

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

JOINT PETITION BY THE INDIANA FINANCE)
AUTHORITY ("AUTHORITY") AND INDIANA)
GASIFICATION, LLC ("INDIANA GASIFICATION"))
FOR THE INDIANA UTILITY REGULATORY)
COMMISSION TO (1) APPROVE A SUBSTITUTE)
NATURAL GAS PURCHASE AND SALE AGREEMENT)
ENTERED INTO BY THE AUTHORITY AND INDIANA)
GASIFICATION FOR THE SALE BY INDIANA)
GASIFICATION AND PURCHASE BY THE)
AUTHORITY OF SUBSTITUTE NATURAL GAS ("SNG"))
OVER A 30-YEAR TERM PURSUANT TO I.C. 4-4-11.6;)
(2) IF NECESSARY, ORDER INDIANA REGULATED)
ENERGY UTILITIES TO ENTER INTO A)
MANAGEMENT CONTRACT WITH THE AUTHORITY;)
(3) DECLINE TO EXERCISE JURISDICTION)
PURSUANT TO I.C. 8-1-2.5-5 OVER INDIANA)
GASIFICATION WITH RESPECT TO ITS FINANCING,)
CONSTRUCTING, OWNING AND OPERATING SNG)
PRODUCTION AND TRANSPORTATION FACILITIES,)
AND AN ANCILLARY INTEGRATED COAL)
GASIFICATION POWERPLANT ("ICGP FACILITIES"))
AND ELECTRIC GENERATION FACILITIES WHICH)
USE CLEAN COAL TECHNOLOGY IN CONNECTION)
THEREWITH, AND WHICH PRODUCES SNG TO BE)
SOLD TO THE AUTHORITY AND OTHER PERSONS,)
AND PRODUCES ELECTRICITY WHICH WILL BE)
SOLD TO ENERGY UTILITIES; AND (4) GRANT ALL)
OTHER APPROPRIATE AND ASSOCIATED)
APPROVALS AND RELIEF.)

CAUSE NO. 43976

PREHEARING
CONFERENCE ORDER

APPROVED: MAR 02 2011

BY THE COMMISSION:

James D. Atterholt, Chairman
Angela Rapp Weber, Administrative Law Judge

On December 16, 2010, the Indiana Finance Authority and Indiana Gasification, LLC ("Joint Petitioners") filed their joint petition with the Indiana Utility Regulatory Commission ("Commission") in this matter. Pursuant to a Docket Entry dated January 24, 2011, the Presiding Officers named Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. and Southern Indiana Gas & Electric Company d/b/a Vectren Energy Delivery of Indiana, Inc. (collectively "Vectren Energy") as Respondents to this Cause. The Presiding Officers also ordered Joint Petitioners to amend the joint petition in this Cause, naming each Indiana regulated gas distribution energy utility as a Respondent to this Cause.

Pursuant to notice and as provided for in 170 IAC 1-1.1-15, a Prehearing Conference in this Cause was held on January 27, 2011 in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana at 10:00 a.m.¹ Proofs of publication of the notice of the Prehearing Conference have been incorporated into the record and placed in the official files of the Commission. The Joint Petitioners and the Indiana Office of Utility Consumer Counselor (“Public”) appeared and participated at the Prehearing Conference. Also, counsel for Respondents Northern Indiana Public Service Company, Northern Indiana Fuel & Light Company, Kokomo Gas, Citizens Gas & Coke, Vectren Energy, Community Natural Gas Company, Inc., Midwest Natural Gas Corp., Indiana Natural Gas Corp., Ohio Valley Gas Corp., and Sycamore Gas Company appeared and participated at the hearing. Counsel for the Citizens Action Coalition, Sierra Club, Valley Watch, Spencer County Citizens for Quality of Life, and the Indiana Industrial Group (collectively “Intervenors”) appeared the Prehearing Conference.² No members of the general public appeared.

Prior to the opening of the record and with the consent of all parties in attendance, an informal discussion was held regarding procedural and scheduling matters in this Cause. The agreement of the parties was then read into the record. No parties to this Cause raised an objection concerning the procedural schedule established at the January 27, 2011 Prehearing Conference. Based upon the agreement of the parties, the Commission now enters the following Findings and Order which shall become a part of the record in this proceeding:

1. **Joint Petitioners’ Prefiling Date for Case-in-Chief.** The Joint Petitioners prefiled with the Commission their prepared testimony and exhibits constituting their case-in-chief on January 24, 2011. Copies of same were served upon all parties of record.
2. **Public’s, Respondents’, and Intervenors’ Prefiling Date for Cases-in-Chief.** The Public and all Respondents and Intervenors shall prefile with the Commission the prepared testimony and exhibits constituting their respective cases-in-chief on or before March 23, 2011. Copies of same shall be served upon all parties of record.
3. **Public’s, Respondents’, and Intervenors’ Prefiling Date for Cross-Answers.** The Public and all Respondents and Intervenors shall prefile with the Commission their respective cross-answering testimony and exhibits on or before April 18, 2011. Copies of same shall be served upon all parties of record.
4. **Joint Petitioners’ Rebuttal Prefiling.** The Joint Petitioners shall prefile with the Commission their prepared rebuttal testimony on or before April 21, 2011. Copies of same shall be served upon all parties of record.

