variances differently than in prior DSMA proceedings?

A. No. Beginning in DSMA13 and continuing in this DSMA, Vectren South has calculated an annual variance that will be amortized against recoveries in the period in which the variance amount is included in rates. In addition, Vectren South has calculated a variance for each Rate Schedule, by comparing actual recoveries to actual DSMA costs incurred, by component.

Q. Why is Vectren South specifically calculating variances by Rate Schedule and assigning them in the derivation of the DSMA rates and charges?

A. As noted previously, the enactment of SEA 412 and specifically Ind. Code 8-1-8.5-10(o)(2) prompted the Company to evaluate the reconciliation of projected costs and actual costs and how the resulting variance is treated within the DSMA. The use of the annual variance ensures that the DSMA is fully collecting past variances over 12

1 months, eliminating much of the regulatory lag and rate volatility that existed as a result
2 of the move of the DSMA to an annual filing in DSMA11. This approach is also
3 consistent with the treatment of variances in many of Vectren South's other recovery
4 mechanisms.

5
6 In addition, the creation of multiple Opt Out Groups has added complexity in the
7 allocation of costs. Specific identification of the variances by Rate Schedule ensures
8 that those customers who have elected not to participate in the DSM Programs are
9 only responsible for costs incurred prior to their effective opt out date. Conversely, it
10 ensures costs for which opt out customers are responsible are not allocated to other
11 customers.

12
13 **Q. Please describe the pages of Schedule 2 of Petitioner's Exhibit No. 2,**
14 **Attachment JCS-2.**

15 A. Schedule 2, Page 1 of 7 shows the derivation of the 2019 variance by Rate Schedule.
16 The variance is calculated for each Rate Schedule by comparing actual recoveries,
17 net of IURT and the recoverable cost components of DSMA15 including prior variance,
18 incentives, and recoverable deferred lost margins, with the total eligible costs to be
19 recovered in the DSMA over this time period (DLC and I&M variance to base level,
20 EEFC costs, and lost margins). Actual recoveries are based on Vectren South's
21 customer billing system and its internal books and records. The eligible costs are
22 derived from Pages 2 through 4 of Schedule 2.

23
24 Schedule 2, Page 2 of 7 presents the allocation of the DLC and I&M variance to the
25 base rate level by Rate Schedule. Actual costs are allocated using Modified 4CP
26 Allocation percentages, specifically the allocation considering the breakout of Rates
27 DGS-1&2 and Rate DGS-3 and also between Opt Out and non-opt out customers. All
28 opt out groups will continue to be responsible for the DLC & I&M Components,
29 including any associated variances.

30
31 Schedule 2, Page 3 of 7 presents the allocation of EEFC costs. Consistent with the
32 EEFC cost allocation previously noted, actual costs are allocated first to energy and
33 demand related costs. The energy costs are allocated using kWh sales, and the

1 demand costs are allocated using the Program Cost 4CP Allocation percentages.
2 Actual EEFC costs are based on the final 2018 DSM Program costs as presented in
3 Petitioner's Exhibit No. 1, Attachment RHH-2. The energy and demand allocations
4 are based on actual evaluated (final) 2018 DSM Program net kWh and kW / kVa
5 savings.

6
7 The energy allocation is based on actual kWh sales for this twelve-month period,
8 excluding the usage of Opt Out Group 2014, Opt Out Group 2015, Opt Out Group
9 2016, Opt Out Group 2017, Opt Out Group 2018, and Opt Out Group 2019 customers.
10 The demand allocation is based on the Program Cost 4CP Allocation, with the DGS
11 Rate Schedule split out between Rates DGS-1&2 and Rate DGS-3. Consistent with
12 prior DSMA proceedings, these percentages also take into consideration that all HLF
13 customers have officially opted out.

14
15 Schedule 2, Page 4 of 7 and Page 5 of 7 reflect the actual lost margins by Rate
16 Schedule. Page 4 represents the actual lost margins for Small Customers, and Page
17 5 represents the actual lost margins for Large Customers. Actual kWh and kW savings
18 for calendar year 2019 are supported by witness Harris in Petitioner's Exhibit No. 1,
19 Attachment RHH-6, Schedule 2, page 1 of 2. As discussed by witness Harris, the
20 Company has reflected the weighted average measure life ("WAML"), minus 10%, in
21 calculating the actual 2019 lost revenues in Schedule 2, consistent with the Order in
22 Cause No. 44927. This schedule shows how the measures installed as of each cut-
23 off date (e.g., June 30, 2014 and December 31, 2014) are creating net energy and
24 demand savings for calendar year 2019, which then determines which opt out group
25 within each Rate Schedule is responsible for the respective lost margins.

- 26 • The savings for measures as of June 30, 2014 apply to all groups, opt out and
27 non-opt out.
- 28 • The savings for measures from July 1, 2014 through December 31, 2014 apply to
29 all groups except for Opt Out Group 2014, which is exempt from any lost margins
30 after June 30, 2014.
- 31 • The savings for measures from January 1, 2015 through December 31, 2015 apply
32 to all groups except for Opt Out Group 2014 and Opt Out Group 2015.

- 1 • The savings for measures for calendar year 2016 apply to all groups, except for
- 2 Opt Out Group 2014, Opt Out Group 2015, and Opt Out Group 2016.
- 3 • The savings for measures for calendar year 2017 apply to all groups, except for
- 4 Opt Out Group 2014, Opt Out Group 2015, Opt Out Group 2016 and Opt Out
- 5 Group 2017.
- 6 • The savings for measures for calendar year 2018 apply to all groups, except for
- 7 Opt Out Group 2014, Opt Out Group 2015, Opt Out Group 2016, Opt Out Group
- 8 2017, and Opt Out Group 2018.
- 9 • The savings for measures for calendar year 2019 apply to all groups, except for
- 10 Opt Out Group 2014, Opt Out Group 2015, Opt Out Group 2016, Opt Out Group
- 11 2017, Opt Out Group 2018 and Opt Out Group 2019.

12 Actual savings attributed to each period are allocated to the Opt Out Groups for each
13 Rate Schedule based on the fixed percentages from DSMA13, when the lost margins
14 were first allocated to the opt out groups. Thus, the lost margin assigned to the Opt
15 Out Rate Schedules will remain constant in future filings, pending any base rate
16 changes or roll-off of DSM measures.

17
18 Schedule 2, Page 6 of 7 calculates the ratio of energy and demand used to allocate
19 the annual variance. The energy and demand ratio is based on the projected
20 components of the DSMA rate in effect during the reconciliation period, as presented
21 in DSMA16. Total projected demand charges included in DSMA16 (line 6) are divided
22 by total projected charges in DSMA16 (line 12) to determine the demand split of
23 DSMA16 charges (line 13). The energy split (line 14) is calculated as 100% minus the
24 demand split.

25
26 Schedule 2, Page 7 of 7 allocates the ending variance by Rate Schedule from
27 Schedule 2, Page 1 to energy and demand based upon the energy and demand ratio
28 calculated on Schedule 2, Page 5. For Rate Schedules without demand meters (Rates
29 RS, B, and SGS), both the energy and demand variances are recovered via the energy
30 charge (per kWh). For all other Rate Schedules, the demand variance is recovered
31 through the demand charge (per kW) and the energy variance is recovered through
32 the energy charge (per kWh).

1
2 **Q. Please describe Schedule 3 of Petitioner's Exhibit No. 2, Attachment JCS-2.**

3 A. Schedule 3 reflects the allocation of the financial incentives to each Rate Schedule,
4 and derives the energy and demand rates for both the financial incentives and
5 variances (Incentives and Variance Component).

6
7 Schedule 3, Page 1 of 2 calculates the allocation of financial incentives to each Rate
8 Schedule. The 2019 incentives are derived from the findings of the final independent
9 EM&V report, which serves as the basis of the detailed performance incentive
10 calculation in the testimony of witness Harris. As presented on Table RHH-3,
11 Performance Incentive Matrix, incentives are calculated separately for Residential and
12 Commercial & Industrial (C&I) programs, with each category including energy and
13 demand incentive components.

14
15 Residential energy incentives are allocated only to residential Rate Schedules. C&I
16 energy incentives are allocated only to non-residential Rate Schedules. Vectren South
17 allocates energy incentives to non-opt out Rate Schedules using actual kWh sales
18 from 2019 (from Schedule 1, Page 1).

19
20 Both residential and C&I demand incentives are allocated to all eligible Rate
21 Schedules using 4CP allocation factors. Vectren South allocates demand incentives
22 to non-opt out Rate Schedules using the Program Cost 4CP allocation factors,
23 adjusted to allocate Rate DGS between Rates DGS-1&2 and Rate DGS-3 (from
24 Schedule 1, Page 3). These percentages also take into consideration that all Rate
25 HLF customers have opted out of DSM Programs.

26
27 From these calculations, the Company determines total incentives to be recovered via
28 energy derived rates (line 16) and total incentives to be recovered via demand derived
29 rates (line 17). For Rate Schedules without demand meters (Rates RS and B), all
30 allocated demand incentives are recovered via the energy charge (per kWh).

31
32 For the energy and demand allocated portion of the Incentives and Variances
33 Component, Schedule 3, Page 2 of 2 calculates the respective unit rates for each Rate

Schedule. The energy and demand variances are from Schedule 2, Page 6. The energy and demand incentives are from Schedule 3, Page 1. The rate per kWh is calculated by dividing the total energy incentives and energy variance by the estimated 2021 kWh sales for each Rate Schedule from Schedule 1, Page 2. The kW / kVa rates are calculated by dividing the total demand incentives and demand variance by the estimated 2021 kW / kVa sales for each Rate Schedule.

Q. Please describe Schedule 4 of Petitioner's Exhibit No. 2, Attachment JCS-2.

A. Schedule 4, Page 1 of 3 depicts the calculation of the incremental DLC costs (the DLC Component) to be recovered in DSMA18. Line 1 shows the estimated DLC billing credits to be paid to customers during the DSMA18 period. Line 2 shows the amount of DLC credits included in base rates. As indicated on Line 1 and described by witness Harris, Vectren South projects that DLC billing credits paid in the DSMA18 period will be less than the annual base rate amount.

Schedule 4, Page 2 of 3 depicts the calculation of the I&M Component. The estimated annual costs are described by witness Harris, and the difference between the estimated and base rate amounts is included in this DSMA.

Schedule 4, Page 3 of 3 depicts the calculation of the DLC and I&M Component unit rates applicable to each Rate Schedule in DSMA18. The unit rates are derived by multiplying the total DLC and I&M Component amounts by the 4CP Allocation percentages shown on Line 2 (from Schedule 1, Page 3, column (b)), for each Rate Schedule, as shown on Lines 3 and 4. The total of the DLC and I&M Components, by Rate Schedule (Line 5), is divided by the estimated energy sales on Line 1 to derive the DLC and I&M Component per kWh for each Rate Schedule (Line 6). The amounts on Line 6 are then modified for IURT. The results on Line 7 are carried to Schedule 8 for inclusion in the final proposed DSMAs.

The DLC and I&M components are charged to all customers and are included in the rate derivation on Schedule 8, Page 1 for non-opt out customers and Pages 2 through 9 for opt out customers.

1 **Q. Please describe Schedule 5 of Petitioner's Exhibit No. 2, Attachment JCS-2.**

2 A. Schedule 5 reflects the calculation of the EEFC based on the DSM Program Costs
3 projected for calendar year 2021, as presented in the 2021-2023 DSM Plan and
4 supported by witness Harris.
5

6 **Q. How is the EEFC calculated on Schedule 5?**

7 A. The EEFC is calculated on Schedule 5 by first assigning, on Page 1 of 2, energy and
8 demand values to projected Program Costs shown in column (i). The total Program
9 Costs in column (i) are the portion of the "Total Energy Efficiency Programs" identified
10 by witness Harris in Petitioner's Exhibit No. 1, Attachment RHH-4 applicable to the
11 DSMA18 period. These values are used to derive an appropriate allocation between
12 energy and demand related costs, which in turn allows for a more appropriate
13 allocation of costs to the Rate Schedules. Vectren South utilizes the on-peak energy
14 payment and the annualized capacity payment from its Cogeneration and Small Power
15 Production ("Rate CSP") tariff sheet (Sheet 79) to derive the value of the projected
16 energy and demand savings by rate class (Residential and General Service/Large).
17 The amounts from Columns (g) and (h), Lines 3 and 5 are then carried to Page 2 of 2.
18 As shown on Page 2 of 2, the energy portion is allocated to the Rate Schedules based
19 on projected energy sales to customers participating in DSM Programs (as adjusted
20 for line losses) and the demand portion is allocated to the Rate Schedules based upon
21 the Program Cost 4CP Allocation percentages as discussed previously and included
22 in Schedule 1, Page 3, column (c).
23

24 The EEFC unit rates per Rate Schedule (derived on Page 2 of 2) are based on the
25 projected kWh and/or kW / kVa billing units applicable to the DSMA17 period. Program
26 Costs allocated to Rates RS, B, and SGS are recovered through a per kWh charge,
27 and Program Costs allocated to Rates DGS/MLA, OSS, and LP are recovered through
28 demand (per kW) and energy (per kWh) charges. No EEFC unit rate (energy or
29 demand) is shown for Rate HLF as all customers have opted out of DSM Program
30 participation. This methodology is the same as that reflected in the Company's
31 compliance filing in Cause No. 43427, as adjusted due to the opt out of all Rate HLF
32 customers.
33

1 **Q. Please describe Schedule 6 of Petitioner's Exhibit No. 2, Attachment JCS-2.**

2 A. Schedule 6 captures the calculation of the projected Large Customer Lost Margin
3 component of the DSMA. As discussed by witness Harris, Vectren South has made
4 no changes in the 2021-2023 Plan for recovery of lost revenue from what was
5 previously approved (Cause No. 44927). Vectren South's 2021-2023 Plan continues
6 the modified approach utilizing the 10% reduction to annual savings along with the cap
7 to measure life being the smaller of the measure life of the program or the WAML of
8 the plan.
9

10 **Q. Please describe the calculation of the Large Customer Lost Margins included in**
11 **this DSMA.**

12 A. Large Customer lost margins are projected using savings estimated for calendar year
13 2021. These savings are based on DSM Program measures implemented during 2021
14 plus those measures from prior periods still generating customer savings. Petitioner's
15 Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 2 of 2 reflects the projected
16 energy and demand savings in 2021 resulting from these measures.
17

18 Schedule 6, Page 1 of 3, reflects the currently-effective tariff rates applicable to the
19 projected lost energy sales for each Rate Schedule.
20

21 Schedule 6, Page 2 of 3, reflects 2021 savings as explained by witness Harris and
22 supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 2 of 2.
23 This exhibit shows the projected energy and demand savings for calendar year 2021,
24 detailed by specific period to support the allocation of these savings to each opt out
25 group, consistent with the approach described earlier in testimony for Schedule 2. This
26 delineation of savings by period ensure that each opt out group is only allocated and
27 responsible for those lost margins related to measures in place prior to each respective
28 opt out date. Allocations to each opt out group are based upon energy and demand
29 sales allocations, and are fixed at DSMA13 levels for Opt Out Group 2014 and Opt
30 Out Group 2015, at DSMA14 levels for Opt Out Group 2016, at DSMA15 levels for
31 Opt Out Group 2017, and at DSMA16 levels for Opt Out Group 2018, and at DSMA
32 17 levels for Opt Out Group 2019. The total projected net energy and demand savings
33 allocate to each specific opt out group flow to Schedule 6, Page 3.

Schedule 6, Page 3, reflects the calculation of the projected lost margins by Rate Schedule and opt out group, using the applicable rates from Page 1 and the projected energy and demand savings from Page 2. Total projected lost margins to be recovered from the DSMA period is shown for each Rate Schedule and divided by projected energy sales for Opt Out Group 2014, Opt Out Group 2015, Opt Out Group 2016, Opt Out Group 2017, Opt Out Group 2018, Opt Out Group 2019, Opt Out Group 2020, Opt Out Group 2021 and Non-Opt Out Large Customers during the DSMA18 period, resulting in a Lost Margin Component rate per kWh applicable to those Large Customer Rate Schedules. The Large Customer Lost Margin Component rate is then adjusted to include recovery of IURT. The results are carried to: (1) Non-Opt Group, Schedule 8, Page 1, Line 4, (2) Opt Out Group 2014, Schedule 8, Page 2, Line 3, (3) Opt Out Group 2015, Schedule 8, Page 3, Line 3, (4) Opt Out Group 2016, Schedule 8, Page 4, Line 3, (5) Opt Out Group 2017, Schedule 8, Page 5, Line 3, (6) Opt Out Group 2018, Schedule 8, Page 6, Line 3, (7) Opt Out Group 2019, Schedule 8, Page 7, Line 3, (8) Opt Out Group 2020, Schedule 8, Page 8, Line 3, and (9) Opt Out Group 2021, Schedule 8, Page 9, Line 3.

Q. Please describe Schedule 7 of Petitioner's Exhibit No. 2, Attachment JCS-2.

A. Schedule 7 captures the calculation of the projected Small Customer Lost Margin component included in this DSMA. As discussed by witness Harris Vectren South has made no changes in the 2021-2023 Plan for recovery of lost revenue from what was previously approved (Cause No. 44927). Vectren South's 2021-2023 Plan continues the modified approach utilizing the 10% reduction to annual savings along with the cap to measure life being the smaller of the measure life of the program or the WAML of the plan.

Q. Please describe the calculation of Small Customer Lost Margins included in this DSMA.

A. Small Customer lost margins are projected using savings estimated for calendar year 2021. These savings are based on DSM Program measures implemented during 2021 plus those measures from prior periods still generating customer savings. Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 2 of 2 reflects the projected

1 energy and demand savings in 2020 resulting from these measures.

2
3 Schedule 7, Page 1 of 3, reflects the currently-effective tariff rates applicable to the
4 projected lost energy sales for each Rate Schedule. As shown, for Rate Schedules
5 with only one energy block (a single, year-round charge for all energy used in a given
6 month (such as Standard Customers served under Rate RS, Residential Service
7 ("Rate RS-S")), that single energy block charge is used (e.g. is \$0.09160 per kWh for
8 Rate RS-S). For Rate Schedules with more than one energy block, the last block
9 energy charge is used to determine projected lost margins (e.g. Small General Service
10 ("Rate SGS")). In the case of Demand General Service ("Rate DGS"), the Company
11 uses a weighted average energy charge applied to lost energy sales for purposes of
12 determining lost margins. Only 5% of non-first block energy sales to DGS-1 and DGS-
13 2 customers fall in the last block, so it is reasonable to expect that only a similar
14 percentage of lost energy sales will come from the last block. The derivation of the
15 proposed weighted average energy charge applicable to lost energy sales from
16 programs implemented by DGS-1 and DGS-2 customers is shown on Schedule 7,
17 Page 1.

