

INDIANA UTILITY REGULATORY COMMISSION
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MEMORANDUM

TO: Commissioners Hardy, Hadley, Landis, Server and Ziegner
FROM: Jerry L. Webb, Director of Gas/Water/Sewer Division *Jerry Webb*
DATE: August 3, 2006
RE: Utility Articles for Next Conference

The following Final Articles A, D, G and Preliminary Article A are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after August 9, 2006.

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ORIGINAL

"A" Final

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

1. Indiana Gas Company, Inc.

The utility is proposing to establish a new rate schedule ("Rate 225 – School Transportation Service" – Tariff Sheet No. 14) to make transportation service available to any educational institution for which transportation service is not presently available, a new pooling service applicable to suppliers ("Rate 285 – School Pooling Service" – Tariff Sheet No. 21), new nomination and balancing provisions applicable to school suppliers ("Appendix J – School Nomination and Balancing Provisions Pooling Service" – Tariff Sheet No. 39), and summary billing for educational institutions. Rate 235 was previously approved on February 8, 2006 giving certain educational institutions the option to receive transportation service, but the utility never placed this service into effect due to possible conflicts with pending legislation. To comply with the new law that was ultimately enacted (I.C.21-10-2-2), the utility has made a variety of changes to the previous filing. The proposed Rate 225:

- a. Applies to customers using less than 50,000 therms annually.
- b. Includes an increase of \$7.50 to the customer facilities charge (Group 1 meter from \$15 to \$22.50, Group 2 meter from \$36 to \$43.50 and Group 3 meter from \$75 to \$82.50), as compared to the charge under the general sales rate schedule currently applicable to school customers of this size.
- c. Includes distribution charges identical to those currently applicable to these school customers under the general sales rate schedule.
- d. Incorporates the School Transportation Service Customers into the utility's curtailment procedures.
- e. Requires the School Transportation Service Customer to enter into a School Transportation Agreement with the utility, designating the School Supplier it has selected from a list of approved School Suppliers that have signed School Pooling Agreements with the utility.
- f. Requires the School Transportation Service Customer to become a member of a School Pool pursuant to the provisions of Rate 285, School Pooling Service.

The proposed Rate 285 and Appendix J make the School Supplier:

- a. Responsible for managing the gas supply of its School Pools, and
- b. Subject to the School Nomination and Balancing Provisions.

Cost support has been provided.

The tariff sheets affected by this filing are:

Sheet No. 2 – Tariff Sheet Index, Page 1 of 3.

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Sheet No. 4 – Definitions, Pages 1, 2, 3, and 4 of 4.



Sheet No. 14 – Pages 1-3 have been created for Rate 225, School Transportation Service.

Sheet No. 21 – Pages 1-6 have been created for Rate 285, School Pooling Service.

Sheet No. 30 – Appendix A, Gas Cost Adjustment, Page 1 of 1. The Gas Cost Adjustment for Rate 225 is reflected as \$0.0000.

Sheet No. 31 – Appendix B, Normal Temperature Adjustment, Page 1 of 6. The Normal Temperature Adjustment (NTA) for Rate 225 is consistent with the NTA currently applicable to these school customers under Rate 220.

Sheet No. 32 – Appendix C, Other Charges, Page 1 of 1. A Summary Billing Charge of \$45.00 has been added.

Sheet No. 36 – Appendix G, Universal Service Fund Rider, Page 1 of 1. The Universal Service Fund (USF) Rider for Rate 225 is consistent with the USF Rider currently applicable to these school customers under Rate 220.

Sheet No. 37 – Appendix H, Pipeline Safety Adjustment, Page 1 of 1. The Pipeline Safety Adjustment (PSA) for Rate 225 is consistent with the PSA currently applicable to these school customers under Rate 220.

Sheet No. 39 – Pages 1-5 have been created for Appendix J – School Nomination and Balancing Provisions.

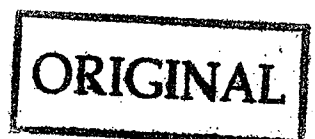
Sheet No. 61 – General Terms and Conditions Applicable to Gas Service Rule 24, Curtailment Procedures, Pages 1, 2, and 3 of 4. Rate 225 has been added to “Definitions” and Rate 285 has been added to “Gas Supply Curtailment Sequence” and “Capacity Curtailment Sequence”.

2. Southern Indiana Gas and Electric Company (Electric)

The utility seeks Commission approval for the following:

1. An increase in the reconnect charge applicable to the disconnection and restoration of electric service during normal working hours when service is discontinued (1) at the customer’s request, (2) due to nonpayment, or (3) under other terms of the applicable tariff sheet, to \$35 (from \$18) to reflect increased costs;
2. A new charge for reconnection of electric service at the pole or transformer, when the original disconnection was due to the customer’s denial of access to the meter, to reflect increased costs in performing the reconnection. The charge is \$170 and is in addition to the \$35 regular reconnect fee;
3. An increase of the charge for unauthorized use or tampering to \$65 (from \$45) per occurrence, to reflect increased costs;
4. An increase in the charge for returned checks to \$25 (from \$15) to reflect increased costs;
5. A new charge of \$45 for connecting, reconnecting or disconnecting electric service, at the Customer’s request, after normal business hours.

