

Indiana Utility Regulatory Commission



Annual Report

Electric • Natural Gas • Water • Wastewater • Communications

2010

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Mission Statement



The Commission's mission is to assure that utilities and others use adequate planning and resources for the provision of safe and reliable utility services at a reasonable cost. [I.C. § 8-1-2-4]

Responsibilities



The Indiana Utility Regulatory Commission (IURC or Commission) is a fact-finding body that hears evidence in cases filed before it and makes decisions based on the evidence presented in those cases. An advocate of neither the public nor the utilities, the IURC is required by state statute to make decisions that balance the interests of all parties to ensure the utilities provide adequate and reliable service at reasonable prices.

The IURC regulates electric, natural gas, steam, water, and sewer utilities, and to a lesser extent, telecommunications and video providers. The Commission also oversees natural gas pipeline companies in the state of Indiana and makes sure operators of gas distribution systems follow state and federal guidelines established to promote the safe, reliable transportation of natural gas to gas customers. The utilities regulated by the Commission may be investor-owned, municipal, not-for-profit corporations, or cooperative utilities. The Commission, however, does not regulate municipal sewer utilities or those who “opt out” of its jurisdiction pursuant to Indiana Code § 8-1.5-3-9.

The Commission regulates various aspects of the public utilities’ business including their rates, financing, bonding, environmental compliance plans and service territories. The Commission has regulatory oversight concerning construction projects and acquisition of additional plants and equipment. The Commission also has authority to initiate investigations into all utilities’ rates and practices. The IURC receives its authority from Indiana Code Title Eight. Numerous court decisions further define the Commission’s function.

The Commission promulgates its “*Rules and Regulations Concerning Practice and Procedure*” as well as “*Rules and Regulations and Standards of Service*” to govern each type of utility. The Commission makes changes to its rules through a process requiring notice, a public hearing and Commission adoption. The statute also requires approval from the Attorney General and the Governor.

The Indiana Utility Regulatory Commission was originally established to regulate railroad activity in the early 1900s. However in 1913, the agency was given regulatory responsibility over natural gas, water, electric, telephone and transportation services, and it was renamed the Public Service Commission of Indiana (PSCI). In 1987, the General Assembly changed the name of the agency once again, and the PSCI became the IURC. The Commission no longer regulates railroads or transportation.



Commission Procedures

Utilities must follow administrative law requirements in proceedings before the Indiana Utility Regulatory Commission. Those proceedings include, but are not limited to, requests for rate changes, fuel or gas cost adjustments, and territorial authority.

Hearing Procedures

1. A formal proceeding before the Indiana Utility Regulatory Commission (Commission) begins with the filing of a Petition or Complaint with the Commission. The Commission also has the authority to open a Formal Investigation into matters as may be necessary. A Petition, Complaint, or notice of Formal Investigation is given a five-digit cause number and assigned to an Administrative Law Judge and staff members within the appropriate technical division. A single Commissioner may also be assigned to the proceeding.
2. Following the assignment of a proceeding, the matter is scheduled for a Prehearing Conference to establish a procedural schedule that includes dates for the prefiling of testimony and the date for the Evidentiary Hearing. In some instances, a public Field Hearing may be held in the utility's largest service territory. Field Hearings are generally scheduled in the evening to provide customers of the utility with an opportunity to express their opinions about the utility's case directly to the Commission.
3. Once the utility files its case-in-chief testimony, intervening parties to the proceeding and the Office of Utility Consumer Counselor (OUCC) may file their case-in-chief testimony, which contains evidence in support of their positions. The utility then has an opportunity to prefile rebuttal testimony in response to the testimony presented by intervening parties and the OUCC.
4. After all parties have prefiled their testimony and exhibits, an Evidentiary Hearing is conducted by the Commission on the date and time scheduled in the Prehearing Conference Order. The assigned Administrative Law Judge presides over the Evidentiary Hearing along with the assigned Commissioner. Assigned staff attends the Evidentiary Hearing and additional Commissioners may also attend the Evidentiary Hearing. During the Evidentiary Hearing, the parties present their direct and rebuttal testimony and witnesses are cross-examined. All testimony presented at the Evidentiary Hearing becomes part of the record in that proceeding. In every proceeding, the Commission must issue its decision based on matters that are part of the record.
5. Following the close of the Evidentiary Hearing, the Commission issues an Order in the proceeding. Determinations made by the Commission in its Orders may be appealed to the Indiana Court of Appeals.

Conference Schedule and Location

Conference is generally held each Wednesday at 2:00 p.m. EST. For a complete schedule and/or to access weekly Conference agendas, please visit our website at www.in.gov/iurc/2428.htm.

PNC Center
Judicial Courtroom 222
101 W. Washington Street
Indianapolis, Indiana 46204

David Lott Hardy

Chairman



Appointed: September 15, 2005

Appointed By: Governor Daniels

Term Expires: April 2014

Party: Republican

David Lott Hardy was appointed Chairman of the Indiana Utility Regulatory Commission on September 15, 2005 by Governor Mitchell E. Daniels, Jr and then reappointed in April 2010. His term will expire in 2014.

An attorney, Chairman Hardy has practiced law for more than 40 years, concentrating on utility-related issues. His primary practice has been in Indiana and Kentucky where he has been an in-house attorney, a member of a law firm and in private practice. He is a graduate of Indiana University and the Indiana University School of Law in Bloomington.

Jim D. Atterholt

Commissioner



Appointed: June 22, 2009

Appointed By: Governor Daniels

Term Expires: April 2013

Party: Republican

Commissioner Jim Atterholt was appointed by Governor Mitch Daniels on June 22, 2009 to the Indiana Utility Regulatory Commission.

Prior to joining the Commission, he was the State Insurance Commissioner for more than four years where he also served as a member of the Governor's Cabinet. Atterholt worked as Director of Government Affairs for AT&T--Indiana from 2003 to 2004.

Commissioner Atterholt has dedicated much of his life to public service. He was elected and served two terms as a member of the Indiana General Assembly from 1998 to 2002. As a State Representative he served on the House Commerce, Economic Development and Technology Committee, which has jurisdiction over all utility-related legislation. Atterholt also served on the Environmental Affairs Committee as well as the Labor Committee. Atterholt has also worked as Chief of Staff in Washington D.C. and later as District Director in Indiana for a member of the United States Congress where his responsibilities included energy issues.

A native of Fort Wayne, Indiana, Commissioner Atterholt received his bachelor's degree from the University of Wisconsin in 1986. Atterholt is a member of the National Association of Regulatory Utility Commissioners (NARUC) where he serves on the Committee on Gas. He also serves on the Board of Directors of the Saint Florian Center for at-risk-children. Married for 22 years to his wife, Brenda, they are blessed with three children and currently reside in Indianapolis.

Larry S. Landis

Commissioner



Appointed: December 17, 2002

Appointed By: Governor O'Bannon

Term Expires: December 2011

Party: Republican

Commissioner Larry S. Landis was appointed to the Indiana Utility Regulatory Commission by the late Governor Frank O'Bannon in December 2002, joining the Commission in January 2003 to fill an unexpired term. In July of 2004, he was re-appointed to a full four-year term by former Governor Joe Kernan, and to a second full four-year term by Governor Mitch Daniels in December 2007.

Landis has served the National Association of Regulatory Utility Commissioners (NARUC) in a variety of telecommunications-related roles. He was named to the Telecommunications Committee in mid-2003, and was Vice Chair of NARUC's Inter-carrier Compensation Task Force. In January of 2005, Landis was nominated by NARUC and named to the Federal-State Joint Conference on Advanced Telecommunications Services, of which he is now State Chair; and in November 2005, he was nominated by NARUC and appointed to the Federal-State Joint Board on Universal Service. In May 2008, Landis was appointed to the NARUC Board of Directors. He is also a member of the Advisory Board of the Financial Research Institute at the College of Business, University of Missouri/Columbia; and of the Society of Utility and Regulatory Financial Analysts (SURFA).

Prior to his appointment to the IURC, he was president and founder of Marketrends, a marketing and communications company organized in 1991, and co-founder of American Grassroots, established in 1999 to introduce new "grassroots" communications technologies to member organizations (such as trade organizations), public policy organizations, political campaigns, and utilities.