18
19 Schedule 7, Page 2 of 3, reflects 2021 savings as explained by witness Harris and
20 supported by Petitioner's Exhibit No.1, Attachment RHH-6, Schedule 2, Page 2 of 2.
21 This exhibit shows the projected energy and demand savings for calendar year 2021,
22 detailed by specific period to support the allocation of these savings to each opt out
23 group, consistent with the approach described earlier in testimony for Schedule 2 and
24 for Large Customer lost margins in Schedule 6. This delineation of savings by period
25 ensure that each opt out group is only allocated and responsible for those lost margins
26 related to measures in place prior to each respective opt out date. Allocations to each
27 opt out group are based upon energy and demand sales allocations, and are fixed at
28 DSMA13 levels for Opt Out Group 2014 and Opt Out Group 2015, at DSMA14 levels
29 for Opt Out Group 2016, at DSMA15 levels for Opt Out Group 2017, at DSMA16 levels
30 for Opt Out Group 2018, and at DSMA17 levels for Opt Out Group 2019. The total
31 projected net energy and demand savings allocate to each specific opt out group flow
32 to Schedule 7, Page 3.

33

Schedule 7, Page 3, reflects the calculation of the projected lost margins by Rate Schedule and opt out group, using the applicable rates from Page 1 and the projected energy and demand savings from Page 2. Total projected lost margins to be recovered from the DSMA period is shown for each Rate Schedule and divided by projected energy sales for Opt Out Group 2014, Opt Out Group 2015, Opt Out Group 2016, Opt Out Group 2017, Opt Out Group 2018, Opt Out Group 2019, Opt Out Group 2020, Opt Out Group 2021 and Non-Opt Out Small Customers during the DSMA18 period, resulting in a Lost Margin Component rate per kWh applicable to those Small Customer Rate Schedules. The Small Customer Lost Margin Component rate is then adjusted to include recovery of IURT. The results are carried to (1) Non-Opt Out Group, Schedule 8, Page 1, Line 4, (2) Opt Out Group 2014, Schedule 8, Page 2, Line 3, (3) Opt Out Group 2015, Schedule 8, Page 3, Line 3, (4) Opt Out Group 2016, Schedule 8, Page 4, Line 3, (5) Opt Out Group 2017, Schedule 8, Page 5, Line 3, (6) Opt Out Group 2018, Schedule 8, Page 6, Line 3, (7) Opt Out Group 2019, Schedule 8, Page 7, Line 3, (8) Opt Out Group 2020, Schedule 8, Page 8, Line 3, and (9) Opt Out Group 2021, Schedule 8, Page 9, Line 3.

Q. How are the lost margin component rates by Rate Schedule determined for Opt Out Group 2021 on Schedule 6 and Schedule 7?

A. As the determination of customers electing to opt out of DSM Programs effective January 1, 2021 is not finalized, nor will it be until December 2020, the estimated rate for these customers is based upon the exclusion of the projected 2021 net energy and demand savings from the allocated costs. The derivation of the Lost Margin Component for Opt Out Group 2021 is shown on Lines 31-35 on Schedule 6, Page 3 for Large Customers and Lines 43-47 on Schedule 7, Page 3 for Small Customers. The rate per kWh is based on total projected lost margin, less expected net energy savings for 2021 Programs multiplied by the currently-effective applicable tariff rates. The rate per kW / kVa is based on total projected lost margin, less expected net demand savings for 2021 Programs, multiplied by the currently-effective applicable tariff rates. The total projected recoverable lost margin amount for Opt Out Group 2021 is divided by projected energy sales during the DSMA18 period, resulting in a lost margin component rate per kWh. The resulting rate is then calculated to show the proposed Lost Margin Components including recovery of IURT. The results are

1 carried to Opt Out Group 2021, Schedule 8, Page 9, Line 3.
2

3 **Q. Please describe Schedule 8 of Petitioner's Exhibit No. 2, Attachment JCS-2.**

4 A. Schedule 8, Pages 1 through 9, shows the proposed DSMA unit rates resulting from
5 combining the various components. Page 1 reflects the rates for the Non-Opt Out
6 Groups. Pages 2 through 9 reflect the rates for the Opt Out Groups 2014, 2015, 2016,
7 2017, 2018, 2019, 2020, and 2021 respectively. These unit rates are also reflected
8 on the proposed DSMA tariff sheets (Petitioner's Exhibit No. 2, Attachment JCS-1).
9

10 **Q. Please describe Schedule 9 of Petitioner's Exhibit No. 2, Attachment JCS-2.**

11 A. Schedule 9 shows the impact of the proposed DSMA on the bill of a residential
12 customer using 1,000 kWh per month during the DSMA18 period as being a 0.35%
13 increase, which equates to about \$0.54 per month.
14
15

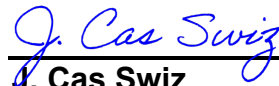
16 **VI. CONCLUSION**
17

18 **Q. Does this conclude your direct testimony?**

19 A. Yes, at the present time.

VERIFICATION

I, J. Cas Swiz, Director, Regulatory and Rates at Southern Indiana Gas & Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc., a CenterPoint Energy Company, affirm under the penalties of perjury that the statements and representations in the foregoing Direct Testimony are true to the best of my knowledge, information and belief.



J. Cas Swiz

Dated: 9/15/2020

Southern Indiana Gas and Electric Company D/B/A
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APPENDIX B

DEMAND SIDE MANAGEMENT ADJUSTMENT

APPLICABILITY

The Demand Side Management Adjustment (DSMA) shall be applicable to all Rate Schedules as set forth below.

DESCRIPTION

The DSMA shall be calculated annually for each Rate Schedule and shall recover approved Demand Side Management (DSM) programs costs including the following:

- a. The difference between the actual amount of Direct Load Control (DLC) billing credits and the base rate amount of such credits (annual amount of \$817,000) (the DLC Component), plus
- b. The difference between actual DLC Inspection and Maintenance (I&M) Program expenses and the base rate amount of such expenses (annual amount of \$569,628) approved in Cause No. 43839 (the I&M Component), plus
- c. DSM Program Costs, approved in Cause Nos. 43427 and 43839 (the Energy Efficiency Funding Component or EEFC), plus
- d. Lost margins associated with Large Customer DSM programs as approved in Cause No. 43938, and with Small Customer DSM programs as approved in Cause No. 43405-DSMA9 S1 (the Lost Margin Component), plus
- e. Financial incentives and variances (Incentives and Variance Component), plus
- f. Other DSM costs approved for recovery by the Commission.

DLC billing credits and any applicable variances associated with these credits, and I&M expenses and any variances associated with these expenses, are allocated to the Rate Schedules on the basis of the 4CP allocation factors approved in Company's most recent general rate case. These allocation percentages by Rate Schedule are shown on Page 2 of 6 in Column (a).

The DLC and I&M Component are calculated by dividing the allocated credit or expense differences, as applicable, by the projected billing determinants for each Rate Schedule, for the projected one year period.

DSM Program Costs are allocated to Rate Schedules on the basis of either: 1) the Program Cost Allocation Percentage as shown on Page 2 of 6 in Column (b) (for demand-related programs) or 2) projected kWh sales as adjusted for line losses (for energy-related programs). The line losses applicable to each Rate Schedule are shown on Page 2 of 6 in Column (c).

The EEFC will be calculated by dividing the allocated energy- and demand-related DSM program costs applicable to each Rate Schedule by the projected billing determinants, as applicable, for each Rate Schedule, for the projected twelve month period.

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APPENDIX B

DEMAND SIDE MANAGEMENT ADJUSTMENT

(Continued)

The DSMA rates as calculated above shall be further modified to include the impact of Indiana Utility Receipts Tax and other applicable revenue taxes.

The actual DSMA amounts passed back to or recovered from customers shall be reconciled with DSMA amounts intended for pass back to or recovery from customers for such period, with any variance reflected in the subsequent DSMA filing.

DSMA ALLOCATION FACTORS AND LINE LOSS

Rate Schedule	(a) Modified 4CP Allocation Percentage ¹	(b) Program Cost Allocation Percentage ²	(c) Line Loss
RS	43.1221%	43.5114%	8.294716%
B	0.1307%	0.1318%	8.294716%
SGS	1.8234%	1.8399%	8.294716%
DGS/MLA	27.9043%	28.1563%	8.239646%
OSS	2.1556%	2.1750%	8.294716%
LP	23.9692%	24.1856%	5.388646%
HLF	0.8947%	0.0000%	2.136625%

DSMA CHARGES

The following DSMA Charges are applicable to all customers participating in Company-sponsored DSM programs:

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per KWh)
RS	n/a	\$0.008757
B	n/a	\$0.004451
SGS	n/a	\$0.008286
DGS-1 & 2/MLA-2	\$0.585	\$0.010575
DGS-3/MLA-3	\$0.538	\$0.005636
OSS	\$0.380	\$0.007150
LP	\$1.083	\$0.004226

¹ Pursuant to the Stipulation and Settlement Agreement approved in Cause No. 43354-MCRA21-S1; applicable to only DLC and I&M costs.

² Pursuant to the Stipulation and Settlement Agreement approved in Cause No. 43354-MCRA21-S1; applicable to only demand-related program costs.

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APPENDIX B

DEMAND SIDE MANAGEMENT ADJUSTMENT

(Continued)

DSMA OPT OUT CHARGES

The following DSMA Opt Out Charges are applicable to Qualifying Customers who have elected to discontinue participation in Company-sponsored EE Programs, pursuant to the Terms and Conditions of Opt Out below:

<u>OPT OUT GROUP 2014</u> As of July 1, 2014		
Rate <u>Schedule</u>	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.000622
DGS-1 & 2/MLA-2	\$(0.005)	\$0.001765
DGS-3/MLA-3	\$0.029	\$0.002381
OSS	\$0.001	\$0.002279
LP	\$0.001	\$0.000220
HLF	\$(0.365)	\$(0.003587)

<u>OPT OUT GROUP 2015</u> As of January 1, 2015		
Rate <u>Schedule</u>	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.000919
DGS-1 & 2/MLA-2	\$(0.001)	\$0.003078
DGS-3/MLA-3	\$(0.079)	\$0.001266
OSS	\$(0.020)	\$0.001275
LP	\$(0.010)	\$0.000291
HLF	\$0.000	\$0.000000

<u>OPT OUT GROUP 2016</u> As of January 1, 2016		
Rate <u>Schedule</u>	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.187	\$0.001285
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.080	\$0.001785
HLF	\$0.000	\$0.000000

<u>OPT OUT GROUP 2017</u> As of January 1, 2017		
Rate <u>Schedule</u>	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.187	\$0.001285
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.120	\$0.004208
HLF	\$0.000	\$0.000000

<u>OPT OUT GROUP 2018</u> As of January 1, 2018		
Rate <u>Schedule</u>	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.045	\$0.006992
DGS-3/MLA-3	\$(0.091)	\$0.000245
OSS	\$0.059	\$(0.000827)
LP	\$(0.007)	\$0.000937
HLF	\$0.000	\$0.000000

<u>OPT OUT GROUP 2019</u> As of January 1, 2019		
Rate <u>Schedule</u>	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.002554
DGS-1 & 2/MLA-2	\$(0.002)	\$0.004152
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.006	\$0.001372
HLF	\$0.000	\$0.000000

Effective:

Southern Indiana Gas and Electric Company D/B/A
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APPENDIX B
DEMAND SIDE MANAGEMENT ADJUSTMENT
(Continued)

<u>OPT OUT GROUP 2020</u> As of January 1, 2020		
Rate <u>Schedule</u>	DSMA Charge <u>(\$ per kW or kVa)</u>	DSMA Charge <u>(\$ per kWh)</u>
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.187	\$0.001285
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.290	\$0.000596
HLF	\$0.000	\$0.000000

<u>OPT OUT GROUP</u> As of		
Rate <u>Schedule</u>	DSMA Charge <u>(\$ per kW or kVa)</u>	DSMA Charge <u>(\$ per kWh)</u>
SGS	n/a	\$0.004728
DGS-1 & 2/MLA-2	\$0.187	\$0.008172
DGS-3/MLA-3	\$0.141	\$0.003421
OSS	\$0.059	\$0.004790
LP	\$0.290	\$0.002139
HLF	\$0.000	\$0.000000

Effective:

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APPENDIX B
DEMAND SIDE MANAGEMENT ADJUSTMENT
(Continued)

DEFINITIONS APPLICABLE TO CUSTOMER OPT OUT

Energy Efficiency (EE) Program – A program sponsored by Company or a third party implementer designed to implement energy efficiency improvements (as defined in 170 I.A.C. § 4-8-1(j)) for customers. The term does not include a program designed primarily to reduce demand.

EE Program Costs – Includes program costs, lost revenues and incentives approved by the Commission. The definition also includes reconciliation of such costs.

Opt Out Notice – Company-provided form, or other written communication in substantially the same format, provided by Qualifying Customer indicating intent to discontinue participation in Company-sponsored EE Program approved by the Commission.

Opt In Notice – Company-provided form, or other written communication in substantially the same format, provided by Qualifying Customer indicating Customer's unequivocal desire to participate in Company's EE Program.

Qualifying Customer – Customer that receives service at a Single Site constituting more than one (1) megawatt of electric demand from Company. The Qualifying Customer shall demonstrate that at least one (1) demand meter on its Single Site has received service of more than one (1) megawatt of electric demand within the previous twelve (12) months.

Qualifying Load – A Single Site with at least one meter constituting more than one (1) megawatt of electric demand from Company for any billing period with the previous twelve (12) months prior to the Qualifying Customer providing Opt Out Notice to Company. Qualifying Load shall be measured with a demand meter.

Single Site – Contiguous property on which Qualifying Load is located.

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APPENDIX B **DEMAND SIDE MANAGEMENT ADJUSTMENT**

(Continued)

Terms and Conditions of Opt Out

1. A Qualifying Customer must provide Opt Out Notice to Company on or before June 1, 2014 in order to opt out effective July 1, 2014, at which time DSMA Opt Out Charges will apply to such Customer. The Opt Out Notice shall include: 1) a statement indicating the Qualifying Customer's unequivocal desire to discontinue participation in Company's EE Program; 2) a list of all sites (and all accounts at such site) for which the Qualifying Customer intends to opt out; and 3) a statement confirming that the signatory has the authority to make the opt out decision for Customer.
2. Qualifying Customers providing Opt Out Notice after June 1, 2014 but before November 15, 2014, will be eligible to opt out effective January 1, 2015. After November 15, 2014, Qualifying Customers shall provide Opt Out Notice to Company by November 15th of each year in order to opt out of participation in EE Programs effective January 1st of the following year. Beginning in 2015, Qualifying Customers may opt out only with an effective date of January 1st of any subsequent year.
3. Qualifying Customer may identify and opt out all non-residential accounts receiving service at any Single Site where Qualifying Load has been determined. All non-residential accounts will be opted out at the Single Site of the Qualifying Load account, provided Qualifying Customer has provided timely notice as described in 1 and 2 above. A Qualifying Customer that opts out may not participate in programs funded by EE Program Costs at the Single Site subject to the opt out.
4. Once a customer is determined by Company to be a Qualifying Customer and has opted out of EE Programs, Company shall not revoke such Customer's opt out status at a later date and such Customer shall not be required to renew its Opt Out Notice. If Customer who has opted out elects to opt back in to participation in Company EE Program, such Customer must be re-qualified to opt out again.

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APPENDIX B
DEMAND SIDE MANAGEMENT ADJUSTMENT
(Continued)

5. New customers signing a demand contract of greater than one (1) megawatt via at least one meter on a Single Site may complete an opt out form provided by Company to opt out of the EE Program immediately. New customers who do not sign a demand contract must demonstrate Qualifying Load in an Opt Out Notice provided to Company by November 15th, as described above.
6. A Qualifying Customer who has opted out may opt in again effective January 1 of any year by providing notice to Company by November 15th of the previous year. In order to opt in, such Customer shall complete an Opt In form provided by the Company, or provide written notice to Company in substantially the same format as the form provided by Company. The Opt In Notice shall include: 1) a statement indicating Customer's unequivocal desire to participate in Company's EE program; 2) a list of all sites (and all accounts at such site) for which Customer intends to opt in; 3) a statement that Customer understands that by opting in, Customer is required to participate in the EE Program for at least three years and pay related costs, including lost margins and incentives; and 4) a statement confirming that the signatory has the authority to make the Opt In decision for Customer.
7. Qualifying Customers who, after opting out, opt in to participation into Company's EE Program shall participate for at least three years and may only opt out effective January 1st of the year following the third year of participation. If Qualifying Customer elects to opt out again before the end of the three year period, it may do so, but such Customer remains responsible for and must continue to pay charges that include all EE Program Costs, including lost margins for the remainder of the three year period. If a Qualifying Customer who opted in chooses to opt out again at the end of the three year period, then that Customer shall be responsible for all EE Program Costs, including lost margins, as outlined for other customers who have opted out of the EE Program as of the same date.

APPENDIX B
DEMAND SIDE MANAGEMENT ADJUSTMENT
(Continued)

8. Qualifying Customers who have opted out remain responsible for EE Program Costs and lost margins that accrued or were incurred or relate to EE Program investments made before the date on which the opt out is effective, regardless of the date on which the charges are actually assessed. Such EE Program Costs may include: 1) costs related to evaluation, measurement, and verification ("EM&V") required on projects completed while the Qualifying Customer was participating in Company's EE Program, but conducted subsequent to the effective date of Qualifying Customer's opt out; and 2) costs required by contracts executed prior to July 1, 2014 but incurred after the date of the Qualifying Customer's opt out. However these costs shall be limited to fixed, administrative costs, including costs related to EM&V. A Qualifying Customer who opts out shall not be responsible for any EE Program Costs (such as the payment of energy efficiency rebates or incentives) incurred following the effective date of its opt out, except for incentives or rebates that are paid on applications that have not closed out as of the effective date of its opt out. A Qualifying Customer who opts out shall be responsible for lost margins associated only with measures that were installed prior to the effective date of the Qualifying Customer's opt out.
9. As of the effective date of the opt out in 2014 or January 1 of any subsequent year, the Qualifying Customer who has opted out is no longer eligible to participate in any EE Programs for the account(s) identified in the Opt Out Notice, including receiving incentive payment for projects previously approved but not yet complete as of the effective date of the opt out.

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APPENDIX B **DEMAND SIDE MANAGEMENT ADJUSTMENT**

APPLICABILITY

The Demand Side Management Adjustment (DSMA) shall be applicable to all Rate Schedules as set forth below.

