STATE OF INDIANA

ORIGINAL
NOVEMBER 6, 2008

INDIANA UTILITY REGULATORY COMMISSION
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MEMORANDUM

TO: Commissioners Hardy, Golc, Landis, Server and Ziegner

BKB

FROM: Bradley K. Borum, Director of Electricity

DATE: November 3, 2008

RE: ***AMENDED*** Utility Articles for Next Conference

The following Final Article "D" and Preliminary Articles "A" are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after November 6, 2008.

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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 this filing in Commission Order No. 34614 have been met and I recommend approval.

Item No.	***Utility Name***	***Purchased Power Cost Tracker***		***Filing No.***
		Resultant ($/kWh)	***Change ($/kWh)***	
1.	Harrison County	0.008327	0.005641	081106D

The changes in rates are for consumption beginning October 1, 2008.

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

"A" Preliminaries

The following new miscellaneous items have been reviewed by staff members of the Commission and we recommend accepting them for filing.

1. Vectren Energy Delivery of Indiana, Inc.

Vectren requests permission to create a new rate schedule to remedy a previous schedule that has resulted in unexpectedly high bills for one of its customers.

The City of Evansville's Municipal Levee Authority (MLA) protects the city from flooding by maintaining a levee and operating a series of pumping stations. Heavy rainfall in southern Indiana in the Spring of 2008 caused MLA's electricity demand to increase and its demand charges to double. The Authority's unique rate schedule with Vectren has further resulted in extremely high demand charges since that time.[1]

Vectren's proposal to establish a new Rate MLA will specify a monthly Contract Demand that is based on MLA's historical electricity consumption patterns, excluding the Spring of 2008. MLA's new monthly Billing Demand will be equal to the higher of Actual Demand or Contract Demand.

The new Rate MLA will reduce current MLA Billing Demand Charges by approximately $7,000 per month and will achieve an annual revenue recovery approximately equal to the revenue recovery expected from MLA in Vectren's last rate case. This new rate will be revenue neutral for other customers.

The tariff sheet affected by this filing is:

- Rate MLA, Municipal Levee Authority Service, Sheet No. 20.

2. Northeastern Rural Electric Membership Corporation

Northeastern REMC proposes to modify language in Appendix B of its current tariff so as to clarify that, when a customer has been previously notified that he will be disconnected on a certain date due to delinquency, a collection charge of $45.00 will be assessed the customer on that date as soon as an employee leaves the utility's premises to disconnect the customer's electricity. The language was previously unclear as to whether the charge would still be assessed if the customer made payment while the employee was en route to the customer's home.

The tariff sheet affected by this filing is:

- Appendix B, Miscellaneous Charges, Item 5, Collection Charges.

[1] The current rate schedule applicable to the MLA, Rate DGS, charges MLA for demand based on the higher of the current month's actual demand or 60% of the highest actual demand occurring in the previous twelve months.

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

Bradley K. Borum

Bradley K. Borum, Director
Electricity 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.

_____
Brenda A. Howe
Secretary to the Commission