He worked on the political campaigns of former Indianapolis Mayor and Indiana's Senior Senator Richard G. Lugar; former Senate candidate from Indiana and first Administrator of the U.S. Environmental Protection Agency William D. Ruckelshaus; former Indiana Governor and former U.S. Health and Human Services Department Secretary Dr. Otis R. Bowen; and former Indiana Secretary of State and Congressional candidate William N. Salin. He also served as Assistant to the Mayor in the Lugar administration from 1969-1971. He spent 30 years in the private sector prior to being named to the IURC.

Landis is a *cum laude* graduate of Wabash College with a double major in political science and economics, and has done graduate work at the University of North Carolina/Chapel Hill and at Indiana University. He and his wife Carol are the parents of Christopher, who lives with his wife Heather and their daughters, Lauren and Anna, in the Indianapolis area.

Carolene R. Mays

Commissioner



Appointed: February 17, 2010

Appointed By: Governor Daniels

Term Expires: January 2014

Party: Democrat

Commissioner Carolene R. Mays was appointed by Governor Mitch Daniels on February 17, 2010 to the Indiana Utility Regulatory Commission. Prior to joining the Commission, she was the publisher and president of the Indianapolis Recorder Newspaper and the Indiana Minority Business Magazine.

From 2002 to 2008, Mays served in the Indiana House of Representatives and sat on the committees for Small Business and Economic Development, Ways and Means and Public Health. On a national level, she served on committees with the National Black Caucus of State Legislators, National Conference of State Legislators and Women in Government. She retired from her state representative position in November, 2008. During her term, Mays received several Legislator of the Year awards and the Torchbearer Award, the highest honor given by the Indiana Commission for Women. Additionally, she was listed by Roll Call, a Washington D.C. publication, as a "Rising Star in Indiana Politics."

Currently, Mays serves on the Marion County Capitol Improvement Board, the Indiana Sport Corporation and Peyton Manning's PeyBack Foundation, among others. She will again serve as chairperson for the NCAA Women's Final Four in 2011 and has been named division chairperson for the 2012 NFL Super Bowl in Indianapolis.

Mays is a member of Eastern Star Church, Alpha Kappa Alpha Sorority, Indianapolis Chapter of the Links and the NAACP. She is married and has one daughter and three stepsons.

David E. Ziegner

Commissioner



Appointed: August 25, 1990

Appointed By: Governor Bayh

Term Expires: April 2011

Party: Democrat

David E. Ziegner was appointed to the Indiana Utility Regulatory Commission on August 25, 1990 by Governor Evan Bayh and reappointed to a full, four-year term in April of 1991 and again in December of 1995. He was reappointed by Governor Frank O'Bannon in November 1999, and again in 2003. Commissioner Ziegner was reappointed by Governor Mitch Daniels in March of 2007. A Democrat, Ziegner's term expires April 2011.

Commissioner Ziegner is Vice Chair of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on Electricity and is former chairman of its Clean Coal and Carbon Sequestration Subcommittee. He is also a member of the Mid-America Regulatory Conference and the National Coal Council.

Additionally, Ziegner is the former chairman of the Advisory Council of the Center for Public Utilities at New Mexico State University and a member of the Consortium for Electric Reliability Technology Solutions (CERTS) Industry Advisory Board. He is a former member of the Advisory Council of the Electric Power Research Institute (EPRI).

Ziegner is a native Hoosier. He earned his B.A. in history and journalism from Indiana University in 1976. He obtained his J.D. degree from the Indiana University School of Law in Indianapolis in 1979 and was admitted to the Indiana Bar and U.S. District Court in that same year.

Prior to joining the Commission, Ziegner served as a staff attorney for the Legislative Services Agency, where he developed his background in both utility and regulatory issues. As the agency's senior staff attorney, he specialized in legislative issues concerning utility reform, local measured telephone service, the citizen's utility board and pollution control. Most recently, Mr. Ziegner was the General Counsel for the IURC.

Ziegner, his wife, Barbara, and their daughter, Jennifer, reside in Greenwood and are members of the Northminster Presbyterian Church.

Executive Directors



Joseph Sutherland

Executive Director

Executive Director **Joseph M. Sutherland** leads the Commission's Governmental Affairs group and serves as the chief liaison for legislative issues. He is also the senior supervisory authority over the Consumer Affairs Division. In addition, Sutherland oversees agency internal operations, including oversight of various ancillary functions such as information technology and public information as well as the Commission's financial affairs and budget.



Scott Storms

General Counsel

General Counsel **Scott R. Storms** serves as the chief legal advisor to the Commission. Attorneys in the Office of General Counsel provide complete legal support for all aspects of the Commission's operation, including acting as the Commission's Ethics Officer. Attorneys in the Office of General Counsel serve as Administrative Law Judges in formally docketed Commission proceedings; conduct legal research on a wide range of issues; participate in matters before the Federal Energy Regulatory Commission; and, work in concert with the Attorney General's Office on appeals of Commission Orders and other litigation involving the Commission.



Robert Veneck

Executive Director

Executive Director **Robert H. Veneck, Jr** leads the technical operations group and is the senior supervisory authority over the Commission's electricity, natural gas, water, sewer, communications, pipeline safety and energy policy divisions. In addition, Veneck directs the activities of the State Utility Forecasting Group at Purdue University for matters requested by the Commission.

Divisions & Offices

Electricity

Director **Brad Borum** manages the Electricity Division, which monitors and evaluates regulatory and policy initiatives that affect the electric utility industry.

The division reviews and advises the Commission on regulatory proceedings initiated by Indiana electric utilities involving increases in rates, environmental compliance plans, permission to build or purchase power generation plants, energy efficiency programs, and other matters. It also monitors electric utility performance for reliability and service quality. Electricity Division staff examine information from Commission-initiated investigations and assist the Commission in developing potential rulemakings.

The division is responsible for following actions by the Federal Energy Regulatory Commission (FERC) that may affect Indiana's electric utilities. Division staff also maintain the collection of annual reports from electric utilities and manage the periodic earnings review of all publicly-, municipally- and cooperatively-owned utilities with more than 5,000 customers.

Due to the growing impact of regional and federal energy policies on Indiana, the IURC organized an intra-agency RTO/FERC Team that has been chartered with monitoring, evaluating and recommending policy and positions regarding regional and federal energy issues to the IURC Executive Team and Commissioners. The RTO/FERC Team actively monitors the activity of the two regional transmission organizations that operate in Indiana, the Midwest Independent Transmission System Operator, Inc. (Midwest ISO) and the PJM Interconnection, LLC (PJM), and represents the IURC at RTO committee meetings. The Team also prepares comments on behalf of the Commission and participates in FERC regulatory proceedings that affect Indiana utilities and consumers.



In addition to the responsibilities listed above, the team provides counsel on docketed activities dealing with regional and federal energy issues that come before the Commission.

Natural Gas

Natural Gas Division Director **Jane Steinhauer** manages staff in monitoring and evaluating regulatory and policy initiatives that affect the natural gas utility industry.

The division is responsible for examining and evaluating information from regulatory and policy related proceedings initiated by Indiana natural gas utilities involving gas cost adjustments, rates, service territories, Commission-initiated investigations and industry-related rulemakings. This includes analyzing various forms of alternative regulatory proposals, such as trackers, decoupling and customer choice for gas utility customers. Additionally, the division's responsibilities include advising the Commission on policy-related matters (e.g., gas procurement practices) and financial-related matters such as revenue requirements and the allowed return . . .

... in rate case proposals required for utilities to adjust their current rates and charges. The division verifies the accuracy of filings from utilities and other parties as a result of cases or regulatory compliance.