DESCRIPTION

The DSMA shall be calculated annually for each Rate Schedule and shall recover approved Demand Side Management (DSM) programs costs including the following:

- a. The difference between the actual amount of Direct Load Control (DLC) billing credits and the base rate amount of such credits (annual amount of \$817,000) (the DLC Component), plus
- b. The difference between actual DLC Inspection and Maintenance (I&M) Program expenses and the base rate amount of such expenses (annual amount of \$569,628) approved in Cause No. 43839 (the I&M Component), plus
- c. DSM Program Costs, approved in Cause Nos. 43427 and 43839 (the Energy Efficiency Funding Component or EEFC), plus
- d. Lost margins associated with Large Customer DSM programs as approved in Cause No. 43938, and with Small Customer DSM programs as approved in Cause No. 43405-DSMA9 S1 (the Lost Margin Component), plus
- e. Financial incentives and variances (Incentives and Variance Component), plus
- f. Other DSM costs approved for recovery by the Commission.

DLC billing credits and any applicable variances associated with these credits, and I&M expenses and any variances associated with these expenses, are allocated to the Rate Schedules on the basis of the 4CP allocation factors approved in Company's most recent general rate case. These allocation percentages by Rate Schedule are shown on Page 2 of 6 in Column (a).

The DLC and I&M Component are calculated by dividing the allocated credit or expense differences, as applicable, by the projected billing determinants for each Rate Schedule, for the projected one year period.

DSM Program Costs are allocated to Rate Schedules on the basis of either: 1) the Program Cost Allocation Percentage as shown on Page 2 of 6 in Column (b) (for demand-related programs) or 2) projected kWh sales as adjusted for line losses (for energy-related programs). The line losses applicable to each Rate Schedule are shown on Page 2 of 6 in Column (c).

The EEFC will be calculated by dividing the allocated energy- and demand-related DSM program costs applicable to each Rate Schedule by the projected billing determinants, as applicable, for each Rate Schedule, for the projected twelve month period.

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APPENDIX B **DEMAND SIDE MANAGEMENT ADJUSTMENT**

(Continued)

The DSMA rates as calculated above shall be further modified to include the impact of Indiana Utility Receipts Tax and other applicable revenue taxes.

The actual DSMA amounts passed back to or recovered from customers shall be reconciled with DSMA amounts intended for pass back to or recovery from customers for such period, with any variance reflected in the subsequent DSMA filing.

DSMA ALLOCATION FACTORS AND LINE LOSS

	(a)	(b)	(c)
Rate Schedule	Modified 4CP Allocation Percentage ¹	Program Cost Allocation Percentage ²	Line Loss
RS	43.1221%	43.5114%	8.294716%
B	0.1307%	0.1318%	8.294716%
SGS	1.8234%	1.8399%	8.294716%
DGS/MLA	27.9043%	28.1563%	8.239646%
OSS	2.1556%	2.1750%	8.294716%
LP	23.9692%	24.1856%	5.388646%
HLF	0.8947%	0.0000%	2.136625%

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DSMA CHARGES

The following DSMA Charges are applicable to all customers participating in Company-sponsored DSM programs:

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per KWh)
RS	n/a	\$0.008757
B	n/a	\$0.004451
SGS	n/a	\$0.008286
DGS-1 & 2/MLA-2	\$0.585	\$0.010575
DGS-3/MLA-3	\$0.538	\$0.005636
OSS	\$0.380	\$0.007150
LP	\$1.083	\$0.004226

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¹ Pursuant to the Stipulation and Settlement Agreement approved in Cause No. 43354-MCRA21-S1; applicable to only DLC and I&M costs.

² Pursuant to the Stipulation and Settlement Agreement approved in Cause No. 43354-MCRA21-S1; applicable to only demand-related program costs.

Effective:

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APPENDIX B

DEMAND SIDE MANAGEMENT ADJUSTMENT

(Continued)

DSMA OPT OUT CHARGES

The following DSMA Opt Out Charges are applicable to Qualifying Customers who have elected to discontinue participation in Company-sponsored EE Programs, pursuant to the Terms and Conditions of Opt Out below:

OPT OUT GROUP 2014 As of July 1, 2014

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.000622
DGS-1 & 2/MLA-2	\$(0.005)	\$0.001765
DGS-3/MLA-3	\$0.029	\$0.002381
OSS	\$0.001	\$0.002279
LP	\$0.001	\$0.000220
HLF	\$(0.365)	\$(0.003587)

OPT OUT GROUP 2015 As of January 1, 2015

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.00091
DGS-1 & 2/MLA-2	\$(0.001)	\$0.00307
DGS-3/MLA-3	\$(0.079)	\$0.00126
OSS	\$(0.020)	\$0.00127
LP	\$(0.010)	\$0.00029
HLF	\$0.000	\$0.00000

OPT OUT GROUP 2016 As of January 1, 2016

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.187	\$0.001285
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.080	\$0.001785
HLF	\$0.000	\$0.000000

OPT OUT GROUP 2017 As of January 1, 2017

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.187	\$0.001285
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.120	\$0.004208
HLF	\$0.000	\$0.000000

OPT OUT GROUP 2018 As of January 1, 2018

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.045	\$0.006992
DGS-3/MLA-3	\$(0.091)	\$0.000245
OSS	\$0.059	\$(0.000827)
LP	\$(0.007)	\$0.000937
HLF	\$0.000	\$0.000000

OPT OUT GROUP 2019 As of January 1, 2019

Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.002554
DGS-1 & 2/MLA-2	\$(0.002)	\$0.004152
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.006	\$0.001372
HLF	\$0.000	\$0.000000

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Southern Indiana Gas and Electric Company D/B/A
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APPENDIX B

DEMAND SIDE MANAGEMENT ADJUSTMENT

(Continued)

<u>OPT OUT GROUP 2020</u> As of January 1, 2020		
Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.001600
DGS-1 & 2/MLA-2	\$0.187	\$0.001285
DGS-3/MLA-3	\$0.141	\$0.000427
OSS	\$0.059	\$(0.000827)
LP	\$0.290	\$0.000596
HLF	\$0.000	\$0.000000

<u>OPT OUT GROUP</u> As of		
Rate Schedule	DSMA Charge (\$ per kW or kVa)	DSMA Charge (\$ per kWh)
SGS	n/a	\$0.004728
DGS-1 & 2/MLA-2	\$0.187	\$0.008172
DGS-3/MLA-3	\$0.141	\$0.003421
OSS	\$0.059	\$0.004796
LP	\$0.290	\$0.002139
HLF	\$0.000	\$0.000000

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Southern Indiana Gas and Electric Company D/B/A
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APPENDIX B
DEMAND SIDE MANAGEMENT ADJUSTMENT

(Continued)

DEFINITIONS APPLICABLE TO CUSTOMER OPT OUT

Energy Efficiency (EE) Program – A program sponsored by Company or a third party implementer designed to implement energy efficiency improvements (as defined in 170 I.A.C. § 4-8-1(j)) for customers. The term does not include a program designed primarily to reduce demand.

EE Program Costs – Includes program costs, lost revenues and incentives approved by the Commission. The definition also includes reconciliation of such costs.

Opt Out Notice – Company-provided form, or other written communication in substantially the same format, provided by Qualifying Customer indicating intent to discontinue participation in Company-sponsored EE Program approved by the Commission.

Opt In Notice – Company-provided form, or other written communication in substantially the same format, provided by Qualifying Customer indicating Customer's unequivocal desire to participate in Company's EE Program.

Qualifying Customer – Customer that receives service at a Single Site constituting more than one (1) megawatt of electric demand from Company. The Qualifying Customer shall demonstrate that at least one (1) demand meter on its Single Site has received service of more than one (1) megawatt of electric demand within the previous twelve (12) months.

Qualifying Load – A Single Site with at least one meter constituting more than one (1) megawatt of electric demand from Company for any billing period with the previous twelve (12) months prior to the Qualifying Customer providing Opt Out Notice to Company. Qualifying Load shall be measured with a demand meter.

Single Site – Contiguous property on which Qualifying Load is located.

Effective: January 1, 2019

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APPENDIX B
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Terms and Conditions of Opt Out

1. A Qualifying Customer must provide Opt Out Notice to Company on or before June 1, 2014 in order to opt out effective July 1, 2014, at which time DSMA Opt Out Charges will apply to such Customer. The Opt Out Notice shall include: 1) a statement indicating the Qualifying Customer's unequivocal desire to discontinue participation in Company's EE Program; 2) a list of all sites (and all accounts at such site) for which the Qualifying Customer intends to opt out; and 3) a statement confirming that the signatory has the authority to make the opt out decision for Customer.
2. Qualifying Customers providing Opt Out Notice after June 1, 2014 but before November 15, 2014, will be eligible to opt out effective January 1, 2015. After November 15, 2014, Qualifying Customers shall provide Opt Out Notice to Company by November 15th of each year in order to opt out of participation in EE Programs effective January 1st of the following year. Beginning in 2015, Qualifying Customers may opt out only with an effective date of January 1st of any subsequent year.
3. Qualifying Customer may identify and opt out all non-residential accounts receiving service at any Single Site where Qualifying Load has been determined. All non-residential accounts will be opted out at the Single Site of the Qualifying Load account, provided Qualifying Customer has provided timely notice as described in 1 and 2 above. A Qualifying Customer that opts out may not participate in programs funded by EE Program Costs at the Single Site subject to the opt out.
4. Once a customer is determined by Company to be a Qualifying Customer and has opted out of EE Programs, Company shall not revoke such Customer's opt out status at a later date and such Customer shall not be required to renew its Opt Out Notice. If Customer who has opted out elects to opt back in to participation in Company EE Program, such Customer must be re-qualified to opt out again.

Effective: January 1, 2019

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5. New customers signing a demand contract of greater than one (1) megawatt via at least one meter on a Single Site may complete an opt out form provided by Company to opt out of the EE Program immediately. New customers who do not sign a demand contract must demonstrate Qualifying Load in an Opt Out Notice provided to Company by November 15th, as described above.
6. A Qualifying Customer who has opted out may opt in again effective January 1 of any year by providing notice to Company by November 15th of the previous year. In order to opt in, such Customer shall complete an Opt In form provided by the Company, or provide written notice to Company in substantially the same format as the form provided by Company. The Opt In Notice shall include: 1) a statement indicating Customer's unequivocal desire to participate in Company's EE program; 2) a list of all sites (and all accounts at such site) for which Customer intends to opt in; 3) a statement that Customer understands that by opting in, Customer is required to participate in the EE Program for at least three years and pay related costs, including lost margins and incentives; and 4) a statement confirming that the signatory has the authority to make the Opt In decision for Customer.
7. Qualifying Customers who, after opting out, opt in to participation into Company's EE Program shall participate for at least three years and may only opt out effective January 1st of the year following the third year of participation. If Qualifying Customer elects to opt out again before the end of the three year period, it may do so, but such Customer remains responsible for and must continue to pay charges that include all EE Program Costs, including lost margins for the remainder of the three year period. If a Qualifying Customer who opted in chooses to opt out again at the end of the three year period, then that Customer shall be responsible for all EE Program Costs, including lost margins, as outlined for other customers who have opted out of the EE Program as of the same date.

Effective: January 1, 2019

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8. Qualifying Customers who have opted out remain responsible for EE Program Costs and lost margins that accrued or were incurred or relate to EE Program investments made before the date on which the opt out is effective, regardless of the date on which the charges are actually assessed. Such EE Program Costs may include: 1) costs related to evaluation, measurement, and verification ("EM&V") required on projects completed while the Qualifying Customer was participating in Company's EE Program, but conducted subsequent to the effective date of Qualifying Customer's opt out; and 2) costs required by contracts executed prior to July 1, 2014 but incurred after the date of the Qualifying Customer's opt out. However these costs shall be limited to fixed, administrative costs, including costs related to EM&V. A Qualifying Customer who opts out shall not be responsible for any EE Program Costs (such as the payment of energy efficiency rebates or incentives) incurred following the effective date of its opt out, except for incentives or rebates that are paid on applications that have not closed out as of the effective date of its opt out. A Qualifying Customer who opts out shall be responsible for lost margins associated only with measures that were installed prior to the effective date of the Qualifying Customer's opt out.
9. As of the effective date of the opt out in 2014 or January 1 of any subsequent year, the Qualifying Customer who has opted out is no longer eligible to participate in any EE Programs for the account(s) identified in the Opt Out Notice, including receiving incentive payment for projects previously approved but not yet complete as of the effective date of the opt out.

Effective: January 1, 2019

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
ACTUAL ENERGY SALES FOR JANUARY 1, 2019 - DECEMBER 31, 2019
ALLOCATION SUPPORT**

January 1, 2015 - December 31, 2015

Line No.		ALL CUSTOMERS 2019 Consumption											
		RS-S/RS-T	B	Total Residential	SGS	DGS-1/2	OSS	Total General Service	DGS-3	LP	HLF	Total Industrial	Total C&I
1	Actual Energy Sales (kWh)	1,401,635,024	7,576,948	1,409,211,972	64,587,193	697,780,629	87,064,085	849,431,908	350,060,112	1,992,553,555	80,358,000	2,422,971,666	3,272,403,574
2	Total DGS Allocator	(1)				66.5922%			33.4078%				
		RS-S/RS-T	B	Total Residential	SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	Total C&I
3	Actual Energy Sales (kWh)	1,401,635,024	7,576,948	1,409,211,972	64,314,999	681,640,399	74,482,340	820,437,739	319,857,764	444,877,606	1,470,000	766,205,370	1,586,643,109
4	Non Opt-Out Energy Sales % Allocator	(2)	99.4623%	0.5377%	4.0535%	42.9612%	4.69%		20.1594%	28.0389%	0.0926%		
5	Non Opt-Out DGS Allocator	(3)				68.0621%			31.9379%				
OPT OUT GROUP - 2014													
					SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	
6	Actual Energy Sales (kWh)				223,608	14,030,646	1,064,745	15,318,999	19,688,148	1,359,880,249	78,888,000	1,458,456,397	
7	2014 Opt-Out % of Total Consumption	(4)			0.3462%	2.0108%	1.2229%		5.6242%	68.2481%	98.1707%		
OPT OUT GROUP - 2015													
					SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	
8	Actual Energy Sales (kWh)				34,256	1,545,372	11,517,000	13,096,628	7,466,200	97,854,900	-	105,321,100	
9	2015 Opt-Out % of Total Consumption	(4)			0.0530%	0.2215%	13.2282%		2.1328%	4.9110%	0.0000%		
10	Percent of Consumption exc. 2014 Opt-Out	(5)			0.0532%	0.2260%	13.3920%		2.2599%	15.4669%	0.0000%		
OPT OUT GROUP - 2016													
					SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	
11	Actual Energy Sales (kWh)				-	-	-	-	-	22,907,400	-	22,907,400	
12	2016 Opt-Out % of Total Consumption	(4)			0.0000%	0.0000%	0.0000%		0.0000%	1.1497%	0.0000%		
13	Percent of Consumption exc. 2014 Opt-Out	(5)			0.0000%	0.0000%	0.0000%		0.0000%	3.6207%	0.0000%		
14	Percent of Consumption exc. 2014-2015 Opt-Out	(5)								4.2832%			
OPT OUT GROUP - 2017													
					SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	
15	Actual Energy Sales (kWh)				-	-	-	-	-	7,533,600	-	7,533,600	
16	2017 Opt-Out % of Total Consumption	(4)			0.0000%	0.0000%	0.0000%		0.0000%	0.3781%	0.0000%		
17	Percent of Consumption exc. 2014 Opt-Out	(5)			0.0000%	0.0000%	0.0000%		0.0000%	1.1908%	0.0000%		
18	Percent of Consumption exc. 2014-2015 Opt-Out	(5)								1.4086%			
19	Percent of Consumption exc. 2014-2016 Opt-Out	(5)								1.4717%			
OPT OUT GROUP - 2018													
					SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	
20	Actual Energy Sales (kWh)				-	211,520	-	211,520	3,048,000	12,379,200	-	15,427,200	
21	2018 Opt-Out % of Total Consumption	(4)			0.0000%	0.0303%	0.0000%		0.8707%	0.6213%	0.0000%		
22	Percent of Consumption exc. 2014 Opt-Out	(5)			0.0000%	0.0309%	0.0000%		0.9226%	1.9566%	0.0000%		
23	Percent of Consumption exc. 2014-2015 Opt-Out	(5)				0.0310%			0.9439%	2.3147%			
24	Percent of Consumption exc. 2014-2016 Opt-Out	(5)								2.4182%			
25	Percent of Consumption exc. 2014-2017 Opt-Out	(5)								2.4544%			
OPT OUT GROUP - 2019													
					SGS	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial	
26	Actual Energy Sales (kWh)				14,330	352,692	-	367,022	-	47,120,600	-	47,120,600	
27	2019 Opt-Out % of Total Consumption	(4)			0.0222%	0.0505%	0.0000%		0.0000%	2.3648%	0.0000%		
28	Percent of Consumption exc. 2014 Opt-Out	(5)			0.0223%	0.0516%	0.0000%		0.0000%	7.4479%	0.0000%		
29	Percent of Consumption exc. 2014-2015 Opt-Out	(5)			0.0223%	0.0517%			0.0000%	8.8106%			
30	Percent of Consumption exc. 2014-2016 Opt-Out	(5)				0.0517%			0.0000%	9.2048%			
31	Percent of Consumption exc. 2014-2017 Opt-Out	(5)				0.0517%			0.0000%	9.3423%			
32	Percent of Consumption exc. 2014-2018 Opt-Out	(5)				0.0517%			0.0000%	9.5774%			

Notes:

(1) Used to allocate the DGS portion to DGS 1&2 and DGS 3 for the "Without Opt-Out" 4CP allocator on Schedule 1, Page 3

(2) Used to allocate energy related EEFC costs incurred between non opt-out rate schedules on Schedule 2, Page 3 and energy component of incentives to non opt-out rate schedules on Schedule 3, Page 1

(3) Used to allocate the DGS portion to DGS 1&2 and DGS 3 for the "With Opt-Out" 4CP allocator on Schedule 1, Page 3

(4) Used to allocate the "with Opt-Out" 4CP allocator on Schedule 1, Page 3 and used to allocate LRAM to Opt-Out groups on Schedule 2, Pages 4 and 5.

(5) Used to allocate LRAM to Opt-Out groups on Schedule 2, Pages 4 and 5.

