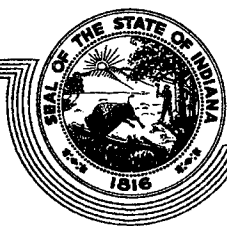


STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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INDIANAPOLIS, INDIANA 46204-2764

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MEMORANDUM

TO: Commissioners Hardy, Landis, Server and Ziegner

FROM: Jerry L. Webb, Director of Water/Sewer Division
Jerry L. Webb

DATE: December 28, 2006

RE: Utility Articles for Next Conference

The following Final Articles A, D and G are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after January 3, 2007.

"A" Final

The following miscellaneous item will be eligible for final consideration at the next Commission Conference and based upon a review of it by staff members of the Commission, I recommend approval.

Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.

1. Southern Indiana Gas and Electric Company (gas)

The utility is proposing to update the Unaccounted For Gas Percentage in Appendix F. Appendix F is applicable to all Transportation Customers and Pool Operators. A percentage of the quantities received by the utility from those customers at a point of receipt on the utility's distribution system shall be retained by the utility to compensate for unaccounted for gas. This percentage ("The Unaccounted For Gas Percentage") is described in the utility's tariff as being periodically adjusted by the utility to reflect any changes in the unaccounted for gas percentage. The Commission Order that authorized this revision is Order # 42596 dated June 30, 2004. The current and proposed charges can be found below. Cost support has been provided.

TARIFF CHARGE	CURRENT	PROPOSED
<i>Appendix F Unaccounted For Gas Percentage</i>	1.6%	1.3%

The tariff pages affected by this filing include Sheet No. 35 page 1 of 1 and Tariff Sheet Index page 1 of 3.

“D” Final

A revision to the purchased power cost tracker for electric utilities has been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in Commission Order No. 34614 have been met and I recommend approval.

<u>Item</u>	<u>Utility</u>	<u>Purchased Power Cost Tracker (\$/kWh)</u>	<u>Change (\$/kWh)</u>	<u>Filing No.</u>
1.	Troy Municipal	0.037650	.024205	070103D

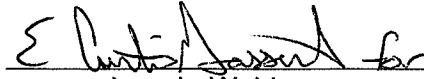
The change in Troy's rates is due a change in Hoosier Energy Rural Electric Cooperative Inc.'s rates.

"G" Final

Revisions to the Fuel Cost Adjustment factor have been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in Commission Order No. 35687 have been met and I recommend approval.

<u>Item</u>	<u>Utility</u>	<u>Change</u>	<u>Filing Number</u>
1.	Straughn	Increase	111-07-01

Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.



Jerry L. Webb
Director of Water/Sewer Division



I approve of all items as presented above:

I approve of all items as presented above except:

Not participating in the following items:

I, _____, Disapprove Items

No.

I, _____, Wish to Defer Items

No.

I hereby certify that the above is a true and correct copy of the action on the articles.



Brenda Howe, Executive Secretary