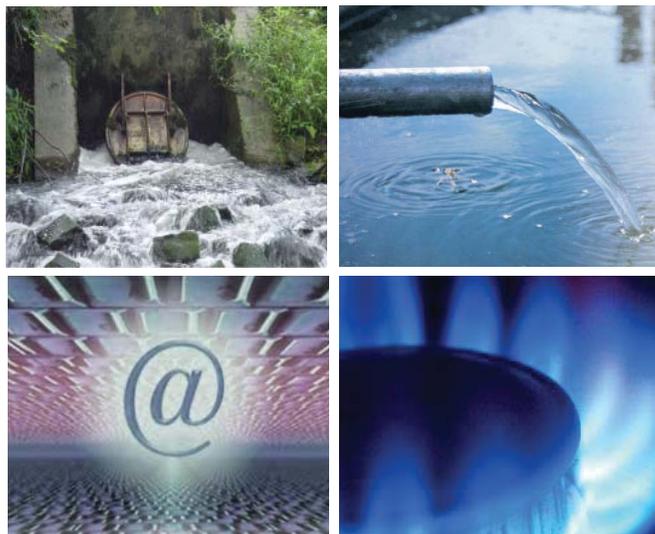
The division maintains the financial annual reports from the regulated natural gas utilities and monitors the periodic review of all publicly- and municipally-owned utilities with more than 5,000 customers. This Division also coordinates with the Pipeline Safety Division, especially regarding costs associated with state and federal safety standards.

Pipeline Safety

Pipeline Safety Director **William Boyd** and his staff administer federal and state pipeline safety standards that apply to natural gas and hazardous liquid pipeline operators. These standards apply to all intrastate gas and hazardous liquid pipeline operators in Indiana regardless of whether they have withdrawn from the Commission's economic jurisdiction.

Pipeline Safety engineers enforce the minimum safety standards established by the U.S. Department of Transportation as they apply to the design, installation, inspection, testing, construction, extension, operation, replacement and maintenance of the pipeline facilities of the aforementioned natural gas and hazardous liquid pipeline operators. The division also enforces the U.S. Department of Transportation's anti-drug program for gas operators within Indiana as well as integrity management, operator qualification and damage prevention regulations. In addition, with the passing of modifications to I.C. § 8-1-26, Damage to Underground Facilities, the division is responsible for investigating possible violations of this law for potential civil penalties.

The division is funded jointly by the Commission and the U.S. Department of Transportation and works closely with its federal partners. Additionally, the division regularly sponsors or participates in various gas safety training programs each year. Pipeline Safety engineers work with operators of small gas systems (municipal utilities and master meters) to help them operate a safe and efficient gas system.



Water/Wastewater

Water/Sewer Director **Curt Gassert** and his team of analysts develop, monitor and evaluate regulatory and policy issues that affect the water and wastewater industries. Staff spends the majority of its time advising the Commission on technical matters related to pending cases before the Commission, the most significant of which is establishing the appropriate level of revenues in rate cases.

Water/Sewer Division staff also provide assistance with utility investigations, Commission rulemakings, and complaints submitted to the Consumer Affairs Division. The Commission investigations, both formal and informal, frequently involve the resolution of problems created by small, troubled water or wastewater utilities. Typical rulemakings include developing policies for water meter testing standards and criteria for processing differing types of utility requests for rate increases. Billing disputes and disconnection of service are common consumer complaints.

The division also processes requests by water and sewer utilities to change rates and charges through the . . .

... 30-day filing process. The 30-day filing process is designed to allow certain types of requests, such as changes to reconnect fees and “trackers,” to be reviewed and approved by the Commission in a more expeditious and less costly manner than a formal docketed case.

Communications

Communications Director **Pamela Taber** and her staff manage Indiana-specific issues related to video and telecommunications services. The division executes the IURC authority as the sole video franchise authority in Indiana. It also provides policy advice on telecommunications issues such as dual-party relay service; 211 services; slamming and cramming; telecommunications providers of last resort; numbering and area code issues; and disputes between carriers.

Additionally, the division oversees the certification of Communications Service Providers and monitors competition in the communications industry by gathering, tracking and storing information about all types of communications providers and the areas where they offer their services in order to report to the General Assembly, as required by statute.

Consumer Affairs

The **Consumer Affairs Division’s** purpose is to ensure utility and customer compliance with Commission rules and regulations through reasonable and timely determinations and to monitor the quality of service provided. Therefore, the division’s primary responsibility is to mediate disputes between utilities and consumers.

In order to ensure such rules and regulations remain current, the division participates in the review and revision of the “Rules, Regulations and Standards of Service” for Indiana utilities.

Additionally, the division utilizes information gathered during its complaint handling process to alert the Commission to any unfavorable trends. If staff realizes a problem may exist, the division may request the initiation of an investigation by Commission staff or advise consumers of the policies and procedures available to petition the Commission for an investigation.



Public Information

Public Information Officer **Danielle McGrath** provides information to various groups both internally and externally on behalf of the Commission. She is responsible for informing the media about Commission actions and utility regulation in addition to having oversight of the Commission website. McGrath also serves as the point of contact for utility consultants, financial analysts and individual members of the public and is a member of the Governmental Affairs team.

Her responsibilities also include writing and distributing news releases, publishing yearly reports and assisting the media at Commission proceedings such as field hearings where the general public is able to comment on pending cases.

Information Technology

Information Technology Director **Wayne Remick** manages the Commission's electronic information systems. A primary role of the IT Division is to provide application support and assist the Indiana Office of Technology (IOT) with network services and general technical support for the Commission. The division also provides and supports the Commission's electronic Case Management System (eCMS).

State Utility Forecasting Group

The **State Utility Forecasting Group** (SUFG) was established by state law in 1985 to provide the Commission with an impartial projection of the future growth of electric use in Indiana. The SUFG has been assisting the state for more than 20 years through its forecasts of electricity consumption, prices and resource requirements.

The SUFG also provides information for the General Assembly's Regulatory Flexibility Committee and testifies in certain proceedings before the Commission. The SUFG's offices are located at Purdue University in West Lafayette, Indiana.



Staff Roster

Appointed Officials

Chairman David Lott Hardy
Commissioner Jim Atterholt
Commissioner Larry Landis

Commissioner Carolene Mays
Commissioner David Ziegner

Executive Directors

Joseph Sutherland, Governmental/External Affairs
Scott Storms, General Counsel

Bob Veneck, Technical Operations

Governmental Affairs & Operations

Joseph Sutherland, Executive Director
Danielle McGrath, Public Information Officer
Mary Becerra, Business Manager

Peggy Lough, Executive Officer Manager
Stacy Hunter, Document Center Coordinator

General Counsel

Scott Storms, General Counsel
Loraine Seyfried, Deputy General Counsel
Beth Krogel-Roads, Legal Counsel RTO/FERC Issues
DeAnna Brunner, Administrative Law Judge
Jeff Earl, Administrative Law Judge

Aaron Schmall, Administrative Law Judge
David Veleta, Administrative Law Judge
Angela Weber, Administrative Law Judge
Lynda Ruble, Senior Court Reporter
Amy Tokash, Court Reporter

Technical Operations

Bob Veneck, Executive Director

Electricity

Brad Borum, Director
Dale Thomas, Assistant Director
Mike Gallagher, Chief Accountant
Jim Ray, Director of Integrated Resource Planning
Dave Johnston, Chief Technical Advisor for RTOs, FERC
Robert Pauley, Chief Technical Advisor for RTOs, FERC

Rich Brunt, Utility Analyst
Colleen Shutrump, Utility Analyst
George Stevens, Utility Analyst
Michael Whitmore, Utility Analyst
Mike Williams, Utility Analyst

Project Oversight

Jerry Webb, Director

Natural Gas

Jane Steinhauer, Director
Chris Lewis, Assistant Director
Grant Gray, Utility Analyst

Shanda Huggins, Utility Analyst
Mike Pudleiner, Utility Analyst
Keith Robinson, Utility Analyst

Staff Roster

Pipeline Safety

| | |
|---|--|
| Bill Boyd, Director | Dan Novak, Pipeline Safety Engineer |
| Mike Enlow, Pipeline Safety Engineer | Michael Orr, Pipeline Safety Engineer |
| Howard Friend, Pipeline Safety Engineer | Jay Scherer, Pipeline Safety Engineer |
| John McLaughlin, Pipeline Safety Engineer | Chuck Weindorf, Pipeline Safety Engineer |
| Rich Medcalf, Pipeline Safety Engineer | |