Line No.	ALL CUSTOMERS										Total Industrial kWh				
	RS-S	RS-T	B	Total Residential	SGS	DGS-1	DGS-2	Total DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial kWh	
1	Budget Energy Sales (kWh) (1)	941,186,059	419,293,557	7,946,703	1,368,426,319	64,581,625	301,397,890	403,704,927	705,102,817	90,522,381	860,206,824	364,986,666	2,268,577,515	79,734,000	2,713,298,180
2	Budget Demand Sales (kW / kVa)														
						DGS-1	DGS-2	Total DGS-1/2	OSS	Total General Service kW	DGS-3	LP	HLF	Total Industrial kW / kVa	
						741,078	1,283,357	2,024,435	320,945	2,345,380	1,094,675	4,463,374	122,400	5,680,449	
	NON-OPT OUT CUSTOMERS														
						DGS-1	DGS-2	Total DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial kWh	
3	Budget Energy Sales less Opt Out 2014-2019 (kWh) (3)	941,186,059	419,293,557	7,946,703	1,368,426,319	64,284,919	298,771,316	389,791,146	688,562,462	77,940,636	830,788,018	334,794,318	720,811,566	-	1,055,685,884
4	Percent of Total Consumption (7)								97.6542%			91.7251%	31.7177%		38.9078%
5	Percent of Total Consumption less Opt Out 2014-2015 (5)								99.6368%			96.9550%	79.3335%		84.1858%
6	Percent of Total Consumption less Opt Out 2014-2015 (5)								99.8601%			99.0578%	88.3077%		91.9047%
7	Percent of Total Consumption less Opt Out 2014-2016 (13)								99.8601%			99.0578%	91.4028%		93.7748%
8	Percent of Total Consumption less Opt Out 2014-2017 (14)								99.8601%			99.0578%	92.3757%		94.4066%
9	Percent of Total Consumption less Opt Out 2014-2018 (15)					100.0000%	99.8072%	99.8908%			100.0000%	93.8647%			95.7272%
10	Percent of Total Consumption less Opt Out 2014-2019 (16)														
11	Budget Energy Sales less Opt Out With Line Loss (kWh) (12)	1,026,316,062	457,218,536	8,665,480	1,492,200,078	70,099,472	325,599,568	424,792,548	750,392,116	84,990,344	905,481,932	364,845,367	761,960,944	-	1,126,807,311
12	Percent of Total Consumption (4)		99.4193%	0.5807%	100.0000%	3.4493%			4.1820%			54.8760%	37.4927%		100.0000%
						DGS-1	DGS-2	Total DGS-1/2	OSS	Total General Service kW	DGS-3	LP	HLF	Total Industrial kW / kVa	
13	Budget Demand Sales less Opt Out 2014-2019 (kW / kVa) (2)					732,711	1,250,735	1,983,446	285,615	2,269,061	998,230	1,284,672	-	2,282,902	
14	Percent of Total Consumption (7)							97.9753%				28.7825%			
15	Percent of Total Consumption less Opt Out 2014 (10)							99.6383%				73.9723%			
16	Percent of Total Consumption less Opt Out 2014-2015 (5)							99.8942%				86.4291%			
17	Percent of Total Consumption less Opt Out 2014-2016 (13)							99.8942%				89.7936%			
18	Percent of Total Consumption less Opt Out 2014-2017 (14)							99.8942%				91.5090%			
19	Percent of Total Consumption less Opt Out 2014-2018 (15)					100.0000%	99.8908%	99.9311%			100.0000%	93.2900%			
20	Percent of Total Consumption less Opt Out 2014-2019 (16)														
	OPT OUT GROUP - 2014														
						SGS	DGS-1	DGS-2	DGS-1/2	OSS	Total General Service kWh	DGS-3	LP	HLF	Total Industrial kWh
21	Budget Energy Sales (kWh) (5)	223,608	1,909,462	12,121,184	14,030,646	1,064,745				15,318,999	19,688,148	1,359,880,249	79,734,000		1,459,302,397
22	Percent of Total Consumption (7)											59.9442%			
						DGS-1	DGS-2	DGS-1/2	OSS	Total kW	DGS-3	LP	HLF	Total kW / kVa	
23	Budget Demand Sales (kW / kVa) (8)					5,721	28,067	33,788	2,926	36,714	66,428	2,717,237	122,400	2,906,065	
	OPT OUT GROUP - 2015														
						SGS									

- (1) Used for derivation of \$/kWh rate for all components except those components that exclude opt-out customers.
- (2) Used for derivation of 5 per kW / kVA rate for the demand component of EECF on Sch 3, Page 2 and EECF on Sch 5, Page 2. Also used to allocate LRAM demand savings from 2018 DSM programs on Sch 6, Page 1.
- (3) Used to derive the energy component of EECF on Sch 5, Page 2, of the incremental LRAM on Sch 6, Page 3, and of small customer LRAM on Sch 7, Page 2, and to allocate LRAM energy savings from the 2018 DSM program on Sch 6, Page 2 and Sch 7, Page 2.
- (4) Used to allocate incremental component of EECF costs between rate schedules on Sch 5, Page 2.
- (5) Used to allocate incremental LRAM energy savings from January to December 2015 between rate schedules on Sch 6, Page 2.
- (6) Used to derive \$/kWh rate for Variance and Incentives on Sch 3, Page 2, and for LRAM on Sch 6, Page 3 and Sch 7, Page 3.
- (7) Used to allocate June 30, 2014 annualized LRAM savings between rate schedules on Sch 6, Page 2.
- (8) Used for derivation of 5 per kW / kVA rate for the demand component of Variance and Incentives on Sch 3, Page 2.
- (9) Used to derive LRAM \$/kWh rate on Sch 6, Page 3.
- (10) Used to allocate incremental LRAM savings from July to December 2014 between rate schedules on Sch 6, Page 2.
- (11) Used for derivation of 5 per kW / kVA rate for the demand component of EECF on Sch 5, Page 2.
- (12) Projected kWh sales for the projected period are adjusted for line losses as per Line Loss % on Tariff Sheet No. 66, Page 2 of 8, and used to derive the percentages on line 10.
- (13) Used to allocate incremental LRAM energy savings from January to December 2016 between rate schedules on Sch 6, Page 2.
- (14) Used to allocate incremental LRAM energy savings from January to December 2017 between rate schedules on Sch 6, Page 2.
- (15) Used to allocate incremental LRAM energy savings from January to December 2018 between rate schedules on Sch 6, Page 2.

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DEMAND ALLOCATION SUPPORT**

Line No.	Rate Schedule	Description	(a)	(b)	(c)
			4CP Cause No. 43839	Modified 4CP Allocation (1)	Program Cost 4CP Allocation (2)
1	RS	Residential	40.4145%	43.1221%	43.5114%
2	B	Water Heating	0.1225%	0.1307%	0.1318%
3	SGS	Small General Service	1.7089%	1.8234%	1.8399%
4	DGS/MLA	Demand General Service / Municipal Levee Authority	26.1523%	27.9043%	28.1563%
5	OSS	Off-Season Service	2.0202%	2.1556%	2.1750%
6	LP	Large Power	19.0511%	23.9692%	24.1856%
7	HLF	Transmission Power	10.5305%	0.8947%	0.0000%
8	Total		100.0000%	100.0000%	100.0000%

		Description	(b)	(c)
			With Opt - Out Allocation (3)	Without Opt-Out Allocation (4)
9	RS	Residential	43.1221%	43.5114%
10	B	Water Heating	0.1307%	0.1318%
11	SGS	Small General Service	1.8161%	1.8399%
12	SGS Opt-Out	Small General Service	0.0073%	0.0000%
13	DGS/MLA 1&2	Demand General Service / Municipal Levee Authority	18.5683%	18.7499%
14	DGS/MLA 1&2 Opt-Out	Demand General Service / Municipal Levee Authority	0.4239%	0.0000%
15	DGS/MLA-3	Demand General Service / Municipal Levee Authority	8.2207%	9.4064%
16	DGS/MLA 3 Opt-Out	Demand General Service / Municipal Levee Authority	0.6913%	0.0000%
17	OSS	Off-Season Service	1.8441%	2.1750%
18	OSS Opt-Out	Off-Season Service	0.3115%	0.0000%
19	LP	Large Power	6.1580%	24.1856%
20	LP Opt-Out	Large Power	17.8112%	0.0000%
21	HLF	Transmission Power	0.0000%	0.0000%
22	HLF Opt-Out	Transmission Power	0.8947%	0.0000%
23	Total		100.0000%	100.0000%

Notes:

(1) Modified from 4CP in Cause No. 43839 to consider demand load shift discussed in JCS testimony. Used to allocate projected DLC and I&M costs on Sch 4, Page 3.

(2) Originally derived in DSMA 13 and modified in DSMA 15, used to allocate projected demand related EEFC costs on Sch 5, Page 2.

(3) Derived from Modified 4CP Allocation, with break out between Opt-Out groups and DGS groups based on actual 2016 consumption. Used to allocate actual DLC and I&M costs from on Sch 2, Page 3

(4) Derived from Modified 4CP allocation, used to allocate actual demand related EEFC costs on Sch 2, Page 3, and the demand component of incentives on Sch 3, Page 1.

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
2019 VARIANCE BY RATE SCHEDULE
JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

Line No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	
	2014	2014	2014	2014	2015	2019		2014	2015	2018	2019		2014	2015	2018		2014	2015		2014	2015	2016	2017	2018	2019		2014		
	SGS	SGS	SGS	Opt Out	SGS	SGS	DGS 1&2	DGS 1&2	DGS 1&2	DGS 1&2	DGS 1&2	DGS 3	DGS 3	DGS 3	DGS 3	OSS	OSS	OSS	LP	LP	LP	LP	LP	LP	LP	HLF	HLF	Total	
	RS	B	SGS	Opt Out	Opt Out	Opt Out	DGS 1&2	DGS 1&2	DGS 1&2	DGS 1&2	DGS 1&2	DGS 3	DGS 3	DGS 3	DGS 3	OSS	OSS	OSS	LP	LP	LP	LP	LP	LP	LP	HLF	HLF	Total	
1	DSMA Revenue Billed (Including IURT)	\$ (11,598,810)	\$ (49,752)	\$ (299,325)	\$ (165)	\$ (19)	\$ (63)	\$ (5,435,607)	\$ (28,644)	\$ (4,362)	\$ (1,084)	\$ (3,355)	\$ (1,685,638)	\$ (29,456)	\$ (21,970)	\$ (15,552)	\$ (609,376)	\$ (2,350)	\$ (23,198)	\$ (2,160,776)	\$ (295,505)	\$ (56,120)	\$ 2,925	\$ (261)	\$ (14,641)	\$ (28,311)	\$ -	\$ 32,116	\$ (22,329,302)
2	Less: Indiana Utility Receipts Tax (IURT) (Line 1 x 1.49%)	\$ 171,662	\$ 736	\$ 4,430	\$ 2	\$ 0	\$ 1	\$ 80,447	\$ 424	\$ 65	\$ 16	\$ 50	\$ 24,947	\$ 436	\$ 325	\$ 230	\$ 9,019	\$ 35	\$ 343	\$ 31,979	\$ 4,373	\$ 831	\$ (43)	\$ 4	\$ 217	\$ 419	\$ -	\$ (475)	\$ 330,474
3	Total DSMA Revenues (Net of IURT)	\$ (11,427,148)	\$ (49,016)	\$ (294,895)	\$ (162)	\$ (18)	\$ (62)	\$ (5,355,160)	\$ (28,221)	\$ (4,298)	\$ (1,068)	\$ (3,306)	\$ (1,660,691)	\$ (29,021)	\$ (21,645)	\$ (15,321)	\$ (600,357)	\$ (2,316)	\$ (22,855)	\$ (2,128,796)	\$ (291,132)	\$ (55,289)	\$ 2,882	\$ (258)	\$ (14,424)	\$ (27,892)	\$ -	\$ 31,640	\$ (21,998,829)
4	Less Recovery of DSMA 16 Variance	\$ 22,394	\$ 7,931	\$ (41,012)	\$ 13	\$ (4)	\$ -	\$ (377,339)	\$ 831	\$ 844	\$ -	\$ -	\$ (48,347)	\$ (2,393)	\$ 11,109	\$ -	\$ 56,549	\$ 15	\$ 50	\$ (199,593)	\$ (3,219)	\$ 12,335	\$ (16,328)	\$ (11,537)	\$ -	\$ -	\$ -	\$ 350,951	\$ (236,752)
5	Less Recovery of Incentives Included in DSMA 16	\$ 477,423	\$ 1,988	\$ 30,274	\$ -	\$ -	\$ -	\$ 329,680	\$ -	\$ -	\$ -	\$ -	\$ 161,367	\$ -	\$ -	\$ -	\$ 36,317	\$ -	\$ -	\$ 285,315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,322,363
6	DSMA DLC & I&M Variance to Base Level	\$ (292,640)	\$ (887)	\$ (12,325)	\$ (41)	\$ (6)	\$ (3)	\$ (126,010)	\$ (2,501)	\$ (275)	\$ (38)	\$ (63)	\$ (55,789)	\$ (3,058)	\$ (1,160)	\$ (473)	\$ (12,515)	\$ (179)	\$ (1,935)	\$ (41,790)	\$ (106,206)	\$ (7,642)	\$ (1,789)	\$ (588)	\$ (967)	\$ (3,680)	\$ -	\$ (6,072)	\$ (678,631)
7	DSMA Actual Level (EEFC)	\$ 4,664,417	\$ 22,653	\$ 210,120	\$ -	\$ -	\$ -	\$ 2,208,364	\$ -	\$ -	\$ -	\$ -	\$ 1,051,333	\$ -	\$ -	\$ -	\$ 244,433	\$ -	\$ -	\$ 1,737,339	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,761	\$ -	\$ 10,142,420
8	Total DSMA Variance to Base Level Line 6 + Line 7	\$ 4,371,777	\$ 21,766	\$ 197,795	\$ (41)	\$ (6)	\$ (3)	\$ 2,082,354	\$ (2,501)	\$ (275)	\$ (38)	\$ (63)	\$ 995,545	\$ (3,058)	\$ (1,160)	\$ (473)	\$ 231,919	\$ (179)	\$ (1,935)	\$ 1,695,549	\$ (106,206)	\$ (7,642)	\$ (1,789)	\$ (588)	\$ (967)	\$ (3,680)	\$ 3,761	\$ (6,072)	\$ 9,463,789
9	Small Customer LRAM	\$ 6,282,615	\$ 24,214	\$ 148,532	\$ 195	\$ 29	\$ 85	\$ 4,051,895	\$ 30,219	\$ 5,362	\$ 1,344	\$ 3,345	\$ 858,901	\$ 43,719	\$ 22,715	\$ 8,961	\$ 366,996	\$ 2,532	\$ 20,177	\$ 930,325	\$ 413,764	\$ 56,614	\$ 14,854	\$ 12,612	\$ 14,033	\$ 65,623	\$ -	\$ -	\$ 10,937,540
10	Large Customer LRAM																										\$ 2,255	\$ 2,444,376	
11	DSMA18 December 31, 2019 Variance (Line 3 - Line 4 - Line 5 + Line 8 + Line 9 + Line 10)	\$ (1,272,573)	\$ (12,955)	\$ 62,170	\$ (20)	\$ 8	\$ 20	\$ 826,747	\$ (1,333)	\$ (55)	\$ 239	\$ (24)	\$ 80,735	\$ 14,033	\$ (11,199)	\$ (6,834)	\$ (94,308)	\$ 23	\$ (4,663)	\$ 411,356	\$ 19,646	\$ (18,653)	\$ 32,274	\$ 23,303	\$ (1,358)	\$ 34,051	\$ 3,761	\$ (323,127)	\$ (238,736)

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
2019 VARIANCE BY RATE SCHEDULE - DLC & I&M
JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	
Line No.	2014 Total	2015 RS	2015 B	2015 SGS	2015 SGS Opt Out	2015 SGS Opt Out	2019 SGS Opt Out	2014 DGS 1&2	2015 DGS 1&2 Opt Out	2018 DGS 1&2 Opt Out	2019 DGS 1&2 Opt Out	2014 DGS 3	2015 DGS 3 Opt Out	2018 DGS 3 Opt Out	2019 DGS 3 Opt Out	2014 OSS	2015 OSS Opt Out	2018 OSS Opt Out	2014 LP	2015 LP Opt Out	2015 LP Opt Out	2016 LP Opt Out	2017 LP Opt Out	2018 LP Opt Out	2019 LP Opt Out	2019 HLF	2014 HLF		
1	Modified 4CP Allocation (1)	100.0000%	43.1221%	0.1307%	1.8161%	0.0060%	0.0009%	0.0004%	18.5683%	0.3685%	0.0406%	0.0056%	0.0093%	8.2207%	0.4506%	0.1709%	0.0698%	1.8441%	0.0264%	0.2851%	6.1580%	15.6500%	1.1262%	0.2636%	0.0867%	0.1425%	0.5423%	0.0000%	0.8947%
2	DSMA Actual Level (DLC)	\$ 667,028	\$ 287,636	\$ 872	\$ 12,114	\$ 40	\$ 6	\$ 3	\$ 123,856	\$ 2,458	\$ 271	\$ 37	\$ 62	\$ 54,835	\$ 3,006	\$ 1,140	\$ 465	\$ 12,301	\$ 176	\$ 1,902	\$ 41,075	\$ 104,390	\$ 7,512	\$ 1,758	\$ 578	\$ 950	\$ 3,617	\$ -	\$ 5,967.90
3	DSMA Actual Level Inspection & Maintenance (I&M)	\$ 40,969	\$ 17,667	\$ 54	\$ 744	\$ 2	\$ 0	\$ 0	\$ 7,607	\$ 151	\$ 17	\$ 2	\$ 4	\$ 3,368	\$ 185	\$ 70	\$ 29	\$ 756	\$ 11	\$ 117	\$ 2,523	\$ 6,412	\$ 461	\$ 108	\$ 36	\$ 58	\$ 222	\$ -	\$ 367
4	DSMA Base Rate Level (DLC)	\$ 817,000	\$ 352,308	\$ 1,068	\$ 14,838	\$ 49	\$ 7	\$ 3	\$ 151,703	\$ 3,011	\$ 332	\$ 45	\$ 76	\$ 67,163	\$ 3,682	\$ 1,396	\$ 570	\$ 15,066	\$ 215	\$ 2,330	\$ 50,311	\$ 127,861	\$ 9,201	\$ 2,154	\$ 708	\$ 1,164	\$ 4,430	\$ -	\$ 7,310
5	DSMA Base Rate Level (I&M)	\$ 569,628	\$ 245,636	\$ 745	\$ 10,345	\$ 34	\$ 5	\$ 2	\$ 105,770	\$ 2,099	\$ 231	\$ 32	\$ 53	\$ 46,828	\$ 2,567	\$ 973	\$ 397	\$ 10,504	\$ 150	\$ 1,624	\$ 35,078	\$ 89,147	\$ 6,415	\$ 1,502	\$ 494	\$ 812	\$ 3,089	\$ -	\$ 5,096
6	DLC & I&M Variance to Base Level (Line 2 + Line 3 - Line 4 - Line 5)	\$ (678,631)	\$ (292,640)	\$ (887)	\$ (12,325)	\$ (41)	\$ (6)	\$ (3)	\$ (126,010)	\$ (2,501)	\$ (275)	\$ (38)	\$ (63)	\$ (55,789)	\$ (3,058)	\$ (1,160)	\$ (473)	\$ (12,515)	\$ (179)	\$ (1,935)	\$ (41,790)	\$ (106,206)	\$ (7,642)	\$ (1,789)	\$ (588)	\$ (967)	\$ (3,680)	\$ -	\$ (6,072)

Notes:
(1) Actual and Base Level DLC and I&M costs are allocated to rate classes using Modified 4CP allocator from Sch 1, Pg 3, Lines 9-22 (column b).