¹ As a result of the January 24, 2011 Docket Entry naming each Indiana regulated gas distribution energy utility a Respondent to this Cause, the Presiding Officers scheduled this matter for an additional Prehearing Conference on February 22, 2011 at 9:00 a.m. to ensure sufficient notice pursuant to Indiana Code § 8-1-1-8.

² The Petition to Intervene of the Citizens Action Coalition, Sierra Club, Valley Watch, and Spencer County Citizens for Quality of Life was granted on February 17, 2011, and the Petition to Intervene of the Indiana Industrial Group was granted on February 10, 2011.

5. **Evidentiary Hearing.** In the event this Cause is not settled, the cases-in-chief of the Joint Petitioners, Respondents, Public, and any Intervenors shall be presented in an Evidentiary Hearing to commence at 9:30 a.m. on May 2, 2011 in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. At such time, the direct evidence and cross-answers of the respective parties should be presented and their respective witnesses examined. Thereafter, Joint Petitioners should present their prefiled rebuttal evidence as well as any additional evidence rebutting evidence adduced on cross-examination of Public's, Respondents', or Intervenors' witnesses. If the parties reach settlement, the agreement and supporting testimony and exhibits shall be submitted to the Commission five (5) business days prior to the Evidentiary Hearing.

6. **Sworn Testimony.** Any witness testimony to be offered into the record of this proceeding shall be made under oath or affirmation. In accordance with 170 IAC 1-1.1-18(h), if the prefiled testimony of a witness is to be offered into evidence at the Evidentiary Hearing, and the witness sponsoring the prefiled testimony is not required to, and does not, attend the Evidentiary Hearing, the prefiled testimony shall be accompanied by the witness's sworn affidavit or written verification at the time the evidence is offered into the record.

7. **Discovery.** Discovery is available for all parties and shall be conducted on an informal basis. Any response or objection to a discovery request shall be made within five (5) business days of the receipt of such request. After April 21, 2011, any response or objection to a discovery request shall be made within three (3) business days of the receipt of such request. A discovery request received after noon on a day preceding a non-business day shall be deemed served the next business day. The parties have agreed to receive service electronically.

8. **Prefiling of Workpapers.** When prefilng technical evidence with the Commission, each party shall file copies of the workpapers used to produce that evidence within two (2) business days after the prefilng of the technical evidence. Copies of same shall also be provided to any other party requesting such in writing. When submitting workpapers to the Commission, two (2) copies of each document shall be filed with the Secretary of the Commission.

9. **Number of Copies/Corrections.** With the exception of workpapers, the parties shall file with the Commission an original and five (5) copies of all prefiled testimony and exhibits. Any corrections to prefiled testimony shall be made in writing as soon as possible after discovery of the need to make such corrections. Although the Commission's rules require that original copies be one-sided, it is the Commission's preference that duplicate copies use both sides of the paper.

Parties may also elect to file documents with the Commission using the Commission's Electronic Filing System in lieu of filing paper documents. Pursuant to the terms and conditions of the Electronic Filing System, documents filed electronically are deemed filed the date they are submitted, subject to verification and acceptance by the Commission, and will receive an electronic file stamp. For filings greater than thirty (30) pages in length, a party shall file with the Commission an original and one (1) paper copy within two (2) business days of the electronic filing. When supplying such copies, the party must provide a copy of the email reflecting the electronic filing was accepted by the Commission.

10. **Objections to Prefiled Testimony and Exhibits**. Any objections to the admissibility of prefiled testimony or exhibits shall be filed with the Commission and served on all parties of record no less than two (2) business days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record.

11. **Intervenors**. Any party permitted to become an Intervenor in this Cause shall be bound by the record as it stands at the time its Petition to Intervene is granted, pursuant to 170 IAC 1-1.1-11.

12. **Proposed Orders**. At the January 27, 2011 Prehearing Conference, the parties agreed to the following filing schedule for proposed orders:

a. The Joint Petitioners shall file their proposed order on or before May 31, 2011.

b. The Public, Respondents, and Intervenors shall file their respective proposed orders on or before June 22, 2011.

c. The Public, Respondents, and Intervenors shall file their respective cross-answering exceptions to each other's proposed orders on or before July 1, 2011.

d. The Joint Petitioners shall file their reply to the Public's, Respondents', and Intervenors' proposed orders on or before July 11, 2011.

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

1. The determinations of the Prehearing Conference set forth in this Order are made a part of the record in this Cause and shall be binding on all present and future parties of record during the proceedings of this Cause.

2. This Order shall be effective on and after the date of its approval.

ATTERHOLT, LANDIS, MAYS AND ZIEGNER CONCUR; BENNETT ABSENT:

APPROVED:

MAR 02 2011

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



Brenda A. Howe

Secretary to the Commission