Water/Wastewater

| | |
|--------------------------------------|--------------------------------|
| Curt Gassert, Director | Dana Lynn, Utility Analyst |
| Joel Fishkin, Senior Utility Analyst | Marcus Turner, Utility Analyst |
| Brian Latham, Utility Analyst | |

Communications

| | |
|------------------------------------|-------------------------------|
| Pam Taber, Director | Sally Getz, Utility Analyst |
| Karl Henry, Senior Utility Analyst | Brian Mahern, Utility Analyst |

Consumer Affairs

| | |
|----------------------------------|-------------------------------------|
| Kenya McMillin, Interim Director | Sara Satterfield, Complaint Analyst |
| Patrick Evans, Complaint Analyst | Darian Unruh, Complaint Analyst |
| Graham Gray, Complaint Analyst | |

Information Technology

| | |
|----------------------------------|---------------------------------------|
| Wayne Remick, Director | Kevin Sosbe, Data/Security Specialist |
| Tracy Gaynor, Assistant Director | |

Executive Assistants

| | |
|-------------|---------------|
| Brenda Howe | Sandy Gearlds |
|-------------|---------------|

Paralegals

| | |
|-----------|-------------|
| Shala Coe | Bobi Culver |
|-----------|-------------|

Administrative Assistants

| | |
|-------------------|-----------------|
| Connie Childress | Linda Demaree |
| Brandy Darlington | Kelsey Klingler |

IURC Receptionist

| |
|----------------|
| Susan Stephens |
|----------------|

Staff Directory

As a governmental agency whose operations affect the public, the Indiana Utility Regulatory Commission welcomes requests for information on matters affecting the utility industry.

Inquiries may be made by mail, phone, facsimile or the Internet.

Indiana Utility Regulatory Commission
101 W. Washington Street, Suite 1500 E
Indianapolis, IN 46204-3407

P: (317) 232-2701

F: (317) 232-6758

I: www.in.gov/iurc

| | |
|--------------------------------|----------------|
| Reception Desk..... | (317) 232-2701 |
| Chairman or Commissioners..... | (317) 232-2705 |
| Executive Directors..... | (317) 232-2703 |
| General Counsel..... | (317) 232-2102 |
| Electricity Division..... | (317) 232-2733 |
| Energy Policy..... | (317) 232-2748 |
| Natural Gas Division..... | (317) 232-0037 |
| Pipeline Safety..... | (317) 232-2718 |
| Water/Sewer Division..... | (317) 232-0037 |
| Communications Divison..... | (317) 232-5559 |
| Operations..... | (317) 233-8720 |
| Document Center..... | (317) 232-2642 |
| Court Reporting..... | (317) 232-2731 |
| Media Inquiries..... | (317) 232-2297 |
| Consumer Affairs Division..... | (317) 232-2712 |
| Toll-free..... | (800) 851-4268 |
| Call Before You Dig..... | 811 |

Annual Budget

Fiscal Year 2009-2010

| Expenses | Allotments | Expenditures |
|---------------------------------------|-----------------------|-----------------------|
| Personnel | \$6,494,609.63 | \$6,494,609.63 |
| Utilities | \$169,792.57 | \$169,792.57 |
| Contracts and External Services | \$898,660.94 | \$877,642.04 |
| Supplies and Materials | \$45,840.36 | \$43,273.58 |
| Capital and Equipment | \$34,025.93 | \$34,025.93 |
| Payments to other Government Units | \$1,675.09 | \$1,675.09 |
| Social Service Payments | \$25,632.06 | \$25,623.06 |
| Administrative and Operating Expenses | \$665,467.14 | \$665,467.14 |
| Total | \$8,335,703.72 | \$8,312,118.04 |

Public Utility Fee

Billable Portion of the Budget

2010-2011 Budget

| | | |
|-------------------------------|-------------------------------|------------------------|
| Utility Regulatory Commission | \$8,646,771.00 | |
| Utility Consumer Counselor | \$5,173,700.00 | |
| Expert Witness Fund | \$751,750.00 | |
| | Total 2010-2011 Budget | \$14,572,221.00 |

2009-2010 Budget Augmentations

| | | |
|-------------------------------|--------------|---------------------|
| Utility Regulatory Commission | \$310,079.00 | \$310,079.00 |
|-------------------------------|--------------|---------------------|

2008-2009 Reversions

| | | |
|-------------------------------|---|------------------------|
| Utility Regulatory Commission | \$5,315.76 | |
| Utility Consumer Counselor | \$668,610.53 | |
| Expert Witness Fund | \$349,482.78 | |
| | Total 2008-2009 Reversions | \$1,023,409.07 |
| | Billable Portion of the 2010-2011 Budget | \$13,858,890.93 |

2008 Utility Intra-State Revenues

| | | |
|------------------------------------|---|----------------------------|
| Electric Utilities (46) | \$6,776,995,414.00 | |
| Gas Utilities (21) | \$1,796,948,370.00 | |
| Sewer Utilities (26) | \$28,303,277.00 | |
| Telecommunications Utilities (239) | \$2,864,796,637.00 | |
| Water Utilities (45) | \$186,380,528.00 | |
| | Total Intra-State Revenues (377) | \$11,653,424,226.00 |

2009-2010 Public Utility Fee Billing Rate

| | | |
|---|--|-------------------|
| Billable Portion of the 2010-2011 Budget | \$13,858,890.93 | |
| Divide By: Total Utility Intra-State Revenues | \$11,653,424,226.00 | |
| | 2010-2011 Public Utility Fee Billing Rate | 0.00118925 |

Consumer Complaints



Consumer Affairs

Fiscal Year 2009-2010

| Natural Gas | | Electric | |
|--------------------------|--------------------|--------------------------|--------------------|
| Complaint Type | Number | Complaint Type | Number |
| Billing Disputes | 235 | Billing Disputes | 525 |
| High Bill | 63 | High Bill | 190 |
| Deposit | 40 | Deposit | 73 |
| Interruption | 18 | Payment Arrangements | 37 |
| Unpaid Bills | 12 | Interruption | 36 |
| Service Charge | 10 | Estimates | 31 |
| Other | 92 | Other | 158 |
| Disconnections | 99 | Disconnections | 161 |
| Payment Arrangements | 14 | Payments Arrangements | 33 |
| Unpaid Bills | 15 | Unpaid Bill | 31 |
| Interruptions | 22 | Interruption | 23 |
| Deposit | 14 | High Bill | 13 |
| Other | 34 | Other | 61 |
| Inquiry Only | 232 | Inquiry Only | 432 |
| Deposit | 32 | Rates | 44 |
| Rates | 23 | Interruption | 27 |
| Service Charge | 20 | Construction | 34 |
| Budget | 15 | Deposit | 32 |
| High Bill | 15 | Payment Arrangement | 31 |
| Other | 127 | Other | 264 |
| Service Related | 40 | Service Related | 128 |
| New Service | 14 | Interruption | 29 |
| Response Time | 7 | Equipment/Meter | 12 |
| Deposit | 2 | New Service | 27 |
| Payment Arrangement | 2 | Tree Trimming | 10 |
| Other | 15 | Other | 50 |
| Other | 0 | Other | 0 |
| Total Complaints | 606 | Total Complaints | 1,246 |
| Total Adjustments | \$20,876.43 | Total Adjustments | \$27,587.23 |