[illegible]

Notes:
(1) MWh and kW / kVa savings are final actual evaluated 2019 Program savings and supported by Company's Work Papers.

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
2019 VARIANCE BY RATE SCHEDULE - SMALL CUSTOMER LOST MARGIN COMPONENT
JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

Line No.		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
		2019 Savings as of 6/30/2014		2019 Savings as of 12/31/2014		2019 Savings as of 12/31/2015		2019 Savings as of 12/31/2016		2019 Savings as of 12/31/2017		2019 Savings as of 12/31/2018		2019 Savings as of 12/31/2019		2019 Savings Total (2)	2019 Total (3)
		kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Dollars
RS-S																	
1	All customers	14,593,032	100.0000%	4,652,111	100.0000%	7,347,561	100.0000%	8,005,183	100.0000%	7,858,103	100.0000%	8,364,902	100.0000%	9,511,971	100.0000%	60,332,863	\$ 5,526,490
2	Total RS-S kWh (2)	14,593,032	100.0000%	4,652,111	100.0000%	7,347,561	100.0000%	8,005,183	100.0000%	7,858,103	100.0000%	8,364,902	100.0000%	9,511,971	100.0000%	60,332,863	\$ 5,526,490
RS-T																	
3	All customers	6,362,413	100.0000%	1,485,883	100.0000%	1,873,812	100.0000%	1,778,112	100.0000%	1,905,706	100.0000%	1,672,378	100.0000%	3,515,935	100.0000%	18,594,240	\$ 756,124
4	Total RS-T kWh (2)	6,362,413	100.0000%	1,485,883	100.0000%	1,873,812	100.0000%	1,778,112	100.0000%	1,905,706	100.0000%	1,672,378	100.0000%	3,515,935	100.0000%	18,594,240	\$ 756,124
B																	
5	All customers	177,020	100.0000%	24,441	100.0000%	26,119	100.0000%	15,787	100.0000%	16,494	100.0000%	11,614	100.0000%	245,031	100.0000%	516,507	\$ 24,214
6	Total B kWh (2)	177,020	100.0000%	24,441	100.0000%	26,119	100.0000%	15,787	100.0000%	16,494	100.0000%	11,614	100.0000%	245,031	100.0000%	516,507	\$ 24,214
SGS																	
7	2014 Opt Out	5,300	0.4090%													5,300	\$ 195
8	2015 Opt Out	718	0.0554%	66	0.0556%											783	29
9	2019 Opt Out	824	0.0636%	75	0.0638%	230	0.0639%	183	0.0639%	147	0.0639%	833	0.0639%			2,292	85
10	Non - Opt	1,289,099	99.4721%	117,959	99.8806%	360,104	99.9361%	286,229	99.9361%	229,635	99.9361%	1,303,300	99.9361%	442,205	100.0000%	4,028,530	148,532
11	Total SGS kWh (2)	1,295,941	100.0000%	118,100	100.0000%	360,334	100.0000%	286,412	100.0000%	229,782	100.0000%	1,304,133	100.0000%	442,205	100.0000%	4,036,905	\$ 148,841
DGS-1/2																	
12	2014 Opt Out	464,148	1.8078%													464,148	\$ 24,461
13	2015 Opt Out	65,630	0.2556%	11,258	0.2603%											76,888	4,052
14	2018 Opt Out	10,846	0.0422%	1,861	0.0430%	2,806	0.0431%	3,188	0.0431%	2,540	0.0431%					21,241	1,119
15	2019 Opt Out	24,439	0.0952%	4,192	0.0969%	6,323	0.0972%	7,183	0.0972%	5,723	0.0972%	7,152	0.0972%			55,012	2,899
16	Non - Opt	25,109,800	97.7992%	4,307,295	99.5997%	6,496,618	99.8597%	7,379,647	99.8597%	5,879,613	99.8597%	7,348,268	99.9028%	6,047,672	100.0000%	62,568,911	3,297,475
17	Total DGS-1/2 kWh (2)	25,674,864	100.0000%	4,324,606	100.0000%	6,505,747	100.0000%	7,390,017	100.0000%	5,887,875	100.0000%	7,355,420	100.0000%	6,047,672	100.0000%	63,186,200	\$ 3,330,008
OSS																	
18	2014 Opt Out	44,484	1.2644%													44,484	\$ 1,951
19	2015 Opt Out	342,875	9.7457%	2,599	9.8705%											345,474	15,149
20	Non - Opt	3,130,863	88.9899%	23,730	90.1295%	199,795	100.0000%	1,594,169	100.0000%	752,292	100.0000%	598,415	100.0000%	411,253	100.0000%	6,710,516	294,256
21	Total OSS kWh (2)	3,518,222	100.0000%	26,329	100.0000%	199,795	100.0000%	1,594,169	100.0000%	752,292	100.0000%	598,415	100.0000%	411,253	100.0000%	7,100,474	\$ 311,356
Demand																	
		2019 Savings as of 6/30/2014		2019 Savings as of 12/31/2014		2019 Savings as of 12/31/2015		2019 Savings as of 12/31/2016		2019 Savings as of 12/31/2017		2019 Savings as of 12/31/2018		2019 Savings as of 12/31/2019		2019 Savings Total	2019 Total (3)
		kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Dollars
DGS-1/2																	
22	2014 Opt Out	1,109	1.5359%													1,109	\$ 5,758
23	2015 Opt Out	225	0.3118%	27	0.3167%											252	1,310
24	2018 Opt Out	27	0.0369%	3	0.0375%	6	0.0376%	4	0.0376%	4	0.0376%					43	225
25	2019 Opt Out	47	0.0647%	6	0.0657%	10	0.0659%	7	0.0659%	7	0.0659%	10	0.0660%			86	446
26	Non - Opt Out	70,767	98.0506%	8,513	99.5801%	15,222	99.8964%	10,321	99.8964%	10,185	99.8964%	14,976	99.9340%	15,252	100.0000%	145,237	754,420
27	Total DGS-1/2 kW / kVa (2)	72,174	100.0000%	8,549	100.0000%	15,238	100.0000%	10,332	100.0000%	10,196	100.0000%	14,986	100.0000%	15,252	100.0000%	146,727	\$ 762,158
OSS																	
28	2014 Opt Out	123	1.2901%													123	\$ 582
29	2015 Opt Out	1,053	11.0920%	6	11.2370%											1,059	\$ 5,028
30	Non - Opt Out	8,322	87.6179%	45	88.7630%	343	100.0000%	2,384	100.0000%	2,245	100.0000%	1,055	100.0000%	928	100.0000%	15,322	\$ 72,740
31	Total OSS kW / kVa (2)	9,498	100.0000%	50	100.0000%	343	100.0000%	2,384	100.0000%	2,245	100.0000%	1,055	100.0000%	928	100.0000%	16,504	\$ 78,350
32	Total Small Customer Lost Margins																\$ 10,937,540

Notes:

(1) Allocation percentages for Opt Out 2014, Opt Out 2015 and Non-Opt Out groups are fixed at DSMA-13, Sch 7, Pg 3, Lines 1 (Energy) and Line 10 (Demand).

(2) Supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 1 of 2, and Company's Work Paper.

(3) To Schedule 2, Page 1, Line 9

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
2019 VARIANCE BY RATE SCHEDULE - LARGE CUSTOMER LOST MARGIN COMPONENT
JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	
Line No.		2019 Savings as of 6/30/2014		2019 Savings as of 12/31/2014		2019 Savings as of 12/31/2015		2019 Savings as of 12/31/2016		2019 Savings as of 12/31/2017		2019 Savings as of 12/31/2018		2019 Savings as of 12/31/2019		2019 Savings Total (2)	2019 Total (3)	
Energy		kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Allocation % (1)	kWh	Dollars	
DGS - 3																		
1	2014 Opt Out	1,305,884	11.4761%														1,305,884	\$ 32,882
2	2015 Opt Out	535,822	4.7088%	170,071	5.3192%												705,893	17,774
3	2018 Opt Out	131,360	1.1544%	41,694	1.3040%	21,219	1.3773%	33,605	1.3773%	43,520	1.3773%						271,397	6,834
4	Non - Opt Out	9,406,143	82.6608%	2,985,536	93.3767%	1,519,397	98.6227%	2,406,310	98.6227%	3,116,265	98.6227%	3,224,726	100.0000%	1,613,154	100.0000%	24,271,531	611,157	
5	Total DGS-3 kWh (2)	11,379,209	100.0000%	3,197,301	100.0000%	1,540,616	100.0000%	2,439,915	100.0000%	3,159,784	100.0000%	3,224,726	100.0000%	1,613,154	100.0000%	26,554,705	\$ 668,647	
LP																		
6	2014 Opt Out	13,571,380	58.5527%														13,571,380	\$ 264,235
7	2015 Opt Out	1,411,246	6.0887%	278,863	14.6903%												1,690,110	32,906
8	2016 Opt Out	314,985	1.3590%	62,241	3.2788%	179,991	3.8434%										557,217	10,849
9	2017 Opt Out	227,467	0.9814%	44,948	2.3678%	124,984	2.6689%	59,109	2.7755%								456,508	8,888
10	2018 Opt Out	161,134	0.6952%	31,840	1.6773%	92,181	1.9684%	43,595	2.0471%	104,428	2.1055%						433,178	8,434
11	2019 Opt Out	567,122	2.4468%	112,064	5.9034%	324,438	6.9279%	153,437	7.2048%	367,544	7.4105%	534,435	7.5699%				2,059,040	40,090
12	Non - Opt Out	6,924,721	29.8762%	1,368,330	72.0824%	3,961,479	84.5914%	1,873,507	87.9726%	4,487,811	90.4840%	6,525,607	92.4301%	2,869,100	100.0000%	28,010,555	545,366	
13	Total LP kWh (2)	23,178,055	100.0000%	1,898,287	100.0000%	4,683,073	100.0000%	2,129,648	100.0000%	4,959,783	100.0000%	7,060,042	100.0000%	2,869,100	100.0000%	46,777,988	\$ 910,767	
HLF																		
14	2014 Opt Out	116,294	100.0000%														116,294	\$ -
15	Total HLF kWh (2)	116,294	100.0000%														116,294	\$ -
Demand																		
		2019 Savings as of 6/30/2014		2019 Savings as of 12/31/2014		2019 Savings as of 12/31/2015		2019 Savings as of 12/31/2016		2019 Savings as of 12/31/2017		2019 Savings as of 12/31/2018		2019 Savings as of 12/31/2019		2019 Savings Total	2019 Total (3)	
		kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Dollars	
DGS-3																		
16	2014 Opt Out	2,084	10.5254%														2,084	\$ 10,836
17	2015 Opt Out	711	3.5915%	239	4.0140%												950	4,940
18	2018 Opt Out	190	0.9575%	64	1.0702%	38	1.1149%	34	1.1149%	84	1.1149%						409	2,127
19	Non - Opt Out	16,814	84.9255%	5,651	94.9158%	3,388	98.8851%	2,971	98.8851%	7,458	98.8851%	7,058	100.0000%	4,302	100.0000%	47,643	247,744	
20	Total DGS-3 kW / kVa (2)	19,799	100.0000%	5,954	100.0000%	3,426	100.0000%	3,005	100.0000%	7,542	100.0000%	7,058	100.0000%	4,302	100.0000%	51,086	\$ 265,648	
LP																		
21	2014 Opt Out	16,061	54.0352%														16,061	\$ 149,530
22	2015 Opt Out	2,209	7.4325%	337	16.1700%												2,546	23,707
23	2016 Opt Out	250	0.8415%	38	1.8308%	142	2.1840%										430	4,005
24	2017 Opt Out	207	0.6963%	32	1.5148%	115	1.7676%	47	1.8070%								400	3,724
25	2018 Opt Out	218	0.7325%	33	1.5936%	124	1.9018%	50	1.9442%	177	1.9800%						601	5,599
26	2019 Opt Out	710	2.3894%	108	5.1983%	403	6.2036%	163	6.3421%	577	6.4588%	781	6.5893%				2,743	25,534
27	Non - Opt Out	10,068	33.8725%	1,537	73.6924%	5,714	87.9431%	2,317	89.9066%	8,175	91.5612%	11,069	93.4107%	2,470	100.0000%	41,349	384,960	
28	Total LP kW / kVa (2)	29,724	100.0000%	2,086	100.0000%	6,497	100.0000%	2,577	100.0000%	8,928	100.0000%	11,850	100.0000%	2,470	100.0000%	64,131	\$ 597,058	
HLF																		
29	2014 Opt Out	116	100.0000%														116	\$ 2,255
30	Total HLF kW / kVa (2)	116	100.0000%														116	\$ 2,255
31	Total Large Customer Lost Margins																	\$ 2,444,376

Notes:

(1) Allocation percentages for Opt Out 2014 and Opt Out 2015 groups are fixed at DSMA-13, Sch 6, Pg 2 of 2, Lines 1 (Energy) and Line 10 (Demand). Opt Out 2016 and Non-Opt Out groups are fixed at DSMA-14, Sch 6, Pg 2 of 2, Lines 1 (Energy) and Line 12 (Demand).

(2) Supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 1 of 2, and Company's Work Paper.

(3) To Schedule 2, Page 1, Line 10

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DEMAND AND ENERGY VARIANCE SPLIT
JANUARY 1, 2019 THROUGH DECEMBER 31, 2019**

Line No.	Reference	DSMA 16
	<u>Demand Related Projected Charges</u>	
1	DLC Component DSMA 16, Schedule 4, Page 3, Line 3	\$ (217,000)
2	I&M Component DSMA 16, Schedule 4, Page 3, Line 4	\$ (314,628)
3	Demand Component of EEFC DSMA 16, Schedule 5, Page 2, Lines 12 & 19	\$ 1,985,470
4	Large LRAM DSMA 16, Schedule 6, Page 3, Lines 6, 16 & 26	\$ 727,026
5	Small LRAM DSMA 16, Schedule 7, Page 3, Lines 28 & 38	\$ 780,569
6	Total	\$ 2,961,437
	<u>Total Projected Charges</u>	
7	DLC Component DSMA 16, Schedule 4, Page 3, Line 3	\$ (217,000)
8	I&M Component DSMA 16, Schedule 4, Page 3, Line 4	\$ (314,628)
9	EEFC DSMA 16, Schedule 5, Page 2, Line 23	\$ 9,593,386
10	Large LRAM DSMA 16, Schedule 6, Page 3, Lines 7, 17 & 27	\$ 2,123,499
11	Small LRAM DSMA 16, Schedule 7, Page 3, Lines 7, 13, 19, 29 & 39	\$ 10,570,678
12	Total	\$ 21,755,935
13	Total Demand % Line 6 / Line 12	13.6121%
14	Energy % 100% - Line 13	86.3879%

[illegible]

Notes:
(1) Demand Variance is recovered via Energy Charge for Rate Schedules without demand meters.

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
2019 VARIANCE BY RATE SCHEDULE - INCENTIVES
JANUARY 1, 2019 THROUGH DECEMBER 31, 2019

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	
Line No.	REFERENCE	2014 SGS Opt-Out	2015 SGS Opt-Out	2019 SGS Opt-Out	DGS 1&2	2014 DGS 1&2 Opt Out	2015 DGS 1&2 Opt Out	2018 DGS 1&2 Opt Out	2019 DGS 1&2 Opt Out	DGS 3	2014 DGS 3 Opt Out	2015 DGS 3 Opt Out	2018 DGS 3 Opt Out	DGS 3	2014 DGS 3 Opt Out	2015 DGS 3 Opt Out	2018 DGS 3 Opt Out	OSS	2014 OSS Opt Out	2015 OSS Opt Out	LP	2014 LP Opt Out	2015 LP Opt Out	2016 LP Opt Out	2017 LP Opt Out	2018 LP Opt Out	2019 LP Opt Out	2014 HLF Opt Out		
<u>Residential Financial Incentives</u>																														
1	Financial Incentives	Petitioner's Exhibit No. 1, Table RH+3	\$	1,507,985																										
2	Allocation to Energy (1)	Line 1 x 50%	\$	753,993																										
3	Allocation to Demand (1)	Line 1 x 50%	\$	753,993																										
4	Energy	Line 2, col (a) x Line 5	\$	753,993	\$ 749,939	\$ 4,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5	Energy Allocation	Sch 1, Pg 1, L4	100.0000%	99.4623%	0.5377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
6	Demand	Line 3, col (a) x Line 7	\$	753,993	\$ 328,073	\$ 994	\$ 13,873	\$ -	\$ -	\$ 141,373	\$ -	\$ -	\$ -	\$ 70,923	\$ -	\$ -	\$ -	\$ 16,399	\$ -	\$ -	\$ 182,358	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Demand Allocation	Sch 1, Pg 3, L9-L22, col (c)	100.0000%	43.5114%	0.1318%	1.8399%	0.0000%	0.0000%	0.0000%	18.7499%	0.0000%	0.0000%	0.0000%	9.4064%	0.0000%	0.0000%	0.0000%	2.1750%	0.0000%	0.0000%	24.1856%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
<u>Commercial Financial Incentives</u>																														
8	Financial Incentives	Petitioner's Exhibit No. 1, Table RH+3	\$	1,200,114																										
9	Allocation to Energy (1)	Line 8 x 50%	\$	600,057																										
10	Allocation to Demand (1)	Line 8 x 50%	\$	600,057																										
11	Energy	Line 9, col (a) x Line 12	\$	600,057	\$ -	\$ -	\$ 24,323	\$ -	\$ -	\$ 257,791	\$ -	\$ -	\$ -	\$ -	\$ 120,968	\$ -	\$ -	\$ -	\$ 28,169	\$ -	\$ -	\$ 168,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
12	Energy Allocation	Sch 1, Pg 1, L4	99.9074%	0.0000%	0.0000%	4.0535%	0.0000%	0.0000%	0.0000%	42.9612%	0.0000%	0.0000%	0.0000%	20.1594%	0.0000%	0.0000%	0.0000%	4.6943%	0.0000%	0.0000%	28.0389%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
13	Demand	Line 10, col (a) x Line 14	\$	600,057	\$ 261,093	\$ 791	\$ 11,040	\$ -	\$ -	\$ -	\$ 112,510	\$ -	\$ -	\$ 56,444	\$ -	\$ -	\$ -	\$ 13,051	\$ -	\$ -	\$ 145,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
14	Demand Allocation	Sch 1, Pg 3, L9-L22, col (c)	100.0000%	43.5114%	0.1318%	1.8399%	0.0000%	0.0000%	0.0000%	18.7499%	0.0000%	0.0000%	0.0000%	9.4064%	0.0000%	0.0000%	0.0000%	2.1750%	0.0000%	0.0000%	24.1856%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
15	Incentive Allocation	Sum of Lines 4, 6, 11, 13	\$	2,708,099	\$ 1,339,105	\$ 5,839	\$ 49,237	\$ -	\$ -	\$ 511,675	\$ -	\$ -	\$ -	\$ -	248,335	\$ -	\$ -	\$ -	\$ 57,619	\$ -	\$ -	\$ 495,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
16	Incentives Recovered by Energy (2)	Sum of Lines 4 and 11	\$	1,969,357	\$ 1,339,105	\$ 5,839	\$ 49,237	\$ -	\$ -	\$ 257,791	\$ -	\$ -	\$ -	\$ -	120,968	\$ -	\$ -	\$ -	\$ 28,169	\$ -	\$ -	\$ 168,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
17	Incentives Recovered by Demand (2)	Sum of Lines 6, and 13	\$	738,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,883	\$ -	\$ -	\$ -	\$ -	127,367	\$ -	\$ -	\$ -	\$ 29,451	\$ -	\$ -	\$ 327,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Notes:

(1) Energy vs Demand components of incentive are based on the detailed incentive calculation from Petitioner's Exhibit No. 1, Table RHH-3. For both Residential and Commerical, the energy and demand components of the incentives were each 50%.

