

ORIGINAL

GENERAL ADMINISTRATIVE ORDER
OF THE INDIANA UTILITY REGULATORY COMMISSION
2005-4

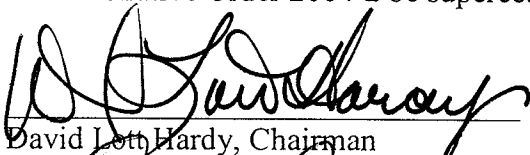
WHEREAS, Indiana Code § 8-1-31-1 *et seq.* provides a statutory framework for the administration of Distribution System Improvement Charges (“DSIC”) in Indiana; and

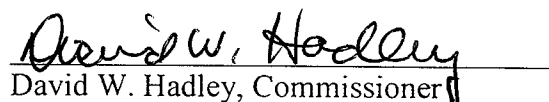
WHEREAS, Indiana Code § 8-1-31-17 authorizes the Indiana Utility Regulatory Commission to adopt by order certain procedures for DSIC administration which are not inconsistent with the provisions of Indiana Code § 8-1-31-1 *et seq.*; and

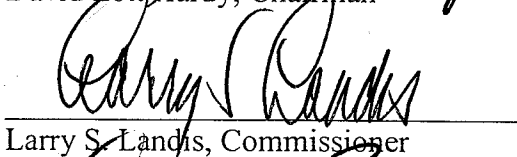
WHEREAS, the Indiana Utility Regulatory Commission promulgated Chapter 170 Indiana Administrative Code 6-1.1 pursuant to Indiana Code § 8-1-2-1 establishing the policy and procedure governing the efficient recovery of depreciation expenses and pretax returns associated with eligible distribution system improvements without the requirement of filing a general increase in basic rates and charges; and

WHEREAS, specific forms and formats will streamline the application process for establishing DSIC, will facilitate the administration of DSIC, and will benefit the public interest;

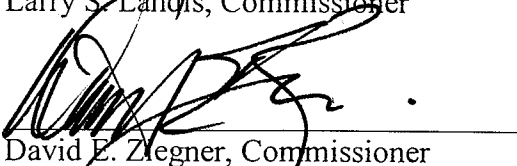
NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Necessary Forms and Formats for Distribution System Improvement Charges Pursuant to Indiana Code § 8-1-31-17 and Chapter 170 Indiana Administrative Code § 6-1.1 *et seq.* which is attached to the General Administrative Order as Appendix A be adopted by this Commission, and General Administrative Order 2004-2 be superceded thereby.


David Lott Hardy, Chairman

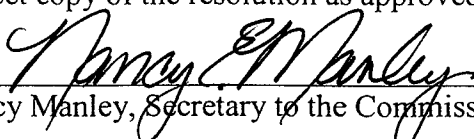

David W. Hadley, Commissioner


Larry S. Landis, Commissioner


Gregory D. Server, Commissioner


David E. Ziegner, Commissioner

I hereby certify that the above is a true and correct copy of the resolution as approved.


Nancy Manley, Secretary to the Commission

Date: NOV 02 2005

APPENDIX A

Necessary Forms and Formats for Distribution System Improvement Charges Pursuant to Indiana Code § 8-1-31-17 and Chapter 170 Indiana Admin. Code § 6-1.1 *et seq.*

- A. Project Cost Form**
- B. DSIC Calculation Form**
- C. Reconciliation Form**
- D. Sample Tariff**
- E. Sample DSIC Appendix**

A. PROJECT COST FORM

The utility has invoices and other cost support for every item included in this Project Cost Form and is prepared to file invoices if required by the Commission or requested by the Office of Utility Consumer Counselor.