Consumer Affairs

Fiscal Year 2009-2010

| Video | | Telecom | |
|--------------------------|-------------------|--------------------------|--------------------|
| Complaint Type | Number | Complaint Type | Number |
| Billing Disputes | 19 | Billing Disputes | 577 |
| High Bill | 4 | Cramming | 321 |
| Rates | 2 | Slamming | 193 |
| Response Time | 2 | High Bill | 15 |
| Error | 1 | Error | 9 |
| Other | 10 | Service Charge | 5 |
| | | Other | 34 |
| Disconnection | 1 | | |
| Error | 1 | Disconnections | 4 |
| | | High Bill | 1 |
| Inquiry/Other | 718 | Interruption | 1 |
| High Bill | 96 | No Jurisdiction | 1 |
| Channel Availability | 29 | Service Charge | 1 |
| Interruption | 98 | | |
| Rates | 82 | Inquiry Only | 1,225 |
| No Jurisdiction | 65 | Interruption | 266 |
| Service Charge | 46 | High Bill | 139 |
| Other | 302 | Rates | 87 |
| | | Internet/DSL | 78 |
| Service Related | 34 | No Jurisdiction | 74 |
| Response Time | 23 | Service Charge | 64 |
| Interruption | 2 | Other | 517 |
| Equipment/Meter | 1 | | |
| Porting | 3 | Service Related | 33 |
| Other | 5 | Porting | 14 |
| | | Interruption | 7 |
| Other | 0 | Slamming | 5 |
| | | Response Time | 3 |
| Total Complaints | 772 | Other | 4 |
| Total Adjustments | \$4,928.07 | | |
| | | Other | 0 |
| | | | |
| | | Total Complaints | 1,839 |
| | | Total Adjustments | \$50,674.96 |

Consumer Affairs

Fiscal Year 2009-2010

Water/Sewer

| Complaint Type | Number |
|--------------------------|--------------------|
| Billing Disputes | 258 |
| High Bill | 127 |
| Estimate | 27 |
| Payment Arrangement | 15 |
| Service Charge | 14 |
| Rates | 13 |
| Other | 62 |
| Disconnection | 56 |
| Payment Arrangement | 10 |
| Unpaid Bills | 14 |
| Error | 4 |
| High Bill | 4 |
| Response Time | 3 |
| Other | 21 |
| Inquiry Only | 375 |
| Rates | 162 |
| High Bill | 41 |
| Equipment/Meter | 16 |
| No Jurisdiction | 14 |
| Service Charge | 12 |
| Other | 130 |
| Service Related | 31 |
| New Service | 4 |
| Equipment/Meter | 6 |
| Interruption | 4 |
| Response Time | 3 |
| Compensation | 2 |
| Unpaid Bills | 12 |
| Other | 29 |
| Other | 0 |
| Total Complaints | 720 |
| Total Adjustments | \$33,621.06 |



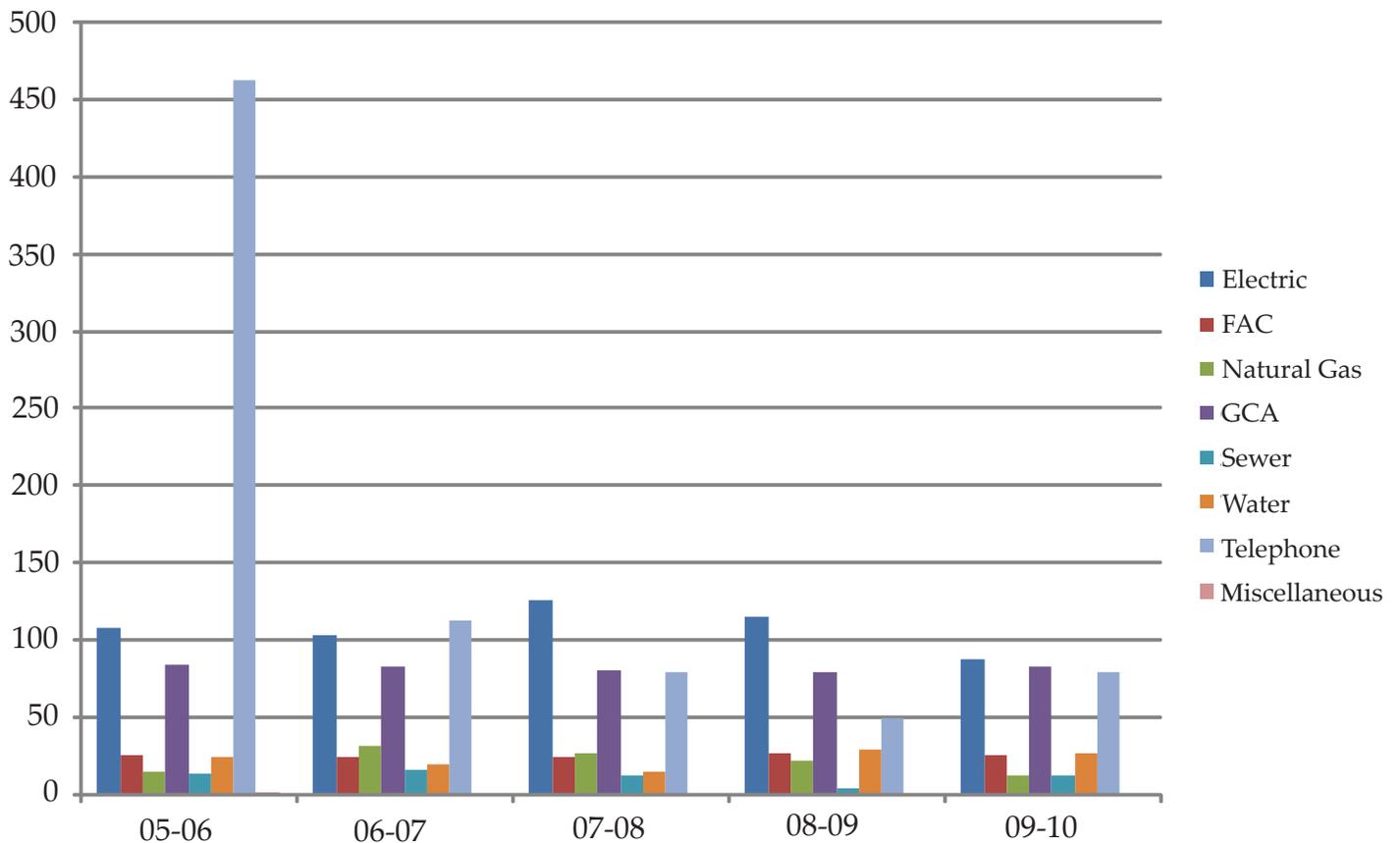
Commission Rulemakings

| Final Rulemakings | IURC RM # | LSA Doc # | Approval Date | Effective Date |
|---|-----------|-----------|---------------|-------------------|
| Consumer Affairs Rules | 09-08 | 09-792 | 4/7/10 | 6/23/10 |
| Establishing Sub-Billing Procedures for the Provision of Water or Sewage Disposal Service | 09-01 | 09-790 | 3/10/10 | 4/30/10 |
| Pipeline Safety and Hazardous Liquids | 08-01 | 09-190(F) | 1/13/10 | 3/11/10 |
| Telecommunications Customer Service Rights and Responsibilities | 09-11 | 09-574 | 10/1/09 | In review process |
| Telecommunication Service Quality Standards and Standards of Service | 09-10 | 09-573 | 10/1/09 | 11/1/09 |
| Amendment to 170 I.A.C. 1-1.5-1 to exempt an application for a certificate of territorial authority for communications service providers or notice of change form filed under I.C. § 8-1-32.5 from the ex parte rules of the Commission | 09-02 | 09-212 | 6/30/09 | 10/29/09 |
| Amendment to Minimum Standard Filing Requirements for Expedited Processing (170 I.A.C. 1-5) | 07-06 | 08-670 | 5/27/09 | 8/30/09 |
| Proposed Rulemakings | IURC RM # | LSA Doc # | | |
| The Communications Division has drafted a strawman of the rule to replace the current telecommunications rules located at 170 I.A.C. 7 | 09-09 | 09-478 | | |
| Notice of proposed rulemaking to establish procedures for resolving violations of underground plant protection laws | 09-03 | 10-184 | | |

Petitions Filed

Five-Year Comparison

| Petition Type | 09-10 | 08-09 | 07-08 | 06-07 | 05-06 |
|---------------|------------|------------|------------|------------|------------|
| Electric | 88 | 116 | 126 | 104 | 109 |
| FAC | 26 | 28 | 25 | 25 | 26 |
| Natural Gas | 13 | 23 | 27 | 32 | 15 |
| GCA | 83 | 80 | 81 | 83 | 85 |
| Sewer | 13 | 8 | 13 | 17 | 14 |
| Water | 28 | 30 | 16 | 20 | 25 |
| Telephone | 80 | 50 | 80 | 82 | 463 |
| Total | 331 | 335 | 368 | 394 | 739 |