(2) The demand component is recovered via the Energy Charge for Rate Schedules without demand meters (RS, B, and SGS).

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DERIVATION OF UNIT RATES - INCENTIVES AND VARIANCES

Line No.		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	
	Reference	RS	B	SGS	2014 SGS Opt-Out	2015 SGS Opt-Out	2019 SGS Opt-Out	DGS 1&2	2014 DGS 1&2 Opt Out	2015 DGS 1&2 Opt Out	2018 DGS 1&2 Opt Out	2019 DGS 1&2 Opt Out	DGS 3	2014 DGS 3 Opt Out	2015 DGS 3 Opt Out	2018 DGS 3 Opt Out	OSS	2014 OSS Opt Out	2015 OSS Opt Out	LP	2014 LP Opt Out	2015 LP Opt Out	2016 LP Opt Out	2017 LP Opt Out	2018 LP Opt Out	2019 LP Opt Out	HLF	2014 HLF Opt Out	Total	
Energy																														
1	Incentives	Sch 3, Pg 1, L16	\$ 1,339,105	\$ 5,839	\$ 49,237	\$ -	\$ -	\$ -	\$ 257,791	\$ -	\$ -	\$ -	\$ -	\$ 120,968	\$ -	\$ -	\$ 28,169	\$ -	\$ -	\$ 168,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,969,357
2	Variance	Sch 2, Pg 7, L6	\$ (1,272,573)	\$ (12,955)	\$ 62,170	\$ (20)	\$ 8	\$ 20	\$ 714,209	\$ (1,151)	\$ (48)	\$ 206	\$ (21)	\$ 69,746	\$ 12,122	\$ (9,675)	\$ (5,904)	\$ (81,471)	\$ 20	\$ (4,028)	\$ 355,362	\$ 16,971	\$ (16,114)	\$ 27,881	\$ 20,131	\$ (1,173)	\$ 3,249	\$ 3,249	\$ (279,143)	\$ (398,929)
3	KWh Recovery	Line 1 + Line 2	\$ 66,532	\$ (7,117)	\$ 111,407	\$ (20)	\$ 8	\$ 20	\$ 972,001	\$ (1,151)	\$ (48)	\$ 206	\$ (21)	\$ 190,714	\$ 12,122	\$ (9,675)	\$ (5,904)	\$ (53,302)	\$ 20	\$ (4,028)	\$ 523,611	\$ 16,971	\$ (16,114)	\$ 27,881	\$ 20,131	\$ (1,173)	\$ 3,249	\$ 3,249	\$ (279,143)	\$ 1,570,426
4	Estimated 2021 kWh	Sch 1, Pg 2	1,360,479,616	7,946,703	64,323,761	223,608	34,256	38,842	689,526,799	14,030,646	1,545,372	211,520	752,817	337,832,318	19,688,148	7,466,200	3,048,000	77,940,636	1,064,745	11,517,000	810,842,366	1,359,880,249	97,854,900	22,907,400	7,533,600	12,379,200	47,120,600	-	79,734,000	
5	kWh Pricing	Line 3 / Line 4	\$ 0.000049	\$(0.000896)	\$ 0.001732	\$(0.000091)	\$ 0.000231	\$ 0.000509	\$ 0.001410	\$(0.000082)	\$(0.000031)	\$ 0.000975	\$(0.000027)	\$ 0.000565	\$ 0.000616	\$(0.001296)	\$(0.001937)	\$(0.000684)	\$ 0.000019	\$(0.000350)	\$ 0.000646	\$ 0.000012	\$(0.000185)	\$ 0.001217	\$ 0.002872	\$(0.000095)	\$ 0.000069	\$ -	\$(0.003501)	
6	2021 IURT Factor		0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	
7	Incentives and Variances																													
7	Component (to Schedule 8)	Line 5 / Line 6	\$ 0.000050	\$(0.000909)	\$ 0.001758	\$(0.000092)	\$ 0.000234	\$ 0.000517	\$ 0.001431	\$(0.000083)	\$(0.000031)	\$ 0.000990	\$(0.000028)	\$ 0.000573	\$ 0.000625	\$(0.001315)	\$(0.001966)	\$(0.000694)	\$ 0.000019	\$(0.000355)	\$ 0.000655	\$ 0.000013	\$(0.000167)	\$ 0.001235	\$ 0.002712	\$(0.000096)	\$ 0.000070	\$ -	\$(0.003553)	
Demand																														
8	Incentives	Sch 3, Pg 1, L17	\$ 253,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,367	\$ -	\$ -	\$ -	\$ -	\$ 127,367	\$ -	\$ -	\$ 29,451	\$ -	\$ -	\$ 327,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 738,186	
9	Variance	Sch 2, Pg 7, L7	\$ 112,538	\$ (181)	\$ (7)	\$ 32	\$ (3)	\$ 10,990	\$ 1,910	\$ (1,524)	\$ (930)	\$ (12,837)	\$ 3	\$ (835)	\$ 55,994	\$ 2,674	\$ (2,539)	\$ 4,393	\$ 3,172	\$ (185)	\$ 512	\$ 512	\$ (43,984)	\$ 129,903	\$ -	\$ -	\$ -	\$ -	\$ 129,903	
10	KW/KVa Recovery	Line 8 + Line 9	\$ 366,421	\$ (181)	\$ (7)	\$ 32	\$ (3)	\$ 138,357	\$ 1,910	\$ (1,524)	\$ (930)	\$ 16,613	\$ 3	\$ (835)	\$ 383,479	\$ 2,674	\$ (2,539)	\$ 4,393	\$ 3,172	\$ (185)	\$ 512	\$ 512	\$ (43,984)	\$ 668,089	\$ -	\$ -	\$ -	\$ -	\$ 668,089	
11	Estimated 2021 kW/KVa	Sch 1, Page 2	1,983,446	33,788	5,099	734	1,368	998,230	66,428	19,642	10,375	285,615	2,926	32,405	1,340,366	2,717,237	259,748	55,694	26,820	26,801	92,402	-	-	-	-	-	-	-	122,400	
12	KW/KVa Pricing	Line 10 / Line 11	\$ 0.18474	\$(0.00537)	\$(0.00147)	\$ 0.04430	\$(0.00236)	\$ 0.13860	\$ 0.02875	\$(0.07761)	\$(0.08966)	\$ 0.05817	\$ 0.00108	\$(0.01959)	\$ 0.28610	\$ 0.00098	\$(0.00977)	\$ 0.07888	\$ 0.11827	\$(0.00690)	0.005539948	\$ -	\$ -	\$(0.35935)	\$ -	\$ -	\$ -	\$ -	\$(0.35935)	
13	2021 IURT Factor		0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	
14	Incentives and Variances																													
14	Component (to Schedule 8)	Line 12 / Line 13	\$ 0.187	\$(0.005)	\$(0.001)	\$ 0.045	\$(0.002)	\$ 0.141	\$ 0.029	\$(0.079)	\$(0.091)	\$ 0.059	\$ 0.001	\$(0.020)	\$ 0.290	\$ 0.001	\$(0.010)	\$ 0.080	\$ 0.120	\$(0.007)	\$ 0.006	\$ -	\$ -	\$(0.365)	\$ -	\$ -	\$ -	\$ -	\$(0.365)	

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DLC COMPONENT
CALCULATION OF INCREMENTAL COSTS
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Demand Side Management Costs	Reference	Total
1	Estimated Direct Load Control (DLC) Billing Credits	Petitioner's Exhibit No. 1, Table RHH-6	\$ 580,000
2	Less Base Rate Amount of DLC Billing Credits	Tariff Sheet No. 66, Page 1 of 6	<u>\$ (817,000)</u>
3	Total DLC Costs for Inclusion in DSMA	Line 1 + Line 2	<u><u>\$ (237,000)</u></u>

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
I&M COMPONENT
CALCULATION OF INCREMENTAL COSTS
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Demand Side Management Costs	Reference	Total
1	Estimated Inspection and Maintenance Costs	Petitioner's Exhibit No. 1, Table RHH-7	\$ 256,538
2	Less Base Rate Amount of Inspection and Maintenance Costs	Tariff Sheet No. 66, Page 1 of 6	<u>\$ (569,628)</u>
3	Total Inspection and Maintenance Costs for Inclusion in DSMA	Line 1 + Line 2	<u><u>\$ (313,090)</u></u>

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DLC & I&M COMPONENTS
DETERMINATION OF UNIT RATES
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.		Rate RS	Rate B	Rate SGS	Rate DGS/MLA	Rate OSS	Rate LP	Rate HLF	Total
1	Estimated Sales (kWh) - Schedule 1, Page 2, Line 1	1,360,479,616	7,946,703	64,581,625	1,070,089,483	90,522,381	2,268,577,515	79,734,000	4,941,931,324
2	DLC and I&M Component Allocation Percentages (Sch 1, Pg 3, L1-L7, col (b))	43.1221%	0.1307%	1.8234%	27.9043%	2.1556%	23.9692%	0.8947%	100.0000%
3	Incremental DLC Component Amount ((Sch 4, Pg 1, L3) X Line 2)	\$ (102,200)	\$ (310)	\$ (4,321)	\$ (66,133)	\$ (5,109)	\$ (56,807)	\$ (2,120)	\$ (237,000)
4	Incremental I&M Component Amount ((Sch 4, Pg 2, L3) X Line 2)	<u>\$ (135,011)</u>	<u>\$ (409)</u>	<u>\$ (5,709)</u>	<u>\$ (87,366)</u>	<u>\$ (6,749)</u>	<u>\$ (75,045)</u>	<u>\$ (2,801)</u>	<u>\$ (313,090)</u>
5	Total DLC and I&M Component (Line 3 + Line 4)	\$ (237,211)	\$ (719)	\$ (10,030)	\$ (153,499)	\$ (11,858)	\$ (131,852)	\$ (4,921)	\$ (550,090)
6	DLC and I&M Component per kWh Excl IURT (Line 5 / Line 1)	\$ (0.000174)	\$ (0.000090)	\$ (0.000155)	\$ (0.000143)	\$ (0.000131)	\$ (0.000058)	\$ (0.000062)	
7	DLC and I&M Component per kWh Incl IURT (1) (Line 6 / 0.9853)	\$ (0.000177)	\$ (0.000092)	\$ (0.000158)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)	\$ (0.000063)	

Notes:

(1) To Sch 8, Pg 1 - Pg 9

(2) All customers, including Opt Out Groups, are responsible for these costs within the DSMA.

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
ENERGY EFFICIENCY FUNDING COMPONENT
2021 PROJECTED PROGRAM COST ALLOCATION**

Line No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	SAVINGS (1)		VALUE (2)		WEIGHTING		PROGRAM DOLLARS (1)		
	Energy MWh	Demand kW	Energy MWh	Demand kW			Energy MWh	Demand kW	Total
1	TOTAL:								
	44,325	10,061	\$1,336,855	\$734,030			\$7,357,853	\$4,150,174	\$11,508,027
2	RESIDENTIAL:		(2) \$30.16 MWh	(2) \$72.96 kW	Energy MWh	Demand kW	Energy MWh	Demand kW	Total (3)
3 ref	19,940 INPUT	5,908 INPUT	\$601,379 [a3]*[c2]	\$431,028 [b3]*[d2]	58% [c3]/([c3]+[d3])	42% 1-[e3]	\$3,671,439 [e3]*[i3]	\$2,631,439 [f3]*[i3]	\$6,302,878 INPUT
4	GENERAL SERVICE/LARGE:		(2) \$30.1600 MWh	(2) \$72.96 kW	Energy MWh	Demand kW	Energy MWh	Demand kW	Total (3)
5 ref	24,386 INPUT	4,153 INPUT	\$735,476 [a5]*[c4]	\$303,003 [b5]*[d4]	71% [c5]/([c5]+[d5])	29% 1-[e5]	\$3,686,414 [e5]*[i5]	\$1,518,736 [f5]*[i5]	\$5,205,150 INPUT
6	Residential		Energy \$ 3,671,439 [g3]	Demand \$ 2,631,439 [h3]	Total \$ 6,302,878 [i3]				
7	General Service/Large		\$ 3,686,414 [g5]	\$ 1,518,736 [h5]	\$ 5,205,150 [i5]				
8	Total Program Costs	[c6]+[c7]	<u>\$ 7,357,853</u>	<u>\$ 4,150,174</u>	<u>\$ 11,508,027</u>				

Notes:

- (1) Supported by Petitioner's Exhibit No. 1, Attachment RHH-4. Cause No. 44927 - Vectren South 2021 DSM Program Budget, and within Company's Work Paper.
 (2) The per MWh rate is 1000 times the currently effective on-peak energy payment from Rate CSP (\$0.03016/kWh), and the per kW rate is the annualized capacity payment from Rate CSP (\$6.08/kW X 12 months). Supported within Company's Work Paper.
 (3) Outreach and Education costs are allocated based on % of Gross Energy Savings (kWh)

Line No.		ref	Residential RS	Water Heater Rate B	Small General Rate SGS	Demand Gen Rate DGS/MLA	Off-Season Rate OSS	Large Power Rate LP	Total Funding
			(a)	(b)	(c)	(d)	(e)	(f)	(g)
9	Non Opt Out Energy Allocation %'s	Sch 1, Pg 2, L11	99.4193%	0.5807%	3.4493%	54.8760%	4.1820%	37.4927%	
10	Energy	[6]*[9]	\$ 3,650,118	\$ 21,321	\$ 127,155	\$ 2,022,956	\$ 154,166	\$ 1,382,138	\$ 7,357,853
11	Program Cost 4CP	Sch 1, Pg 3, L1-L3, col. (c)	43.5114%	0.1318%	1.8399%				
12	Demand	[8(d)]*[11]	\$ 1,805,799	\$ 5,470	\$ 76,359				1,887,628
13	kWh Recovery	[10]+[12]	\$ 5,455,917	\$ 26,791	\$ 203,514	\$ 2,022,956	\$ 154,166	\$ 1,382,138	\$ 9,245,481
14	Estimated kWh (January 2021 through December 2021)	Sch 1, Pg 2, L3	1,360,479,616	7,946,703	64,284,919	1,023,346,780	77,940,636	720,901,566	
15	kWh Pricing	[13]/[14]	\$ 0.004010	\$ 0.003371	\$ 0.003166	\$ 0.001977	\$ 0.001978	\$ 0.001917	
16	Indiana Utility Receipts Tax after January 1, 2021		0.9853	0.9853	0.9853	0.9853	0.9853	0.9853	
17	EEFC (\$/kWh - to Sch 8, Pg 1, L3)	[15]/[16]	\$ 0.004070	\$ 0.003422	\$ 0.003213	\$ 0.002006	\$ 0.002008	\$ 0.001946	
18	Modified 4CP	Sch 1, Pg 3, L4-L6, col. (c)				28.1563%	2.1750%	24.1856%	
19	kW / kVa Recovery	[8(d)]*[18]				\$ 1,168,535	\$ 90,266	\$ 1,003,745	\$ 2,262,546
20	Estimated kW / kVa (January 2021 through December 2021)	Sch 1, Pg 2, L12				2,981,676	285,615	1,284,672	
21	kW / kVa Pricing	[19]/[20]				\$ 0.392	\$ 0.316	\$ 0.781	
22	Indiana Utility Receipts Tax after January 1, 2021					\$ 0.9853	\$ 0.9853	\$ 0.9853	
23	EEFC (\$ per kW / kVa - to Sch 8, Pg 1, L7)	[21]/[22]				\$ 0.398	\$ 0.321	\$ 0.793	\$ 11,508,027

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
LARGE CUSTOMER LOST MARGIN COMPONENT
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Cause No. 43839	Description	Tariff Rate
1	Rate DGS-Demand General Service	Last block rate applicable per kWh for all over 15,000 kWh used per month	\$ 0.02518
		Demand Charge applicable per kW for all kW used per month	\$ 5.187
2	Rate LP-Large Power Service	Rate applicable per kWh for all kWh used per month	\$ 0.01947
		Demand Charge applicable per kVa for all kVa used per month	\$ 9.310
3	Rate HLF-High Load Factor Service	Demand Charge applicable per kVa for all kVa used per month	\$ 19.482

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
PROJECTED LARGE CUSTOMER LOST MARGIN COMPONENT
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

