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STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF MIDWEST NATURAL )  
GAS CORPORATION FOR )  
APPROVAL UNDER I.C. 8-1-2-42(A) )  
AND I.C. 8-1-2.5-1, ET SEQ., OF THE )  
CHANGE OF ITS TARIFFS )  
INCORPORATING A NORMAL )  
TEMPERATURE ADJUSTMENT )

CAUSE NO. 43107

SUPPLEMENTAL ORDER

PETITION OF INDIANA UTILITIES )  
CORPORATION FOR APPROVAL )  
UNDER I.C. 8-1-2-42(A) AND I.C. 8-1- )  
2.5-1, ET SEQ., OF THE CHANGE OF )  
ITS TARIFFS INCORPORATING A )  
NORMAL TEMPERATURE )  
ADJUSTMENT )

CAUSE NO. 43108

SUPPLEMENTAL ORDER

PETITION OF SOUTH EASTERN )  
INDIANA NATURAL GAS CO. FOR )  
APPROVAL UNDER I.C. 8-1-2-42(A) )  
AND I.C. 8-1-2.5-1, ET SEQ., OF THE )  
CHANGE OF ITS TARIFFS )  
INCORPORATING A NORMAL )  
TEMPERATURE ADJUSTMENT )

CAUSE NO. 43109

SUPPLEMENTAL ORDER

PETITION OF FOUNTAINTOWN )  
GAS COMPANY, INC. FOR )  
APPROVAL UNDER I.C. 8-1-2-42(A) )  
AND I.C. 8-1-2.5-1, ET SEQ., OF THE )  
CHANGE OF ITS TARIFFS )  
INCORPORATING A NORMAL )  
TEMPERATURE ADJUSTMENT )

CAUSE NO. 43110

SUPPLEMENTAL ORDER

PETITION OF COMMUNITY )  
NATURAL GAS CO., INC. FOR )  
APPROVAL UNDER I.C. 8-1-2-42(A) )  
AND I.C. 8-1-2.5-1, ET SEQ., OF THE )  
CHANGE OF ITS TARIFFS )  
INCORPORATING A NORMAL )  
TEMPERATURE ADJUSTMENT )

CAUSE NO. 43129

SUPPLEMENTAL ORDER

PETITION OF BOONVILLE NATURAL )  
GAS CORPORATION FOR APPROVAL )  
UNDER I.C. 8-1-2-42(A) AND I.C. 8-1-2.5- )  
1, ET SEQ., OF THE CHANGE OF ITS )  
TARIFFS INCORPORATING A )  
NORMAL TEMPERATURE )  
ADJUSTMENT )

CAUSE NO. 43135

SUPPLEMENTAL ORDER

PETITION OF CHANDLER NATURAL )  
GAS CORPORATION FOR APPROVAL )  
UNDER I.C. 8-1-2-42(A) AND I.C. 8-1-2.5- )  
1, ET SEQ., OF THE CHANGE OF ITS )  
TARIFFS INCORPORATING A )  
NORMAL TEMPERATURE )  
ADJUSTMENT )

CAUSE NO. 43136

SUPPLEMENTAL ORDER

PETITION OF INDIANA NATURAL GAS )  
CORPORATION FOR APPROVAL )  
UNDER I.C. 8-1-2-42(A) AND I.C. 8-1-2.5- )  
1, ET SEQ., OF THE CHANGE OF ITS )  
TARIFFS INCORPORATING A )  
NORMAL TEMPERATURE )  
ADJUSTMENT )

CAUSE NO. 43137

SUPPLEMENTAL ORDER

PETITION OF LAWRENCEBURG GAS )  
COMPANY FOR APPROVAL UNDER )  
I.C. 8-1-2-42(A) AND I.C. 8-1-2.5-1, ET )  
SEQ., OF THE CHANGE OF ITS )  
TARIFFS INCORPORATING A )  
NORMAL TEMPERATURE )  
ADJUSTMENT )

CAUSE NO. 43141

SUPPLEMENTAL ORDER

APPROVED: DEC 02 2009

**BY THE COMMISSION:**

**Larry S. Landis, Commissioner**

**Lorraine Hitz-Bradley, Administrative Law Judge**

On December 6, 2006, in the above-referenced causes, the Indiana Utility Regulatory Commission ("Commission") issued orders authorizing Midwest Natural Gas Corporation, Indiana Utilities Corporation, South Eastern Indiana Natural Gas Company, Fountaintown Gas Company, Inc., Community Natural Gas Company, Inc., Boonville Natural Gas Corporation<sup>1</sup>,

<sup>1</sup> Since the issuance of the final Order in these consolidated Causes, Boonville Natural Gas Corporation and Chandler Natural Gas Corporation have merged, with Boonville Natural Gas Corporation as the surviving entity. *Petition of Boonville Natural Gas Corp. and Chandler Natural Gas Corp. for Consent and Approval of Merger and*

Chandler Natural Gas Corporation, Indiana Natural Gas Corporation and Lawrenceburg Gas Company (collectively "Joint Petitioners") to initiate a Normal Temperature Adjustment ("NTA") mechanism. In approving those NTAs, the Commission required that Joint Petitioners or, in the alternative, the Indiana Office of Utility Consumer Counselor ("OUCC") seek one or more technical conferences following two years of operation of the NTA for purposes of reviewing the results achieved and recommending prudent modifications, if any.

On August 31, 2009, Joint Petitioners filed their *Motion for Technical Conference* in these causes. On September 2, 2009, the Presiding Officers granted such motion and established a technical conference for October 14, 2009, in Room 224 of the National City Center, 101 West Washington Street, Indianapolis, Indiana.