Rate Changes

Fiscal Year 2009-2010

| Cause No. | Utility | Industry | Status | Date Filed | Most Recent Order |
|-----------|--|----------|---------|------------|-------------------|
| 43910 - U | Troy Municipal | Electric | Pending | 06/07/2010 | -- |
| 43897 - U | Switzerland County Gas Co., Inc. | Gas | Pending | 05/7/2010 | -- |
| 43894 | Northern Indiana Public Service Co. | Gas | Pending | 05/03/2010 | 06/16/2010 |
| 43875 | Posey Township Water Corporation | Water | Pending | 03/26/2010 | 06/03/2010 |
| 43869 | Edwardsville Water Corporation | Water | Pending | 03/11/2010 | 04/14/2010 |
| 43861 | Jackson County REMC | Electric | Pending | 02/23/2010 | 03/31/2010 |
| 43850 | South Harrison Water Corporation | Water | Pending | 01/26/2010 | 03/17/2010 |
| 43839 | Southern Indiana Gas and Electric Co. | Electric | Pending | 12/11/2009 | 02/19/2010 |
| 43832 | Columbia City Municipal Electric | Electric | Decided | 11/25/2009 | 06/30/2010 |
| 43821 | Citizens Thermal Energy | Steam | Decided | 11/02/2009 | 05/11/2010 |
| 43799 | South County Utilities, Inc. | Sewer | Decided | 10/01/2009 | 06/16/2010 |
| 43794 | Southeastern Utilities, Inc. | Water | Decided | 09/24/2009 | 04/07/2010 |
| 43795 | Eastern Hendricks County Utility, Inc. | Water | Decided | 09/24/2009 | 04/30/2010 |
| 43790 | Driftwood Utilities, Inc. | Sewer | Decided | 09/23/2009 | 06/03/2010 |
| 43780 | Stucker Fork Conservancy District | Water | Decided | 09/09/2009 | 04/14/2010 |
| 43779 | Wastewater One, LLC | Sewer | Decided | 09/04/2009 | 06/16/2010 |
| 43777 | Mapleturn Utilities, Inc. | Sewer | Decided | 09/02/2009 | 04/07/2010 |
| 43773 | Crawfordsville Municipal Electric | Electric | Decided | 09/01/2009 | 07/28/2010 |
| 43761 | Hamilton Southeastern Utilities, Inc. | Sewer | Decided | 08/11/2009 | 08/18/2010 |

Rate Changes Continued

Fiscal Year 2009-2010

| Cause No. | Utility | Industry | Status | Date Filed | Most Recent Order |
|-----------|---------------------------------------|--------------|---------|------------|-------------------|
| 43757 | Petersburg Municipal Water Works | Water | Decided | 08/07/2009 | 05/11/2010 |
| 43753 | Fountaintown Gas Company, Inc. | Gas | Decided | 08/05/2009 | 03/17/2010 |
| 43742 | Cataract Lake Water Corporation | Water | Decided | 07/21/2009 | 12/22/2009 |
| 43736 | North Dearborn Water Corporation | Water | Decided | 07/14/2009 | 10/01/2009 |
| 43720 | South Lawrence Utilities, Inc. | Water | Decided | 06/29/2009 | 08/18/2010 |
| 43716 | North Lawrence Water Authority | Water | Decided | 06/18/2009 | 08/11/2010 |
| 43699 | Wildwood Shores Utility Corp., Inc. | Water | Decided | 05/29/2009 | 05/19/2010 |
| 43696 | Clinton Township Water Company | Water | Decided | 05/28/2009 | 10/14/2009 |
| 43689 | Southern Indiana Gas and Electric Co. | Gas | Decided | 05/15/2009 | 12/09/2009 |
| 43684 | Harrison County REMC | Electric | Decided | 05/11/2009 | 12/02/2009 |
| 43680 | Indiana-American Water Company | Water, Sewer | Decided | 04/30/2009 | 04/30/2010 |
| 43658 | Chandler Municipal Water Works | Water | Decided | 03/18/2009 | 01/06/2010 |
| 43652 | Princeton Municipal Water | Water | Decided | 03/06/2009 | 03/03/2010 |
| 43630 | East Lawrence Water Authority | Water | Decided | 01/15/2009 | 09/16/2009 |
| 43627 | Old State Utility Corporation | Sewer | Decided | 01/02/2009 | 05/11/2010 |
| 43624 | Westfield Gas Corporation | Gas | Pending | 12/31/2008 | 03/10/2010 |
| 43579 | Sugar Creek Utility Company | Water | Pending | 10/02/2008 | 12/22/2009 |
| 43551 | Fortville Municipal Water Works | Water | Decided | 08/07/2008 | 10/07/2009 |
| 43526 | Northern Indiana Public Service Co. | Electric | Pending | 06/27/2008 | 08/25/2010 |

Significant Cases

Pending

Cause No. 43645

Indianapolis Department of Waterworks

In an emergency order (Emergency Order) issued on June 30, 2009, the IURC granted the Indianapolis Department of Waterworks an emergency rate increase of 12.27% and placed several conditions on the utility aimed at reducing costs and creating financial safeguards. Under the terms of the Emergency Order, Indianapolis Water may not enter into any contracts, agreements, joint ventures, or other type of transaction relating to the operation, management, sale or transfer of the water utility or its assets without prior Commission approval. For the permanent rate case portion of the proceeding, Indianapolis Water requested a 34.97% rate increase. The OUCC recommended a two phase rate increase: a Phase 1 increase of 14.63% and a Phase 2 increase of 5.44%. The Industrial Group recommended a 4.30% increase.

Cause No. 43653

Duke Energy Indiana (DEI)

DEI has requested approval of cost recovery associated with the study of carbon storage for the Edwardsport IGCC facility. A technical conference in this Cause was held on August 28, 2009, and the evidentiary hearing was conducted on November 9, 2009. Duke proposed a carbon management study that includes limited site assessment and characterization activities in the amount of approximately \$42 million. Deferred cost recovery has been requested.

Cause No. 43706

Northern Indiana Public Service Company (NIPSCO)

A group of real estate developers filed a complaint against NIPSCO requesting the Commission initiate an investigation into NIPSCO's charges, practices, acts, and service, and its compliance with rules and regulations governing the extension of facilities to supply gas and electric service to residential developments.

Cause No. 43839

Southern Indiana Gas and Electric Company (SIGECO)

SIEGCO is seeking a \$34 million, 6% increase in base rates for electric service. Evidentiary hearings were conducted in March and August 2010, with a field hearing held in Evansville in May. The request includes a proposed rate design that would decouple non-industrial sales volumes from fixed cost recovery through an annual rate adjustment mechanism that redistributes those costs over the new sales volumes.

Cause No. 43877

City of Westfield versus Bright House Networks, LLC, Comcast Cable, E.Com Technologies, LLC, and Indiana Bell Telephone Company

The City of Westfield requests that the Commission make a determination of the proper amount and proper definition of gross revenue so that all video service providers in the city calculate gross revenues in the same manner and that the five percent (5%) franchise fee is levied uniformly.

Cause No. 43855/Cause No. 43883

Indiana-American Water Company, Inc.

Indiana-American requests approval to consummate its acquisition of the Town of Riley's water utility assets (Cause No. 43855) and the Town of New Whiteland's water assets (Cause No. 43883). In both cases, the Office of Utility Consumer Counselor (OUCC) expressed concern that the purchase price does not reflect the fair value of the water assets since the appraisal ignores the going concern value of the entity. Furthermore, the OUCC also expressed concern regarding the accounting treatment of the transaction as it relates to the proposed . . .

Significant Cases

Pending

... acquisition adjustment and whether Indiana American should earn a return on the acquisition adjustment and a return of the acquisition adjustment.

Cause No. 43874

Utility Center, Inc.

Utility Center seeks an increase in operating revenues for its water and sewer utility services, of 16.64% and 18.48% respectively. The increases are needed, in part, to support expenses for the softening of the water, improvements to a treatment plant, and conversion to a new billing system. The OUCC recommends Utility Center be allowed to increase its operating revenues for water by 3.28% and wastewater by 4.49%.