Line No.		[A] 2021 Savings as of 6/30/2014	[B] Allocation % (1)	[C] 2021 Savings as of 12/31/2014	[D] Allocation % (1)	[E] 2021 Savings as of 12/31/2015	[F] Allocation % (1)	[G] 2021 Savings as of 12/31/2016	[H] Allocation % (1)	[I] 2021 Savings as of 12/31/2017	[J] Allocation % (1)	[K] 2021 Savings as of 12/31/2018	[L] Allocation % (1)	[M] 2021 Savings as of 12/31/2019	[N] Allocation % (1)	[O] 2021 Savings as of 12/31/2020	[P] Allocation % (1)	[Q] 2021 Savings as of 12/31/2021	[R] Allocation % (1)	[S] 2020 Savings Total (2)
Energy	DGS - 3	kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh
1	2014 Opt Out	1,127,393	11.4761%																	1,127,393
2	2015 Opt Out	462,584	4.7088%	169,754	5.3192%															632,339
3	2018 Opt Out	113,405	1.1544%	27,261	0.8542%	13,900	0.9022%	22,013	0.9022%	28,508	0.9022%									205,088
4	Non - Opt Out	8,120,487	82.6608%	2,994,322	93.8266%	1,526,716	99.0978%	2,417,901	99.0978%	3,131,276	99.0978%	3,224,726	100.0000%	3,183,224	100.0000%	3,474,624	100.0000%	1,924,508	100.0000%	29,997,785
5	Total DGS-3 kWh (2)	9,823,869	100.0000%	3,191,338	100.0000%	1,540,616	100.0000%	2,439,915	100.0000%	3,159,784	100.0000%	3,224,726	100.0000%	3,183,224	100.0000%	3,474,624	100.0000%	1,924,508	100.0000%	31,962,604
LP																				
6	2014 Opt Out	12,005,909	58.5527%																	12,005,909
7	2015 Opt Out	1,248,458	6.0887%	278,863	14.6903%															1,527,321
8	2016 Opt Out	278,652	1.3590%	62,241	3.2788%	179,991	3.8434%													520,884
9	2017 Opt Out	193,494	0.9437%	43,220	2.2768%	124,985	2.6689%	59,108	2.7755%	104,428	2.1055%									420,807
10	2018 Opt Out	142,710	0.6960%	31,877	1.6792%	92,181	1.9684%	43,595	2.0471%	367,544	7.4105%									414,791
11	2019 Opt Out	502,277	2.4496%	112,192	5.9102%	324,438	6.9279%	153,437	7.2048%	367,544	7.4105%	534,435	7.5699%							1,994,323
12	Non - Opt Out	6,132,946	29.9103%	1,369,894	72.1647%	3,961,479	84.5914%	1,873,508	87.9726%	4,487,811	90.4840%	6,525,607	92.4301%	3,638,297	100.0000%	4,678,781	100.0000%	2,591,461	100.0000%	35,259,783
13	Total LP kWh (2)	20,504,445	100.0000%	1,898,287	100.0000%	4,683,073	100.0000%	2,129,648	100.0000%	4,959,783	100.0000%	7,060,042	100.0000%	3,638,297	100.0000%	4,678,781	100.0000%	2,591,461	100.0000%	52,143,817
HLF																				
14	2014 Opt Out	116,294	100.0000%																	116,294
15	Total HLF kWh (2)	116,294	100.0000%																	116,294
Demand		2021 Savings as of 6/30/2014		2021 Savings as of 12/31/2014		2021 Savings as of 12/31/2015		2021 Savings as of 12/31/2016		2021 Savings as of 12/31/2017		2021 Savings as of 12/31/2018		2021 Savings as of 12/31/2019		2021 Savings as of 12/31/2020		2021 Savings as of 12/31/2021		2020 Savings Total
	DGS-3	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa	Allocation %	kW / kVa
16	2014 Opt Out	1,640	10.5254%																	1,640
17	2015 Opt Out	559	3.5915%	239	4.0140%															798
18	2018 Opt Out	149	0.9575%	64	1.0702%	38	1.1149%	34	1.1149%	84	1.1149%									369
19	Non - Opt Out	13,229	84.9256%	5,651	94.9158%	3,388	98.8851%	2,971	98.8851%	7,458	98.8851%	7,058	100.0000%	7,614	100.0000%	6,746	100.0000%	3,919	100.0000%	58,036
20	Total DGS-3 kW / kVa (2)	15,577	100.0000%	5,954	100.0000%	3,426	100.0000%	3,005	100.0000%	7,542	100.0000%	7,058	100.0000%	7,614	100.0000%	6,746	100.0000%	3,919	100.0000%	60,842
LP																				
21	2014 Opt Out	13,256	54.0352%																	13,256
22	2015 Opt Out	1,823	7.4325%	337	16.1700%															2,161
23	2016 Opt Out	206	0.8415%	38	1.8308%	142	2.1840%													387
24	2017 Opt Out	167	0.6811%	31	1.4818%	115	1.7676%	47	1.8070%	177	1.9800%									359
25	2018 Opt Out	180	0.7328%	33	1.5942%	124	1.9018%	50	1.9442%	577	6.4588%									563
26	2019 Opt Out	596	2.3904%	108	5.2005%	403	6.2036%	163	6.3421%	577	6.4588%	781	6.5893%							2,619
27	Non - Opt Out	8,313	33.8864%	1,538	73.7228%	5,714	87.9431%	2,317	89.9067%	8,175	91.5612%	11,069	93.4107%	3,200	100.0000%	9,084	100.0000%	5,278	100.0000%	54,687
28	Total LP kW / kVa (2)	24,532	100.0000%	2,086	100.0000%	6,497	100.0000%	2,577	100.0000%	8,928	100.0000%	11,850	100.0000%	3,200	100.0000%	9,084	100.0000%	5,278	100.0000%	74,032
HLF																				
29	2014 Opt Out	116	100.0000%																	116
30	Total HLF kW / kVa (2)	116	100.0000%																	116

Notes:
(1) Allocation percentages for Opt Out 2014 and Opt Out 2015 groups are fixed at DSMA-13, Sch 6, Pg 2 of 2, Lines 1 (Energy) and Line 10 (Demand). Opt Out 2016 is fixed at DSMA-14, Sch 6, Pg 2 of 2, Lines 1 (Energy) and Line 12 (Demand).
Opt Out 2017 and Non-Opt Out groups are allocated based on projected sales shown on Sch 1, Pg 2.
(2) Supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 1 of 2, and Company's Work Paper.

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
PROJECTED LARGE CUSTOMER LOST MARGIN COMPONENT
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

Line No.	Reference	[A] 2014 Opt Out	[B] 2015 Opt Out	[C] 2016 Opt Out	[D] 2017 Opt Out	[E] 2018 Opt Out	[F] 2019 Opt Out	[G] Non - Opt Out	[H] Total (1)
Energy									
DGS - 3									
1	kWh Savings	Sch. 6, Pg. 2, Col. Q	1,127,393	632,339		205,088		29,997,785	31,962,604 kWh
2	Tariff Rate (\$/kWh)	Sch. 6, Pg. 1	\$ 0.02518	\$ 0.02518		\$ 0.02518		\$ 0.02518	
3	LRAM (Energy)	Line 1 x Line 2	\$ 28,388	\$ 15,922		\$ 5,164		\$ 755,344	
4	kW / kVa Savings	Sch. 6, Pg. 2, Col. Q	1,640	798		369		58,036	60,842 kW / kVa
5	Tariff Rate (\$/kW/kVa)	Sch. 6, Pg. 1	\$ 5.187	\$ 5.187		\$ 5.187		\$ 5.187	
6	LRAM (Demand)	Line 4 x Line 5	\$ 8,504	\$ 4,141		\$ 1,912		\$ 301,030	
7	Total LRAM	Line 3 + Line 6	\$ 36,892	\$ 20,064		\$ 7,076		\$ 1,056,374	
8	Budgeted Consumption	Sch. 1, Pg. 2	19,688,148	7,466,200		3,048,000		334,784,318	
9	LRAM Component Rate	Line 7 / Line 8	\$ 0.001874	\$ 0.002687		\$ 0.002322		\$ 0.003155	
10	DGS-3 - LRAM Component Rate with IURT (2)	Line 9 / 0.9853	\$ 0.001902	\$ 0.002727		\$ 0.002356		\$ 0.003202	
LP									
11	kWh Savings	Sch. 6, Pg. 2, Col. Q	12,005,909	1,527,321	520,884	420,807	414,791	1,994,323	52,143,817 kWh
12	Tariff Rate (\$/kWh)	Sch. 6, Pg. 1	\$ 0.01947	\$ 0.01947	\$ 0.01947	\$ 0.01947	\$ 0.01947	\$ 0.01947	
13	LRAM (Energy)	Line 11 x Line 12	\$ 233,755	\$ 29,737	\$ 10,142	\$ 8,193	\$ 8,076	\$ 38,829	
14	kW / kVa Savings	Sch. 6, Pg. 2, Col. Q	13,256	2,161	387	359	563	2,619	74,032 kW / kVa
15	Tariff Rate (\$/kW/kVa)	Sch. 6, Pg. 1	\$ 9.310	\$ 9.310	\$ 9.310	\$ 9.310	\$ 9.310	\$ 9.310	
16	LRAM (Demand)	Line 14 x Line 15	\$ 123,411	\$ 20,115	\$ 3,598	\$ 3,346	\$ 5,246	\$ 24,381	
17	Total LRAM	Line 13 + Line 16	\$ 357,166	\$ 49,852	\$ 13,740	\$ 11,539	\$ 13,322	\$ 63,211	\$ 1,195,646
18	Budgeted Consumption	Sch. 1, Pg. 2	1,359,880,249	97,854,900	22,907,400	7,533,600	12,379,200	47,120,600	720,901,566
19	LRAM Component Rate	Line 17 / Line 18	\$ 0.000263	\$ 0.000509	\$ 0.000600	\$ 0.001532	\$ 0.001076	\$ 0.001341	\$ 0.001659
20	LP - LRAM Component Rate with IURT (2)	Line 19 / 0.9853	\$ 0.000267	\$ 0.000517	\$ 0.000609	\$ 0.001555	\$ 0.001092	\$ 0.001361	\$ 0.001683
HLF									
21	kWh Savings	Sch. 6, Pg. 2, Col. Q	116,294						116,294 kWh
22	Tariff Rate (\$/kWh)	Sch. 6, Pg. 1	-						
23	LRAM (Energy)	Line 21 x Line 22	-						
24	kW / kVa Savings	Sch. 6, Pg. 2, Col. Q	116						116 kW / kVa
25	Tariff Rate (\$/kW/kVa)	Sch. 6, Pg. 1	\$ 19.482						
26	LRAM (Demand)	Line 24 x Line 25	\$ 2,255						
27	Total LRAM	Line 23 + Line 26	\$ 2,255						
28	Budgeted Consumption	Sch. 1, Pg. 2	79,734,000						
29	LRAM Component Rate	Line 27 / Line 28	\$ 0.000028						
30	HLF - LRAM Component Rate with IURT (2)	Line 29 / 0.9853	\$ 0.000029						
Recoverable Lost Margin for 2021 Opt Out Customers									
31	Opt Out 2021 - Applicable kWh Savings x Tariff Rate		\$ 706,885	\$ 636,052					
32	Opt Out 2021 - Applicable kW/kVa Savings x Tariff Rate		\$ 280,700	\$ 460,002					
33	Opt Out 2021 - Total LRAM (Energy + Demand)	Line 31 + Line 32	\$ 987,585	\$ 1,096,054					
34	Opt Out 2021 - Lost Margin Component (\$/kWh)	Line 33 / Col G	\$ 0.002950	\$ 0.001520					
35	Opt Out 2021 - Lost Margin Component with IURT (\$/kWh) (2)	Line 34 / 0.9853	\$ 0.002994	\$ 0.001543					

Notes:

(1) Total kWh / kW/kVa savings supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 2 of 2
(2) to Schedule 8, pages 1-9

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
SMALL CUSTOMER LOST MARGIN COMPONENT
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

Line No. Cause No. 43839		RATE DERIVATION							
1	Rate RS-Standard	Rate applicable per kWh for all kWh used per month							\$ 0.09160
2	Rate RS-Transitional								
		Last Block		Sales (1)	% of Total		Effective Rate		
3	June - September	<u>0.04937</u> kWh		<u>45,069,958</u> kWh	% June - Sept Usage	0.23	0.23 X 0.04937 =	\$ 0.01136	
4	October - May	<u>0.03654</u> kWh		<u>154,140,518</u> kWh	% October - May Usage	0.77	0.77 X 0.03654 =	\$ 0.02814	
5				<u>199,210,476</u> kWh				\$ 0.03949	(2)
6	Rate B	Rate applicable per kWh for all kWh used per month							\$ 0.04688
7	Rate SGS	Last block rate applicable per kWh for all over 2,000 kWh used per month							\$ 0.03687
8	Rate DGS 1, 2								
				Sales (kWh) (1)			% of	Effective Rate	
		Rate		DGS 1	DGS 2	Total	Total		
9	2nd block	\$ 0.05415 kWh		<u>244,989,302</u>	<u>398,472,485</u>	<u>643,461,787</u>	0.95	0.95 X 0.05415 =	0.05144
10	Last block	\$ 0.02518 kWh		<u>1,147,787</u>	<u>30,811,130</u>	<u>31,958,917</u>	0.05	0.05 X 0.02518 =	0.00126
11				<u>246,137,089</u>	<u>429,283,615</u>	<u>675,420,704</u>			\$ 0.05270 (2)
12		Demand Charge applicable per kW for all kW used per month							\$ 5.18700
13	Rate OSS	Rate applicable per kWh for all kWh used per month							\$ 0.04385
		Demand Charge applicable per kW for all kW used per month							\$ 4.74400

Notes:

(1) Energy sales from Cause No. 43839

(2) Effective rate used only for projections of lost margins.

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
SMALL CUSTOMER LOST MARGIN COMPONENT
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

Line No.		[A] 2021 Savings as of 6/30/2014	[B] Allocation % (1)	[C] 2021 Savings as of 12/31/2014	[D] Allocation % (1)	[E] 2021 Savings as of 12/31/2015	[F] Allocation % (1)	[G] 2021 Savings as of 12/31/2016	[H] Allocation % (1)	[I] 2021 Savings as of 12/31/2017	[J] Allocation % (1)	[K] 2021 Savings as of 12/31/2018	[L] Allocation % (1)	[M] 2021 Savings as of 12/31/2019	[N] Allocation % (1)	[O] 2021 Savings as of 12/31/2020	[P] Allocation % (1)	[Q] 2021 Savings as of 12/31/2021	[R] Allocation % (1)	[S] 2020 Savings Total (2)
Energy		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh		kWh
	RS-S																			
1	All customers	8,015,646	100.0000%	2,685,086	100.0000%	3,556,553	100.0000%	7,316,027	100.0000%	7,858,103	100.0000%	8,364,902	100.0000%	9,540,213	100.0000%	8,346,440	100.0000%	7,758,172	100.0000%	63,441,143
2	Total RS-S kWh (2)	8,015,646	100.0000%	2,685,086	100.0000%	3,556,553	100.0000%	7,316,027	100.0000%	7,858,103	100.0000%	8,364,902	100.0000%	9,540,213	100.0000%	8,346,440	100.0000%	7,758,172	100.0000%	63,441,143
	RS-T																			
3	All customers	2,110,099	100.0000%	895,411	100.0000%	745,826	100.0000%	1,568,366	100.0000%	1,905,706	100.0000%	1,672,378	100.0000%	2,160,445	100.0000%	2,390,901	100.0000%	2,826,617	100.0000%	16,275,751
4	Total RS-T kWh (2)	2,110,099	100.0000%	895,411	100.0000%	745,826	100.0000%	1,568,366	100.0000%	1,905,706	100.0000%	1,672,378	100.0000%	2,160,445	100.0000%	2,390,901	100.0000%	2,826,617	100.0000%	16,275,751
	B																			
5	All customers	140,527	100.0000%	13,377	100.0000%	21,391	100.0000%	15,789	100.0000%	16,494	100.0000%	11,614	100.0000%	14,149	100.0000%	52,096	100.0000%	53,719	100.0000%	339,156
6	Total B kWh (2)	140,527	100.0000%	13,377	100.0000%	21,391	100.0000%	15,789	100.0000%	16,494	100.0000%	11,614	100.0000%	14,149	100.0000%	52,096	100.0000%	53,719	100.0000%	339,156
	SGS																			
7	2014 Opt Out	5,214	0.4090%																	5,214
8	2015 Opt Out	706	0.0554%	66	0.0556%															772
9	2019 Opt Out	811	0.0638%	75	0.0638%	230	0.0639%	183	0.0639%	147	0.0639%	833	0.0639%							2,279
10	Non - Opt	1,268,106	99.4721%	117,959	99.8906%	360,104	99.9361%	286,229	99.9361%	229,635	99.9361%	1,303,300	99.9361%	737,629	100.0000%	1,071,046	100.0000%	593,226	100.0000%	5,967,233
11	Total SGS kWh (2)	1,274,836	100.0000%	118,100	100.0000%	360,334	100.0000%	286,412	100.0000%	229,782	100.0000%	1,304,133	100.0000%	737,629	100.0000%	1,071,046	100.0000%	593,226	100.0000%	5,975,497
	DGS-1/2																			
12	2014 Opt Out	422,111	1.8078%																	422,111
13	2015 Opt Out	59,686	0.2556%	11,209	0.2603%															70,895
14	2018 Opt Out	9,864	0.0422%	1,852	0.0430%	2,806	0.0431%	3,188	0.0431%	2,540	0.0431%									20,250
15	2019 Opt Out	22,226	0.0952%	4,174	0.0969%	6,323	0.0972%	7,183	0.0972%	5,723	0.0972%	7,152	0.0972%							52,780
16	Non - Opt	22,835,632	97.7992%	4,288,573	99.5997%	6,496,617	99.8597%	7,379,647	99.8597%	5,879,613	99.8597%	7,348,268	99.9028%	10,353,840	100.0000%	7,689,760	100.0000%	4,259,169	100.0000%	76,531,118
17	Total DGS-1/2 kWh (2)	23,349,518	100.0000%	4,305,809	100.0000%	6,505,747	100.0000%	7,390,017	100.0000%	5,887,875	100.0000%	7,355,420	100.0000%	10,353,840	100.0000%	7,689,760	100.0000%	4,259,169	100.0000%	77,097,155
	OSS																			
18	2014 Opt Out	44,046	1.2644%																	44,046
19	2015 Opt Out	339,504	9.7457%	2,599	9.8705%															342,102
20	Non - Opt	3,100,079	88.9899%	23,730	90.1295%	199,795	100.0000%	1,594,169	100.0000%	752,292	100.0000%	598,415	100.0000%	736,979	100.0000%	913,911	100.0000%	506,193	100.0000%	8,425,562
21	Total OSS kWh (2)	3,483,629	100.0000%	26,329	100.0000%	199,795	100.0000%	1,594,169	100.0000%	752,292	100.0000%	598,415	100.0000%	736,979	100.0000%	913,911	100.0000%	506,193	100.0000%	8,811,711
		2021 Savings as of 6/30/2014		2021 Savings as of 12/31/2014		2021 Savings as of 12/31/2015		2021 Savings as of 12/31/2016		2021 Savings as of 12/31/2017		2021 Savings as of 12/31/2018		2021 Savings as of 12/31/2019		2021 Savings as of 12/31/2020		2021 Savings as of 12/31/2021		2020 Savings Total (2)
Demand		kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa	Allocation % (1)	kW / kVa
	DGS-1/2																			
22	2014 Opt Out	1,026	1.5359%																	1,026
23	2015 Opt Out	208	0.3118%	27	0.3167%			4	0.0376%											235
24	2018 Opt Out	25	0.0369%	3	0.0375%	6	0.0376%	4	0.0376%	4	0.0376%									41
24	2019 Opt Out	43	0.0647%	6	0.0657%	10	0.0659%	7	0.0659%	7	0.0659%	10	0.0660%							82
25	Non - Opt	65,487	98.0506%	8,513	99.5801%	15,222	99.8964%	10,321	99.8964%	10,185	99.8964%	14,976	99.9340%	26,856	100.0000%	14,931	100.0000%	8,674	100.0000%	175,166
26	Total DGS-1/2 kW / kVa (2)	66,789	100.0000%	8,549	100.0000%	15,238	100.0000%	10,332	100.0000%	10,196	100.0000%	14,986	100.0000%	26,856	100.0000%	14,931	100.0000%	8,674	100.0000%	176,551
	OSS																			
27	2014 Opt Out	122	1.2901%																	122
28	2015 Opt Out	1,049	11.0920%	6	11.2370%															1,055
29	Non - Opt	8,290	87.6179%	45	88.7630%	343	100.0000%	2,384	100.0000%	2,282	100.0000%	1,055	100.0000%	1,550	100.0000%	1,774	100.0000%	1,031	100.0000%	18,753
30	Total OSS kW / kVa (2)	9,461	100.0000%	50	100.0000%	343	100.0000%	2,384	100.0000%	2,282	100.0000%	1,055	100.0000%	1,550	100.0000%	1,774	100.0000%	1,031	100.0000%	19,931

Notes:

(1) Allocation percentages fixed at DSMA-13, Sch 7, Pg 3, Lines 1 (Energy) and Line 10 (Demand) for Opt Out 2014, Opt Out 2015 and Non-Opt Out groups.

