



INDIANA UTILITY REGULATORY COMMISSION
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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 14, 2006

RE: Utility Articles for Next Conference

The following Final Articles A, D, I and M are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after December 20, 2006.

DEC 20 2006

ORIGINAL

"A" Final

The following 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. Citizens Gas & Coke Utility

In compliance with the Stipulation and Settlement Agreements in Cause Nos. 41605 and 43077/43078 ("Settlement Agreements"), the Utility has proposed a change to the Customer Benefit Distribution/Universal Service Program ("CBD/USP") tracker to be effective January 1, 2007.

The purpose of the CBD/USP is (1) to provide as a benefit to the Utility's gas customers available funds from its unregulated businesses and affiliates or subsidiaries, (2) provide a means for Citizens to recover certain FAS106 and FAS71 costs incurred by Citizens and agreed to by the Parties in the Settlement Agreement, and (3) to fund the Universal Service Program.

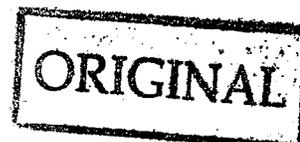
The proposed net CBD/USP factors, based upon expected calendar year 2007 throughput to gas customers is \$(0.0200) per dekatherm for Gas Rates D1, D2, D3, D4, D6, and D7, and \$(0.0420) per dekatherm for Gas Rate D5. The calculation of the CBD/USP has been provided.

(A) Gas Rate	(B) Current CBD	(C) Current USP	(D) Current NET (B+C)	(E) Proposed CBD	(F) Proposed USP	(G) Proposed NET (E+F)
D1, D2, D3, D4, D6, D7	\$(0.0310)/Dth	\$0.0270/Dth	\$(0.0040)/Dth	\$(0.0470)/Dth	\$0.0270/Dth	\$(0.0200)/Dth
D5	\$(0.0310)/Dth	\$0.0050/Dth	\$(0.0260)/Dth	\$(0.0470)/Dth	\$0.0050/Dth	\$(0.0420)/Dth

The tariff sheet affected by this filing is:

Original Page No. 503 Customer Benefit Distribution/Universal Service Program

DEC 20 2006



2. Duke Energy Indiana

The Utility has filed for approval of a change in its Standard Contract Rider No. 63, Emission Allowance Adjustment, in accordance with Commission Order in Cause No. 42359, dated May 18, 2004. This Order reaffirmed Duke Energy Indiana's authorization to recover SO₂ and NO_x emission allowance costs via Standard Contract Rider No. 63. Additionally, in Cause No. 42718, dated May 24, 2006, the Commission approved an amendment to Standard Contract Rider 63, authorizing recovery of mercury emissions (Hg) allowance costs.

The proposed emission allowance charge factor is (\$0.004251) per kilowatt-hour and is applicable to all retail electric rate schedules for the months of January, February, and March 2007. The proposed factor will be effective upon Commission approval. This factor includes the emission allowance cost variance of (\$41,792,017) from June 2006 through August 2006. The reduction in native load emission allowance expense resulted from gains on sales of native load emission allowances.

The tariff sheet affected by this filing is:

Sheet No. 63

3. Southern Indiana Gas and Electric Company (Electric)

The utility seeks Commission approval for the following:

1. An update to Rate SL-1, Street Lighting Service, page 2 of 3, adding 150 Watt (Approximately 15,000 Lumens) under (C) Series and/or Multiple High Pressure Sodium Street Lighting Rates. This update was omitted in the reformatted tariff that became effective on March 15, 2006.
2. An update to Rate SL-1 to correct a typographical error on page 2 of 3, changing "100 Watt (Approximately 54,000 Lumens)" to read "1000 Watt (Approximately 54,000 Lumens)".

The Commission previously approved the SIGECO Rate SL-1 tariff on March 15, 2006.

The tariff sheets affected by this filing are SL-1 Street Lighting Service, Sheet No. 30, 3 pages.

DEC 20 2006



4. Southern Indiana Gas and Electric Company (Electric)

The utility seeks Commission approval for the following:

1. Revise the Net Metering Rider, Sheet No. 52, and Rate CSP, Sheet No. 79, to require that the interconnected facilities comply with the requirements of 170 IAC 4-4.3.
2. Make minor revisions to the tariff language on Sheet No. 52 and Sheet No. 79.

The Commission previously approved the SIGECO Net Metering Rider, Sheet No. 52 on March 15, 2006; and approved Rate CSP, Sheet No. 79 on March 15, 2006 (Sheets 1,3,4) and on April 25, 2006 (Sheet 2).

