

ORIGINAL DECEMBER 3, 2008

INDIANA UTILITY REGULATORY COMMISSION 101 WEST WASHINGTON STREET, SUITE 1500 EAST INDIANAPOLIS, INDIANA 46204-3407 http://www.in.gov/iurc Office: (317) 232-2701 Facsimile: (317) 232-6758

## **MEMORANDUM**

TO:

Commissioners Hardy, Golc, Landis, Server and Ziegner

FROM:

Bradley K. Borum, Director of Electricity Division

Jane Steinhauer, Director of Natural Gas Division

DATE:

November 26, 2008

RE:

Utility Articles for Next Conference

The following Final Articles "D", "G" and Preliminary "A" are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after December 3, 2008.

## "D" Finals

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.

| Item<br>No. | Utility Name         | Purchased Power Cost<br>Tracker |                    | Filing   |
|-------------|----------------------|---------------------------------|--------------------|----------|
|             |                      | Resultant<br>(\$/kWh)           | Change<br>(\$/kWh) | No.      |
| 1.          | Marshall County REMC | 0.034895                        | 0.001550           | 081203D  |
| 2.          | Northeastern REMC    | 0.033626                        | 0.001325           | 081203D1 |
| 3.          | Harrison County REMC | 0.010375                        | 0.002048           | 081203D2 |

The changes in rates are effective for January, 2009 consumption.

The change in Marshall and Northeastern's rates is due to a change in Wabash Valley Power Association's rates.

The change in Harrison REMC rates is due to a change in Hoosier Energy's Power Cost Tracker and wholesale rate.

# "G" Final

Revisions to the Fuel Cost Adjustment factors 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 this filing in Commission Order No. 35687 has been met and I recommend approval.

| Item<br>No. | Utility Name                | Change   | Filing<br>Number |
|-------------|-----------------------------|----------|------------------|
| 1.          | Straughn Municipal Electric | Decrease | 111-08-11        |

| Please indicate your consideration a provided below. | and action of the preceding items on the appropriate line |
|--|---|
| Brodles K. Brum                                      | me  |
| Bradley K. Borum, Director                           | Jane Steinhauer, Director                                 |
| Electricity Division                                 | Natural Gas Division                                      |
| and Aff  | SIE   |
| I approve of all items as presented ab               | pove  |
|  |   |
|  | <u> </u>  |
| I approve of all items as presented ab               | oove except   |
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| Not participating in the following iter              | ms  |
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| I,   | , Disapprove Items  |
| No.  |   |
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| Ι,   | , Wish to Defer Items                                     |
| No.  |   |
| 110.   |   |
|  |   |
| I hereby certify that the above is a tru             | ue and correct copy of the action on the articles.        |
| Ru La 1h   |   |
| Benda A. Howe  |   |
| Brenda A. Howe<br>Secretary to the Commission        |   |
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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. Citizens Gas & Coke Utility

In compliance with the Stipulation and Settlement Agreement in Cause No. 41605 ("Settlement Agreement"), the Utility has proposed a change to the Customer Benefit Distribution ("CBD") to be effective January 1, 2009.

The purpose of the CBD is (1) to provide as a benefit to the Utility's gas customers available funds from its unregulated businesses and affiliates or subsidiaries and (2) provide a means for Citizens to recover certain FAS106 costs incurred by Citizens and agreed to by the Parties in the Settlement Agreement.

The proposed CBD factors, based upon expected calendar year 2009 throughput to gas customers is \$(0.021) per dekatherm for Gas Rates D1, D2, D3, D4, D5, D7, and D9.

The tariff sheet affected by this filing is:

• First Revised Page No. 503, RIDER C, <u>CUSTOMER BENEFIT DISTRIBUTION</u>

Jane Steinhauer, Director Natural Gas Division