Cause No. 43894

Northern Indiana Public Service Company (NIPSCO)

NIPSCO seeks no overall increase in its current gross margin of \$251,504,170. NIPSCO requests an inflation adjusted cost of equity of 9.57% and a rate of return of 6.67% applicable to its fair value rate base. In addition, NIPSCO seeks Commission approval to convert its volumetric rate structure to a straight-fixed variable rate design to accommodate existing public policies promoting energy efficiency, including NIPSCO's own demand-side management (DSM) program. NIPSCO also proposes to extend its DSM program through December 31, 2012; to change its low-income program to match the low-income programs of Citizens Gas and Vectren Energy; and to approve a new natural gas service tariff.

Cause No. 43897-U

Switzerland County Natural Gas Co., Inc.

Switzerland County filed its petition to increase its rates and charges by 23%. Switzerland County proposes to remove all gas costs from base rates for recovery through its quarterly gas cost adjustment (GCA) filings.

Cause No. 43936

Citizens Energy Group, CWA Authority Inc. and City of Indianapolis

On August 11, 2010, the city of Indianapolis and Citizens Energy Group and CWA Authority Inc. petitioned the Commission to approve the transfer of the city of Indianapolis water system to Citizens Energy Group, the city's wastewater system to CWA Authority Inc., and place both utilities under the Commission's jurisdiction. The transfer case includes a Water System Agreement and a Wastewater System Agreement that contain provisions describing transferred and excluded assets and liabilities; the purchase price and other financial arrangements; representations, warranties and indemnification obligations; pre-closing conditions; and post-closing agreements and covenants. Citizens Energy Group will issue \$915,655,000 in debt to replace and refund certain long-term debt owed by the city. The CWA Authority will pay \$262,600,000 for the wastewater system and assume or otherwise satisfy its outstanding debt. The total amount of debt issued by CWA Authority Inc. will be \$611,992,000.

Significant Cases

Decided

Cause No. 42693 – Phase II

Commission Investigation

In December 2009, the Commission completed its investigation into energy conservation and savings and issued an order that instructed the state's jurisdictional electric utilities to create core demand-side management (DSM) programs. Through a reasonable but aggressive timeline, the utilities are expected to achieve an annual energy savings goal of 2 percent within 10 years with interim savings goals for years one through nine. The Commission also ordered the formation of a DSM Coordination Committee (Committee) that consists of representatives from jurisdictional electric utilities, consumer groups and the Office of Utility Consumer Counselor. The Committee was tasked to hire a third party administrator to oversee and coordinate the core programs for the utilities, and an evaluation administrator, who will undertake the evaluation, measurement and verification of the DSM programs to ensure their effectiveness.

Cause No. 43082

Commission Investigation - Indiana Lifeline Assistance Program

The Commission initiated this proceeding to establish funding requirements for the Indiana Lifeline Assistance Program (ILAP) as required by I.C. § 8-1-36, which directed the agency to not only determine and establish a funding mechanism for the costs of the ILAP, after notice and hearing, but also to adopt rules for the administration of the program.

Cause No. 43114 IGCC4 - S1

Duke Energy Indiana (DEI)

DEI has requested approval of its updated cost estimate for the Edwardsport IGCC project. The revised cost estimate for the 1st of its scale integrated gasification combined cycle generation project is now \$2.88 billion, which is \$530 million above the estimate approved in January 2009. An evidentiary hearing was conducted in September.

Cause No. 43115

Wastewater One, LLC

Wastewater One, LLC agreed to purchase the assets of River's Edge Utility Inc. contingent upon the IURC granting a 248% rate increase or \$157/month. Customers of River's Edge intervened but decided not to establish a not-for-profit, customer-owned utility as an alternative to Wastewater One. The OUCC recommended a 43% rate increase or \$65/month. The OUCC and Wastewater One agreed to a 76.83% rate increase, which was approved by the Commission. The rates and charges should produce total annual operating revenues of \$67,023 and an annual net operating income of \$5,333.

Cause No. 43180

Commission Investigation – Demand-Side Management

The Commission initiated this investigation to review methods for allowing gas utilities to recover their fixed costs independent from the volume of natural gas sold. The Commission determined the most attractive way in which to decouple or separate fixed costs from the volume of gas sold to customers is by using the straight-fixed variable (SFV) rate design. The Commission finds the SFV rate design is the most efficient in aligning the basic principles of cost causation. However, the conversion from the traditional volumetric rate design to the SFV rate design presents issues with rate shock and conservation efforts. Therefore, a SFV rate design should be phased in gradually in order to reduce inter-class subsidies by placing program charges such as energy efficiency or low-income assistance on the higher usage block rates to create intra-class subsidies and encourage conservation.

Significant Cases Decided

Cause No. 43526

Northern Indiana Public Service Company (NIPSCO)

On June 27, 2008, NIPSCO filed a petition requesting approval to change its base rates and charges and provide for an increase in revenues of approximately \$49 million. This was NIPSCO's first request to increase its base rates since July, 1985. Originally NIPSCO sought a two-phase increase with the second phase going into effect when the Sugar Creek Generating Station became available to serve NIPSCO's customers. Because NIPSCO was able to recognize the Sugar Creek plant into its system earlier than expected, it revised its request to make the rate increase in one step, amounting to approximately \$30 million. On August 25, 2010, the Commission issued an Order that reduced NIPSCO's revenues by approximately \$49 million, ordered the utility to file a revised cost of service rate study, approved two new rate trackers, and approved most of the proposed depreciation rates. However, with approval of this case, a \$55 million annual customer credit created in Cause No. 41746 will cease.

Cause No. 43566

Commission Investigation – Participation in RTO Demand Response Programs

This Commission investigation delved into matters relating to participation by Indiana end-use customers in demand response (DR) programs offered by the Midwest Independent Transmission System operator, Inc. (MISO) and PJM Interconnection, LLC (PJM). In an order issued on July 28, 2010, the Commission found that DR is part of Indiana's integrated resource planning process. The benefits of DR are best captured by permitting Indiana retail customers to participate in RTO DR programs through the local utility.

Cause No. 43579

Sugar Creek Utility Company, Inc.

Sugar Creek Utility Company, Inc. requested a 90% increase in rates to install a new water main and service lines to each home. The project will resolve infrastructure problems and install shut-off valves on every home. The OUCC believed the project was necessary from an engineering perspective, but was too costly. The OUCC recommended a reallocation of costs between the Riley Village Homeowner's Association and a large campground that is affiliated with the utility. In its Phase I Order, the Commission authorized Sugar Creek to decrease rates 6.73% to produce operating revenues for the sewer utility of \$84,272 and increase rates 6.42% to produce operating revenues for the water utility of \$32,053. The IURC granted Sugar Creek's request to install the new water main and service lines and was authorized to borrow up to \$250,000. In its Phase II Order, the Commission authorized an increase of 78.04% to produce operating revenues for the water utility of \$57,068. The State Revolving Fund has indicated it may provide Sugar Creek a substantial grant to cap water rates at \$45.00.

Cause No. 43624

Citizens Gas of Westfield

In its March 10, 2010 Order, the Commission authorized Westfield Gas to increase its rates and charges to produce total annual operating revenues of \$5,878,385 and an annual net operating income of \$586,924. In addition, Westfield Gas received Commission approval to implement an Energy Efficiency Adjustment Rider that it will use to fund energy efficiency programs. The Commission approved the recovery of the regulatory asset created in Cause No. 43600 to provide energy efficiency rebates to residential and commercial customers, who inquired about energy efficiency programs due to Westfield's proximity and affiliation with Citizens Gas prior to Westfield Gas' request for energy efficiency programs.

Significant Cases Decided

Cause No. 43649

Indiana-American Water Company, Inc.

In its Order issued in this matter, the Commission approved a settlement between the OUC and Indiana-American for Indiana-American's water efficiency plan consisting of three phases: 1) development of a Wise Water Use Plan; 2) public education and development of conservation plant for at least three pilot communities; and 3) evaluating the pilot programs and extended planning to the remaining operations. The Commission ordered additional reporting requirements.