The tariff sheets affected by this filing are as follows:

1. Net Metering Rider, Sheet No. 52 (4 pages).
2. Rate CSP, Sheet No. 79 (4 pages).

DEC 20 2006



"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.	Marshall Cnty	0.020802	(0.001142)	061220D
2.	Northeastern (other than EDR)	0.020109	(0.001359)	061220D1
3.	Northeastern (EDR)	0.0104240	(.004865)	061220D2
4.	Harrison REMC	0.012449	0.00208	061220D3

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.

DEC 20 2006



"I" Final

A revision to the tracking costs from the Indiana Municipal Power Agency members 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. 36835-S1 approved January 11, 1983, and/or Order No. 36835-S2 approved May 2, 1984, and 36835-S3 approved December 13, 1989, have been met and I recommend approval.

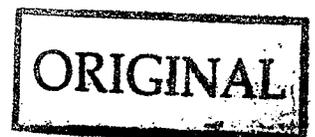
<u>Item</u>	<u>Utility</u>	<u>Rate Schedule</u>	<u>\$/kWh Change</u>	<u>\$/kWh Resultant</u>	<u>Filing No.</u>
1.	Anderson	RS	(0.004503)	0.011409	97
		GS 1 phase	(0.002764)	0.013068	
		3 phase	(0.001904)	0.014139	
		SP	(0.48)	3.07	/kW
			(0.000022)	0.005243	
		LP	(0.43)	3.27	/kVA
			(0.000277)	0.004997	
		LP Off Peak	1.390703	1.390703	/kVA
			0.005819	0.005819	
		CL	0.000434	0.012828	
SL	(0.000770)	0.010722			
OL	(0.001507)	0.012444			
2.	Columbia City	R	(0.007408)	0.009699	52
		RH	(0.002780)	0.013345	
		GS	(0.004296)	0.009752	
		GS-H	0.000048	0.014753	
		M	(0.005076)	0.011903	
		GS-L	(0.002642)	0.010856	
		GS-I	(0.002781)	0.009426	
3.	Crawfordsville	R	(0.004505)	0.011709	97
		GP	(0.002190)	0.011507	
		PP	0.347135	5.911590	/kVA
			(0.000226)	0.000448	
		OL	(0.000575)	0.005656	
		SL	(0.000598)	0.005976	
		TS	0.001773	0.017584	
4.	Frankfort	A	(0.006217)	0.010811	97
		B	(0.004541)	0.012379	
		C	(0.005200)	0.009214	
		PPL	(0.832332)	2.650046	/kVA
			(0.000073)	0.004962	
		FLAT RATES	(0.000301)	0.008418	

DEC 20 2006

ORIGINAL

5. Lawrenceburg	City Res.	(0.010123)	0.009644	97	
	Rural Res.	(0.010123)	0.009644		
	City Comm.	(0.011565)	0.011041		
	Rural Comm.	(0.011565)	0.011041		
	City Power	(0.012454)	0.009695		
	Primary Power	(0.007458)	0.008399		
6. Lebanon	RS	(0.003459)	0.005613	97	
	CS (Single)	(0.003533)	0.006076		
	CS (Three)	(0.003965)	0.005310		
	MS	(0.003283)	0.008070		
	PPL	(0.756644)	1.703585		/kVA
		(0.001457)	0.002096		
	SGP	(0.004002)	0.006106		
	OL & SL	(0.002301)	0.005653		
7. Peru	RS	(0.000107)	0.011631	97	
	GSA-1	0.001776	0.013418		
	PS	0.001467	0.009866		
	MSL-1	0.001508	0.006014		
	TL	0.004807	0.013475		
8. Richmond	R	(0.008836)	0.014608	97	
	CL	(0.017929)	0.023412		
	GP, GEH, EHS	(0.009335)	0.005720		
	LPS & IS	(2.558563)	3.636348		/kVA
		(3.012306)	4.281229		/kW
		0.000038	0.004197		
	OL, M, N	0.000240	0.004388		
9. Tipton	A	(0.003547)	0.007305	97	
	B	(0.002900)	0.008701		
	C	(0.001773)	0.007912		
	D	(0.001352)	0.007365		

DEC 20 2006



"M" Final

A revision to the 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. 40095 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>	<u>Filing #</u>
1.	Auburn Municipal	All	(0.000909)	0.002937	46
2.	Mishawaka Municipal	Residential	0.005148	0.009038	46
		Commercial	0.006275	0.010551	
		Commercial Power	0.005674	0.008844	
		Comm. Elec. Heat	0.007512	0.013822	
		Municipal	0.005878	0.008787	

DEC 20 2006



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

Jerry L. Webb

Jerry L. Webb
Director of Water/Sewer Division

[Handwritten signatures]

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

Brenda Howe, Executive Secretary

DEC 20 2006

