STATE of INDIANA

ORIGINAL
DECEMBER 5, 2007

INDIANA UTILITY REGULATORY COMMISSION
101 W. WASHINGTON STREET, SUITE 1500E
INDIANAPOLIS, INDIANA 46204-3407

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MEMORANDUM

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

FROM: Jane Steinhauer, Director of Natural Gas Division

DATE: November 29, 2007

RE: Utility Article for Next Conference

The following Preliminary Article is submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after December 5, 2007.

JS/plb

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

Jane Steinhauer
Director of Natural Gas 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

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"A" Preliminary

This preliminary item has been reviewed and the filing is hereby recommended by Commission staff for acceptance.

1. Citizens Gas & Coke Utility

The Utility proposes to change Rider E – Energy Efficiency Adjustment (EEA), consistent with the Commission's Order on Rehearing in Cause No. 42767.

The EEA contains an Energy Efficiency Funding Component (EEFC) and a Sales Reconciliation Component (SRC). The purpose of the EEA is to adjust the delivery charges for Gas Rates Nos. D1, D2, D3, and D4 for (1) the EEFC which provides for the recovery of costs of funding energy efficiency efforts throughout the Utility's service area and (2) the SRC which provides for the recovery of the differences between Actual Margins and Adjusted Order Granted Margins for the applicable rate schedules.

The proposed net Rider E - Energy Efficiency Adjustment factors per therm, based upon expected calendar year 2008 throughput to gas customers in Gas Rate Nos. D1, D2, D3, and D4 are:

Rate Schedule	(A) Energy Efficiency Funding Component	(B) Sales Reconciliation Component	(A) + (B) Energy Efficiency Adjustment Rate
Gas Rate D1	$0.0000/therm	$0.0020/therm	$0.0020/therm
Gas Rate D2	$0.0000/therm	($0.0002)/therm	($0.0002)/therm
Gas Rate D3	$0.0000/therm	($0.0006)/therm	($0.0006)/therm
Gas Rate D4	$0.0000/therm	$0.0000/therm	$0.0000/therm

The following pages of Citizens' tariff affected by this filing are:

- Page Nos. 505 and 505A – Rider E

Jane Steinhauer
Director of Natural Gas Division