(2) Supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 2 of 2, and Company's Work Paper.

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
PROJECTED SMALL CUSTOMER LOST MARGIN COMPONENT
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

Line No.		Reference	[A] 2014 Opt Out	[B] 2015 Opt Out	[C] 2018 Opt Out	[D] 2019 Opt Out	[E] Non - Opt Out	[F] Total (1)
Energy								
	RS-S (All Customers)							
1	kWh Savings	Sch 7, Pg 2. Col Q					63,441,143	63,441,143 kWh
2	Tariff Rate (\$/kWh)	Sch 7, Pg 1					\$ 0.09160	
3	LRAM (Energy)	Line 1 x Line 2					\$ 5,811,209	
	RS-T (All Customers)							
4	kWh Savings	Sch 7, Pg 2. Col Q					16,275,751	16,275,751 kWh
5	Tariff Rate (\$/kWh)	Sch 7, Pg 1					\$ 0.03949	
6	LRAM (Energy)	Line 4 x Line 5					\$ 642,744	
7	Total Residential LRAM (RS-S and RS-T)	Line 3 + Line 6					\$ 6,453,953	
8	Budgeted Consumption (RS-S and RS-T)	Sch 1, Pg 2					1,360,479,616	
9	LRAM Component Rate	Line 7 / Line 8					\$ 0.004744	
10	RS - LRAM Component Rate with IURT (2)	Line 9 / 0.9853					\$ 0.004815	
	B (All Customers)							
11	kWh Savings	Sch 7, Pg 2. Col Q					339,156	339,156 kWh
12	Tariff Rate (\$/kWh)	Sch 7, Pg 1					\$ 0.04688	
13	LRAM (Energy)	Line 11 x Line 12					\$ 15,900	
14	Budgeted Consumption	Sch 1, Pg 2					7,946,703	
15	LRAM Component Rate	Line 13 / Line 14					\$ 0.002001	
16	B - LRAM Component Rate with IURT (2)	Line 15 / 0.9853					\$ 0.002031	
	SGS							
17	kWh Savings	Sch 7, Pg 2. Col Q	5,214	772		2,279	5,967,233	5,975,497 kWh
18	Tariff Rate (\$/kWh)	Sch 7, Pg 1	\$ 0.03687	\$ 0.03687		\$ 0.03687	\$ 0.03687	
19	LRAM (Energy)	Line 17 x Line 18	\$ 192	\$ 28		\$ 84	\$ 220,012	
20	Budgeted Consumption	Sch 1, Pg 2	223,608	34,256		38,842	64,284,919	
21	LRAM Component Rate	Line 19 / Line 20	\$ 0.000860	\$ 0.000830		\$ 0.002163	\$ 0.003422	
22	SGS - LRAM Component Rate with IURT (2)	Line 21 / 0.9853	\$ 0.000872	\$ 0.000843		\$ 0.002195	\$ 0.003474	
	DGS-1/2							
23	kWh Savings	Sch 7, Pg 2. Col Q	422,111	70,895	20,250	52,780	76,531,118	77,097,155 kWh
24	Tariff Rate (\$/kWh)	Sch 7, Pg 1	\$ 0.05270	\$ 0.05270	\$ 0.05270	\$ 0.05270	\$ 0.05270	
25	LRAM (Energy)	Line 23 x Line 24	\$ 22,246	\$ 3,736	\$ 1,067	\$ 2,782	\$ 4,033,305	
26	kW / kVa Savings	Sch 7, Pg 2. Col Q	1,026	235	41	82	175,166	176,551 kW / kVa
27	Tariff Rate (\$/kW/kVa)	Sch 7, Pg 1	\$ 5.187	\$ 5.187	\$ 5.187	\$ 5.187	\$ 5.187	
28	LRAM (Demand)	Line 26 x Line 27	\$ 5,321	\$ 1,221	\$ 214	\$ 427	\$ 908,586	
29	Total LRAM	Line 25 + Line 28	\$ 27,567	\$ 4,957	\$ 1,281	\$ 3,209	\$ 4,941,891	
30	Budgeted Consumption	Sch 1, Pg 2	14,030,646	1,545,372	211,520	752,817	688,562,462	
31	LRAM Component Rate	Line 29 / Line 30	\$ 0.001965	\$ 0.003208	\$ 0.006058	\$ 0.004262	\$ 0.007177	
32	DGS-1/2 - LRAM Component Rate with IURT (2)	Line 31 / 0.9853	\$ 0.001994	\$ 0.003256	\$ 0.006149	\$ 0.004326	\$ 0.007284	
	OSS							
33	kWh Savings	Sch 7, Pg 2. Col Q	44,046	342,102			8,425,562	8,811,711 kWh
34	Tariff Rate (\$/kWh)	Sch 7, Pg 1	\$ 0.04385	\$ 0.04385			\$ 0.04385	
35	LRAM (Energy)	Line 33 x Line 34	\$ 1,931	\$ 15,001			\$ 369,461	
36	kW / kVa Savings	Sch 7, Pg 2. Col Q	122	1,055			18,753	19,931 kW / kVa
37	Tariff Rate (\$/kW/kVa)	Sch 7, Pg 1	\$ 4.744	\$ 4.744			\$ 4.744	
38	LRAM (Demand)	Line 36 x Line 37	\$ 579	\$ 5,005			\$ 88,966	
39	Total LRAM	Line 35 + Line 38	\$ 2,511	\$ 20,007			\$ 458,427	
40	Budgeted Consumption	Sch 1, Pg 2	1,064,745	11,517,000			77,940,636	
41	LRAM Component Rate	Line 39 / Line 40	\$ 0.002358	\$ 0.001737			\$ 0.005882	
42	OSS - LRAM Component Rate with IURT (2)	Line 41 / 0.9853	\$ 0.002393	\$ 0.001763			\$ 0.005969	
	Recoverable Lost Margin for 2021 Opt Out Customers		SGS	DGS - 1/2	OSS			
43	Opt Out 2021 - Applicable kWh Savings x Tariff Rate		\$ 198,140	\$ 3,808,840	\$ 347,264			
44	Opt Out 2021 - Applicable kW/kVa Savings x Tariff Rate		\$ -	\$ 863,593	\$ 84,076			
45	Opt Out 2021 - Total LRAM (Energy + Demand)	Line 43 + Line 44	\$ 198,140	\$ 4,672,434	\$ 431,340			
46	Opt Out 2021 - Lost Margin Component (\$/kWh)	Line 45 / Col D	\$ 0.003082	\$ 0.006786	\$ 0.005534			
47	Opt Out 2021 - Lost Margin Component with IURT (\$/kWh) (2)	Line 46 / 0.9853	\$ 0.003128	\$ 0.006887	\$ 0.005617			

Notes:

(1) Total kWh / kW/kVa savings supported by Petitioner's Exhibit No. 1, Attachment RHH-6, Schedule 2, Page 2 of 2

(2) to Schedule 8, pages 1-9

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
NON OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

Line No.	Billed on Energy:	Rate RS	Rate B	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000177)	\$ (0.000092)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.000050	\$ (0.000909)	\$ 0.001758	\$ 0.001431	\$ 0.000573	\$ (0.000694)	\$ 0.000655
3	EEFC per kWh (From Sch 5, Pg 2, L17)	\$ 0.004070	\$ 0.003422	\$ 0.003213	\$ 0.002006	\$ 0.002006	\$ 0.002008	\$ 0.001946
4	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3)	\$ 0.004815	\$ 0.002031	\$ 0.003474	\$ 0.007284	\$ 0.003202	\$ 0.005969	\$ 0.001683
5	Total Rate per kWh Incl IURT (Line 1 + Line 2 + Line 3 + Line 4)	<u>\$ 0.008757</u>	<u>\$ 0.004451</u>	<u>\$ 0.008286</u>	<u>\$ 0.010575</u>	<u>\$ 0.005636</u>	<u>\$ 0.007150</u>	<u>\$ 0.004226</u>
Billed on Demand:								
6	Incentives and Variances Component (From Sch 3, Pg 2, L14)				\$ 0.187	\$ 0.141	\$ 0.059	\$ 0.290
7	EEFC per kW/kVa Incl IURT (From Sch 5, Pg 2, L23)				\$ 0.398	\$ 0.398	\$ 0.321	\$ 0.793
8	Total Rate per kW/kVa incl IURT (Line 6 + Line 7)				<u>\$ 0.585</u>	<u>\$ 0.538</u>	<u>\$ 0.380</u>	<u>\$ 1.083</u>

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2014 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line							
No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP	Rate HLF
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)	\$ (0.000063)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ (0.000092)	\$ (0.000083)	\$ 0.000625	\$ 0.000019	\$ 0.000013	\$ (0.003553)
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ 0.000872	\$ 0.001994	\$ 0.001902	\$ 0.002393	\$ 0.000267	\$ 0.000029
4	Total Rate per kWh Incl IURT (Line 1 + Line 2 + Line 3)	<u>\$ 0.000622</u>	<u>\$ 0.001765</u>	<u>\$ 0.002381</u>	<u>\$ 0.002279</u>	<u>\$ 0.000220</u>	<u>\$ (0.003587)</u>
Billed on Demand:							
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ (0.005)	\$ 0.029	\$ 0.001	\$ 0.001	\$ (0.365)
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ (0.005)</u>	<u>\$ 0.029</u>	<u>\$ 0.001</u>	<u>\$ 0.001</u>	<u>\$ (0.365)</u>

Notes:

(1) Savings through June 30, 2014

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2015 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.000234	\$ (0.000031)	\$ (0.001315)	\$ (0.000355)	\$ (0.000167)
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ 0.000843	\$ 0.003256	\$ 0.002727	\$ 0.001763	\$ 0.000517
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.000919</u>	<u>\$ 0.003078</u>	<u>\$ 0.001266</u>	<u>\$ 0.001275</u>	<u>\$ 0.000291</u>
<u>Billed on Demand:</u>						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ (0.001)	\$ (0.079)	\$ (0.020)	\$ (0.010)
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ (0.001)</u>	<u>\$ (0.079)</u>	<u>\$ (0.020)</u>	<u>\$ (0.010)</u>

Notes:

(1) Savings through December 31, 2014

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2016 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.001758	\$ 0.001431	\$ 0.000573	\$ (0.000694)	\$ 0.001235
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ -	\$ -	\$ -	\$ -	\$ 0.000609
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.001600</u>	<u>\$ 0.001285</u>	<u>\$ 0.000427</u>	<u>\$ (0.000827)</u>	<u>\$ 0.001785</u>
Billed on Demand:						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ 0.187	\$ 0.141	\$ 0.059	\$ 0.080
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ 0.187</u>	<u>\$ 0.141</u>	<u>\$ 0.059</u>	<u>\$ 0.080</u>

Notes:

(1) Savings through December 31, 2015

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2017 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.001758	\$ 0.001431	\$ 0.000573	\$ (0.000694)	\$ 0.002712
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ -	\$ -	\$ -	\$ -	\$ 0.001555
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.001600</u>	<u>\$ 0.001285</u>	<u>\$ 0.000427</u>	<u>\$ (0.000827)</u>	<u>\$ 0.004208</u>
Billed on Demand:						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ 0.187	\$ 0.141	\$ 0.059	\$ 0.120
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ 0.187</u>	<u>\$ 0.141</u>	<u>\$ 0.059</u>	<u>\$ 0.120</u>

Notes:

(1) Savings through December 31, 2016

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2018 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.001758	\$ 0.000990	\$ (0.001966)	\$ (0.000694)	\$ (0.000096)
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ -	\$ 0.006149	\$ 0.002356	\$ -	\$ 0.001092
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.001600</u>	<u>\$ 0.006992</u>	<u>\$ 0.000245</u>	<u>\$ (0.000827)</u>	<u>\$ 0.000937</u>
<u>Billed on Demand:</u>						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ 0.045	\$ (0.091)	\$ 0.059	\$ (0.007)
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ 0.045</u>	<u>\$ (0.091)</u>	<u>\$ 0.059</u>	<u>\$ (0.007)</u>

Notes:

(1) Savings through December 31, 2017

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2019 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.000517	\$ (0.000028)	\$ 0.000573	\$ (0.000694)	\$ 0.000070
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ 0.002195	\$ 0.004326	\$ -	\$ -	\$ 0.001361
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.002554</u>	<u>\$ 0.004152</u>	<u>\$ 0.000427</u>	<u>\$ (0.000827)</u>	<u>\$ 0.001372</u>
<u>Billed on Demand:</u>						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ (0.002)	\$ 0.141	\$ 0.059	\$ 0.006
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ (0.002)</u>	<u>\$ 0.141</u>	<u>\$ 0.059</u>	<u>\$ 0.006</u>

Notes:

(1) Savings through December 31, 2018

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2020 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.001758	\$ 0.001431	\$ 0.000573	\$ (0.000694)	\$ 0.000655
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3) (1)	\$ -	\$ -	\$ -	\$ -	\$ -
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.001600</u>	<u>\$ 0.001285</u>	<u>\$ 0.000427</u>	<u>\$ (0.000827)</u>	<u>\$ 0.000596</u>
<u>Billed on Demand:</u>						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ 0.187	\$ 0.141	\$ 0.059	\$ 0.290
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ 0.187</u>	<u>\$ 0.141</u>	<u>\$ 0.059</u>	<u>\$ 0.290</u>

Notes:

(1) No 2020 Opt Outs

**VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
DETERMINATION OF RATES
2021 OPT OUT GROUP
FOR THE PERIOD JANUARY 1, 2021 THROUGH DECEMBER 31, 2021**

Line No.	Billed on Energy:	Rate SGS	Rate DGS/MLA-1,2	Rate DGS/MLA-3	Rate OSS	Rate LP
1	DLC and I&M Component per kWh (From Sch 4, Pg 3, L7)	\$ (0.000158)	\$ (0.000146)	\$ (0.000146)	\$ (0.000133)	\$ (0.000059)
2	Incentives and Variances Component (From Sch 3, Pg 2, L7)	\$ 0.001758	\$ 0.001431	\$ 0.000573	\$ (0.000694)	\$ 0.000655
3	LRAM Component per kWh (From Sch 6, Pg 3 or Sch 7, Pg 3)	\$ 0.003128	\$ 0.006887	\$ 0.002994	\$ 0.005617	\$ 0.001543
4	Total Rate per kWh Incl IURT (Line 1 + Line 2+ Line 3)	<u>\$ 0.004728</u>	<u>\$ 0.008172</u>	<u>\$ 0.003421</u>	<u>\$ 0.004790</u>	<u>\$ 0.002139</u>
<u>Billed on Demand:</u>						
5	Incentives and Variances Component (From Sch 3, Pg 2, L14)		\$ 0.187	\$ 0.141	\$ 0.059	\$ 0.290
6	Total Rate per kW/kVa incl IURT (Line 5)		<u>\$ 0.187</u>	<u>\$ 0.141</u>	<u>\$ 0.059</u>	<u>\$ 0.290</u>

VECTREN SOUTH - ELECTRIC
DEMAND SIDE MANAGEMENT ADJUSTMENT (DSMA)
Impact of a Change in DSMA
on the Bill of a Residential Standard Customer Using 1,000 kWh per month (1)

Bill At Proposed DSMA (2)	Bill At Current DSMA (2)	Dollar Increase (Decrease)	Percent Change
\$ 155.00	\$ 154.46	\$ 0.54	0.35%

<u>Monthly charges:</u>	Proposed	Currently Approved
Customer Facilities Charge	\$ 11.00	\$ 11.00
Energy Charge for All kWh used	\$ 0.091600	\$ 0.091600
Fuel Charge	\$ 0.038890	\$ 0.038890
Variable Production Charge	\$ 0.004750	\$ 0.004750
DSMA	\$ 0.008757	\$ 0.008224

Notes:

- (1) Reflects rates approved in Cause No. 43839.
(2) DSMA impact on bill at base rates; excludes costs recovered via Vectren South's other rate adjustments.