DSIC Projects Listed by NARUC Uniform System of Accounts 331, 333, 334, and/or 335

<u>Line #</u>	<u>Account #</u>	<u>Description</u>	<u>Cost of Materials</u>	<u>Labor Costs</u>	<u>Non-Construction Costs</u>	<u>Total Costs</u>
1						\$
2						-
3						-
4						-
5						-
6						-
7						-
8						-
9						-
10						-
11						-
12						-
13						-
14						-
15						-
16						-
17						-
18						-
19						-
20						-
Total			\$	-	\$	\$

B. DSIC CALCULATION FORM

DSIC Calculation

<u>Line #</u>	<u>Description</u>	<u>Cost / Amount</u>
1	DSIC Additions	
2	Less INDOT Reimbursements (if applicable)	
3	Less Retirements	
4	Net Investor Supplied DSIC Additions	\$ -
5	Pre-tax Rate of Return (1)	
6	Pre-tax Return on Net DSIC Additions (Line 4 * Line 5)	\$ -
7	Add Depreciation of DSIC Additions (2)	
8	Total DSIC Revenues	\$ -
9	Projected twelve (12) months water sales (MGAL)	\$ -
10	DSIC Rate per MGAL (Line 8 / Line 9)	
11	Projected twelve (12) months water sales (CCF) (3)	-
12	DSIC Rate per CCF (Line 8 / Line 11)	
13	Authorized Revenues Granted in Last Rate Case	\$ -
14	Percentage of DSIC Revenues (Line 8 / Line 13)	

Notes:

- (1) Pre-tax return consideration for a municipally-owned utility, not-for-profit, or a conservancy district may be the debt service associated with the DSIC additions, or the percentage return granted in the last rate order. See Section E Pretax Return Proce
- (2) Use the depreciation rate approved in last rate order.
- (3) Utilize the conversion of MGAL to CCF by dividing the MGAL by 0.75

Please provide the capital structure used in the most recent cost of equity determination by the Commission in the most recent rate proceeding, pursuant to I.C. 8-1-31-12. This information may not be applicable to all utilities.

Please provide the revenue conversion factor, if applicable.

C. RECONCILIATION FORM

Line		A	B	C
1		Projected	Actual	Difference (negative)
2	12 month sales			
3	12 month DSIC revenues			
4	12 month DSIC costs			

D. SAMPLE TARIFF

PLEASE FOLLOW THIS FORMAT EXPLICITLY
FOR EXISTING TARIFF (BEFORE DSIC)

Utility's Name
Date and Cause No. of approved rates

1. Service Charge, or Base Charge, or Customer Charge, (if any)

Meter Size	Charge
5/8"	\$XX.XX
3/4"	\$YY.YY

2. Volume Rates, Consumption Rates, etc...

Consumption in gallons or cubic feet	Rate per 1,000 gallons or 100 Cubic Feet
First 5,000 gallons	\$ZZ.ZZ
Next 10,000 gallons	\$VV.VV
Next 25,000 gallons	\$LL.LL
Over 40,000 gallons	\$TT.TT

3. Other Tariff items

(End of tariff.)

E. SAMPLE DSIC APPENDIX

PLEASE FOLLOW THIS DSIC APPENDIX FORMAT EXPLICITLY
AND ATTACH AS A SEPARATE APPENDIX SHEET TO TARIFF

Utility Name

Appendix A-Distribution System Improvement Charge (DSIC-1)

The Distribution System Improvement Charge (DSIC) set forth on this schedule is applicable where clearly denoted on other rate schedules, and shall be added to the volumetric rates billed. Changes to the DSIC shall be occasioned by filings in accordance with Indiana Code Chapter 8-1-31 and Chapter 170 Indiana Administrative Code 6-1.1.

DSIC per 1,000 gallons or 100 cubic feet	\$XX.XX
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(End of DSIC Appendix.)

➤ New Tariff (after DSIC)

Use the same format before DSIC and clearly show denotations, (e.g., by using an asterisk) where DSIC is applicable.

- If the Utility has existing surcharges such as water tracking factors, these factors should be maintained in separate appendices and are not to be combined with the DSIC. In such case, a footnote to the denotation should clearly list the surcharges to be added to the rates.