On October 14, 2009, the Presiding Officers opened the record in these proceedings for purposes of initiating the technical conference. Representatives of Joint Petitioners, the OUCC, and the Natural Gas Division of the Commission were present and participated. Neither intervenors nor members of the rate paying public appeared or sought to participate. Following the opening of the record, the Bench noted that the technical conference was designed as an informal proceeding wherein those present could discuss the results of the NTA, share any concerns, and discuss any appropriate modifications that should be recommended to this Commission. On October 22, 2009 the Joint Petitioners filed the Testimony and Exhibits of Duane C. Mercer. No party offered an objection to the submission of Mr. Mercer's testimony, and no other evidence has been offered.

Based on the evidence of record, including that evidence previously obtained at our public evidentiary hearing of November 20, 2006, in these causes, the Commission now finds as follows:

1. **Notice and Jurisdiction.** Due, legal, and timely notice of this matter was given and published as required by law. Each Joint Petitioner is a public utility within the meaning of that term and Ind. Code § 8-1-2-1. Each Joint Petitioner is also an energy utility as that term is defined in I.C. § 8-1-2.5-2. Each of the Joint Petitioners herein reflects an election that they be subject to the statutory provisions of I.C. § 8-1-2.5-1, *et seq.*, for the purposes of their respective petitions in the matter of the NTA. Finally, each has implemented an NTA as an alternative regulatory practice pursuant to this statute. Therefore, the Commission has continuing jurisdiction over Joint Petitioners and the subject matter of these proceedings.

2. **Relief Requested.** Joint Petitioners herein seek an order of this Commission reflecting that Joint Petitioners have complied with the Commission's prior order of December 6, 2006, and granting continued authorization to use the NTA mechanism.

3. **Evidence of the Parties.** The Joint Petitioners have filed the Verified Testimony of Duane C. Mercer, a witness for these same Joint Petitioners in our proceedings during 2006 in these separate causes. Mr. Mercer's testimony describes the collaborative process which occurred leading up to the technical conference. Mr. Mercer describes the actual impact by

company, by month, for residential customers following the implementation of the NTA. This information is provided for two separate heating seasons beginning in October of 2007 and ending in April of 2009. In addition, Mr. Mercer's testimony and exhibits reflect the dollar range of the impact of the NTA noting that the actual results fell within the expected results of the NTA. He notes 96% of the monthly NTAs over this two year time period fell within either a \$6.00 or a \$(6.00) range. Mr. Mercer also provided information on the funds set aside by each utility and how those funds were used or accumulated.

In addition to information directly related to the implementation of the NTA, Mr. Mercer also reported in summary form the informal discussions that were held during the technical conference among those participating as described above. He described the type of questions raised and the information exchanged, and indicates that all participants of the technical conference appeared to support the continuation of the NTA without modification. His testimony indicated an apparent agreement among these participants to continue with the collaborative process in order to share ideas on means to enhance energy efficiency. In that regard, he notes from Commission staff that each Joint Petitioner annually files information on the funds set aside and the use of those funds in the promotion of energy efficiency. Mr. Mercer added that annual reporting is possible and could begin next fall.

**4. Commission Discussion and Findings.** Joint Petitioners originally petitioned this Commission pursuant to Indiana Code § 8-1-2.5-1, *et seq.*, seeking the establishment of an alternative regulatory practice through the implementation of a proposed NTA designed to benefit the public, Joint Petitioners, and enhance energy efficiency. On December 6, 2006, based upon the evidence of record, we agreed with Joint Petitioners' respective requests and authorized each Joint Petitioner to initiate an NTA as proposed. As part of that approval, we directed these Joint Petitioners or the OUCC to seek a technical conference after two years to review the results of the NTA implementation. Based upon the evidence of record, including that presented following the technical conference of October 14, 2009, we believe that Joint Petitioners have complied with our prior orders. Further, the evidence of record reflects that this alternative regulatory practice enhances energy efficiency and continues to benefit the public and Joint Petitioners. We thus find that it is prudent for these Joint Petitioners to continue with the NTA mechanism as implemented. Finally, we believe it is prudent that each of these Joint Petitioners should file on an annual basis, subject to collaborative discussions among Joint Petitioners, the OUCC, and the Natural Gas Division of this Commission, similar information as set forth in the Joint Petitioners' exhibits describing the funds set aside by each Joint Petitioner and the use of such funds to promote energy efficiency.

We note that due to the merger of Boonville and Chandler earlier this year, *infra* n.1, the surviving entity Boonville Natural Gas Corporation shall file its annual report under Cause No. 43135.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:**

1. The NTAs as implemented by each of the Joint Petitioners (Midwest Natural Gas Corporation, Indiana Utilities Corporation, South Eastern Indiana Natural Gas Company,

Fountaintown Gas Company, Inc., Community Natural Gas Company, Inc., Boonville Natural Gas Corporation, Indiana Natural Gas Corporation and Lawrenceburg Gas Company) shall continue without modification or change until further order from this Commission.

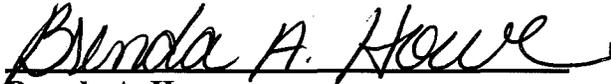
2. Each Joint Petitioner shall file annually, under its respective Cause Number, on or about September 1, information with the Commission as it relates to the funds set aside and use of such funds for the promotion of energy efficiency in keeping with our findings above.

3. This order shall be effective on and after the date of its approval.

**ATTERHOLT, GOLC, AND LANDIS CONCUR; HARDY AND ZIEGNER ABSENT:**

**APPROVED: DEC 02 2009**

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



**Brenda A. Howe**

**Secretary to the Commission**