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The utility provided cost support for the charges. The tariff sheets affected by this filing are:

Electric Sheet No. 63
Electric Sheet No. 82
Electric Sheet No. 84

3. Southern Indiana Gas and Electric Company (gas)

The utility is proposing to establish a new rate schedule ("Rate 125 – School Transportation Service" – Tariff Sheet No. 14) to make transportation service available to any educational institution for which transportation service is not presently available, a new pooling service applicable to suppliers ("Rate 185 – School Pooling Service" – Tariff Sheet No. 20), new nomination and balancing provisions applicable to school suppliers ("Appendix J – School Nomination and Balancing Provisions Pooling Service" – Tariff Sheet No. 39), and summary billing for educational institutions. Rate 135 was previously approved on February 8, 2006 giving certain educational institutions the option to receive transportation service, but the utility never placed this service into effect due to possible conflicts with pending legislation. To comply with the new law that was ultimately enacted (I.C.21-10-2-2), the utility has made a variety of changes to the previous filing. The proposed Rate 125:

- a. Applies to customers using less than 50,000 therms annually.
- b. Includes an increase of \$7.50 to the customer facilities charge (Group 1 meter from \$20 to \$27.50, Group 2 meter from \$34 to \$41.50 and Group 3 meter from \$70 to \$77.50), as compared to the charge under the general sales rate schedule currently applicable to school customers of this size.
- c. Includes distribution charges identical to those currently applicable to these school customers under the general sales rate schedule.
- d. Incorporates the School Transportation Service Customers into the utility's curtailment procedures.
- e. Requires the School Transportation Service Customer to enter into a School Transportation Agreement with the utility, designating the School Supplier it has selected from a list of approved School Suppliers that have signed School Pooling Agreements with the utility.
- f. Requires the School Transportation Service Customer to become a member of a School Pool pursuant to the provisions of Rate 185, School Pooling Service.

The proposed Rate 185 and Appendix J make the School Supplier:

- a. Responsible for managing the gas supply of its School Pools, and
- b. Subject to the School Nomination and Balancing Provisions.

Cost support has been provided.

The tariff sheets affected by this filing are:

Sheet No. 2 – Tariff Sheet Index, Page 1 of 3.

Sheet No. 4 – Definitions, Pages 1, 2, 3, and 4 of 4.

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Sheet No. 14 – Pages 1-3 have been created for Rate 125, School Transportation Service.

Sheet No. 20 – Pages 1-6 have been created for Rate 185, School Pooling Service.

Sheet No. 30 – Appendix A, Gas Cost Adjustment, Page 1 of 1. The Gas Cost Adjustment for Rate 125 is reflected as \$0.0000.

Sheet No. 31 – Appendix B, Normal Temperature Adjustment, Page 1 of 4. The Normal Temperature Adjustment (NTA) for Rate 125 is consistent with the NTA currently applicable to these school customers under Rate 120 (Sales).

Sheet No. 32 – Appendix C, Other Charges, Page 1 of 1. A Summary Billing Charge of \$45.00 has been added.

Sheet No. 36 – Appendix G, Universal Service Fund Rider, Page 1 of 1. The Universal Service Fund (USF) Rider for Rate 125 is consistent with the USF Rider currently applicable to these school customers under Rate 120.

Sheet No. 37 – Appendix H, Pipeline Safety Adjustment, Page 1 of 1. The Pipeline Safety Adjustment (PSA) for Rate 125 is consistent with the PSA currently applicable to these school customers under Rate 120.

Sheet No. 39 – Pages 1-5 have been created for Appendix J – School Nomination and Balancing Provisions.

Sheet No. 61 – General Terms and Conditions Applicable to Gas Service Rule 24, Curtailment Procedures, Pages 2 and 3 of 4. Rate 185 has been added to “Gas Supply Curtailment Sequence” and “Capacity Curtailment Sequence”

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"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>Rate Schedule</u>	<u>Change \$/kWh</u>	<u>Resultant \$/kWh</u>
1.	Kingsford Heights	All	0.001991	0.020008

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"G" Final

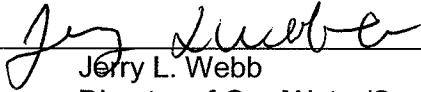
Revisions to the Fuel Cost Adjustment factor have been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in Commission Order No. 35687 have been met and I recommend approval.

<u>Item</u>	<u>Utility</u>	<u>Change</u>	<u>Filing Number</u>
1.	Knightstown	Decrease	87-06-08
2.	Straughn	Decrease	111-06-08

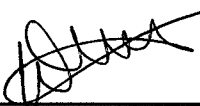


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Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.



Jerry L. Webb
Director of Gas/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.



Acting Executive Secretary

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"A" Preliminary

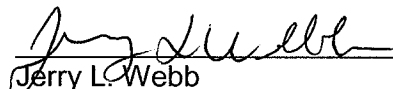
The following new miscellaneous item has been reviewed by staff members of the Commission and we recommend accepting it for filing.

1. Sullivan Vigo Rural Water Corporation

The utility is proposing to increase the connection (tap-on) charge for a 5/8 inch meter from \$695.00 to \$775.00. The reason for this increase is due to increases in labor and material costs. The tap-on charge for a meter larger than 5/8" shall be the actual cost of materials and installing the tap, but shall not be less than the charge of a 5/8" meter tap. If a road bore is necessary to complete the tap, the charge will be \$714.00 in addition to the \$775.00 tap charge totaling \$1,489.00. The utility also proposes to add renters to the Membership Fee charge. Cost support has been provided for the changes to the connection charges.

Description	Current Charge	Proposed Charge
Connection Charge 5/8" meter	\$695.00	\$775.00
Connection Charge larger than 5/8" meter	Cost not less than \$695.00	Cost not less than \$775.00
Connection Charge 5/8" meter with road bore	\$695.00	\$1,489.00
Connection Charge larger than 5/8" meter with road bore	Cost not less than \$695.00	Cost not less than \$1,489.00

The tariff page affected by this filing is page 2 of 2.



Jerry L. Webb
Director of Gas/Water/Sewer Division

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