Cause No. 43669

Citizens Gas & Coke/Northern Indiana Public Service Company (NIPSCO)/Vectren

Citizens, NIPSCO, and Vectren collectively sought Commission approval to reinstate the alternative regulatory plan regarding customer bill assistance programs, which are known as Universal Service Programs (USPs) or Winter Warmth, through May 2011. The Commission issued an Order reinstating the low-income programs on November 19, 2009 under the terms that each utility fund at least 25% of the program costs and no administrative costs are to be counted towards this amount. The Commission also determined that program funding might not be used for customer deposits. The USPs and Winter Warmth will expire on the effective date of a final Commission Order in each utility's next base rate case. If the utilities fail to file a rate case by October 31, 2012, the programs will terminate on that date. Future consideration will not be accepted under the Alternative Utility Regulatory Act.

Cause No. 43680

Indiana American Water Company, Inc.

Indiana-American Water Company, Inc. requested an overall rate increase of 29.32% and continued movement to single tariff pricing. The Office of Utility Consumer Counselor recommended a 14.13% rate increase and a suspension of the move to single tariff pricing. The IURC authorized a 19.72% rate increase. The rates and charges should produce total annual operating revenues of \$193,727,184 and an annual net operating income of \$50,262,867.

Cause No. 43761

Hamilton Southeastern Utilities, Inc.

Hamilton Southeastern Utilities, Inc., pursuant to a Commission requirement in a previous order, filed a general rate case and requested an 11.12% rate increase primarily to fund a new lift station. Hamilton Southeastern has not sought an increase in base rates since its establishment in 1989. The OUC recommended a decrease of 17.96%. The Commission authorized a 3.23% increase. The rates and charges should produce total annual operating revenues of \$9,125,525 and an annual net operating income of \$561,432.

Cause No. 43763

United Telephone Company, Inc.

United Telephone Company, Inc. requested a finding by the Commission of compliance with the 50% broadband deployment requirement pursuant to I.C. § 8-1-2.6-1.3.

Cause No. 43772

Verizon North Inc.

Verizon requested a finding by the Commission of compliance with the 50% broadband deployment requirement pursuant to I.C. § 8-1-2.6-1.3.

Significant Cases Decided

Cause No. 43837

Northern Indiana Public Service Company (NIPSCO)

The Commission approved a Settlement Agreement between the Office of Utility Consumer Counselor and NIPSCO that extended the “NIPSCO Choice” program, which gives residential natural gas customers the opportunity to choose their natural gas supplier. The Order also extended NIPSCO’s gas alternative regulatory plans (“ARP”) as modified by the settlement through March 31, 2012. A petition to continue the ARP must be filed by October 1, 2011.

Cause No. 43847

Citizens Gas & Coke Utility

Citizens sought Commission review and approval of its proposed Gas Rate No. 40, Liquefied Natural Gas Service, to determine if the use of LNG in Indiana is marketable as a fuel option for heavy-duty trucks. Citizens requested approval of a service contract with Flatiron Power Systems. Gas Rate No. 40 will be subject to the approval of a written contract by the Commission. The Commission approved the tariff, rates, and terms and conditions associated with Gas Rate No. 40 as well as the contract with Flatiron Power Systems.

Residential Electric Bill

Jurisdictional Electric Utility Residential Customer Bill Year-to-Year Comparison for 1000 kWh Usage July 1, 2010 Billing

| <i>Municipal Utilities</i> | 2010 | 2009 | % Change |
|-----------------------------|----------------|----------------|---------------|
| Anderson Municipal | \$88.95 | \$97.69 | -8.95% |
| Auburn Municipal | \$58.59 | \$53.32 | 9.88% |
| Columbia City Municipal | \$86.65 | \$86.70 | -0.06% |
| Crawfordsville Municipal | \$81.29 | \$88.04 | -7.67% |
| Frankfort Municipal | \$77.97 | \$82.57 | -5.58% |
| Kingsford Heights Municipal | \$98.68 | \$96.87 | 1.86% |
| Knightstown Municipal | \$85.43 | \$93.63 | -8.76% |
| Lebanon Municipal | \$84.52 | \$85.72 | -1.40% |
| Logansport Municipal | \$90.09 | \$98.02 | -8.10% |
| Mishawaka Municipal | \$83.18 | \$80.61 | 3.19% |
| Peru Municipal | \$86.89 | \$95.91 | -9.41% |
| Richmond Municipal | \$84.43 | \$94.93 | -11.06% |
| Straughn Municipal | \$76.52 | \$76.04 | 0.63% |
| Tipton Municipal | \$82.78 | \$83.04 | -0.32% |
| Troy Municipal | \$115.45 | \$115.45 | 0.00% |
| Municipal Averages | \$85.43 | \$88.57 | -3.55% |

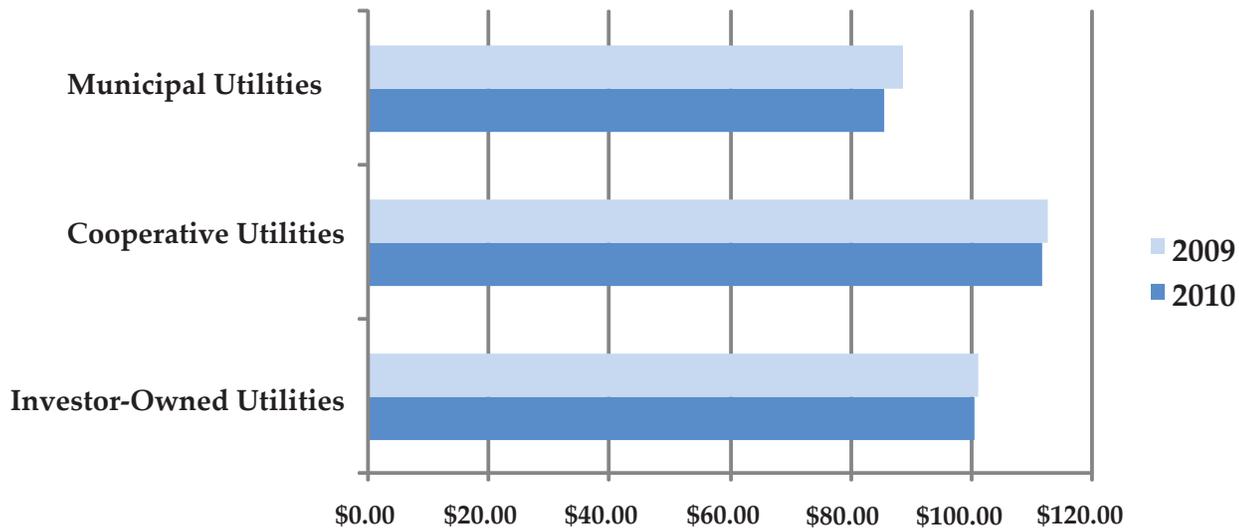
| <i>Cooperative Utilities</i> | 2010 | 2009 | % Change |
|------------------------------|-----------------|-----------------|---------------|
| Harrison County REMC | \$109.60 | \$106.56 | 2.86% |
| Jackson County REMC | \$90.82 | \$106.08 | -14.38% |
| Marshall County REMC | \$133.10 | \$128.68 | 3.43% |
| Northeastern REMC | \$112.93 | \$108.86 | 3.74% |
| Cooperative Averages | \$111.61 | \$112.54 | -0.83% |

| <i>Investor-Owned Utilities</i> | 2010 | 2009 | % Change |
|---|-----------------|-----------------|---------------|
| Duke Energy Indiana | \$96.33 | \$98.75 | -2.45% |
| Indiana Michigan Power | \$81.45 | \$84.64 | -3.77% |
| Indianapolis Power & Light Co. | \$85.75 | \$83.43 | 2.78% |
| Northern Indiana Public Service Co. | \$105.55 | \$108.56 | -2.77% |
| Southern Indiana Gas & Electric D/B/A Vectren | \$132.65 | \$129.42 | 2.50% |
| Investor-Owned Averages | \$100.35 | \$100.96 | -0.61% |

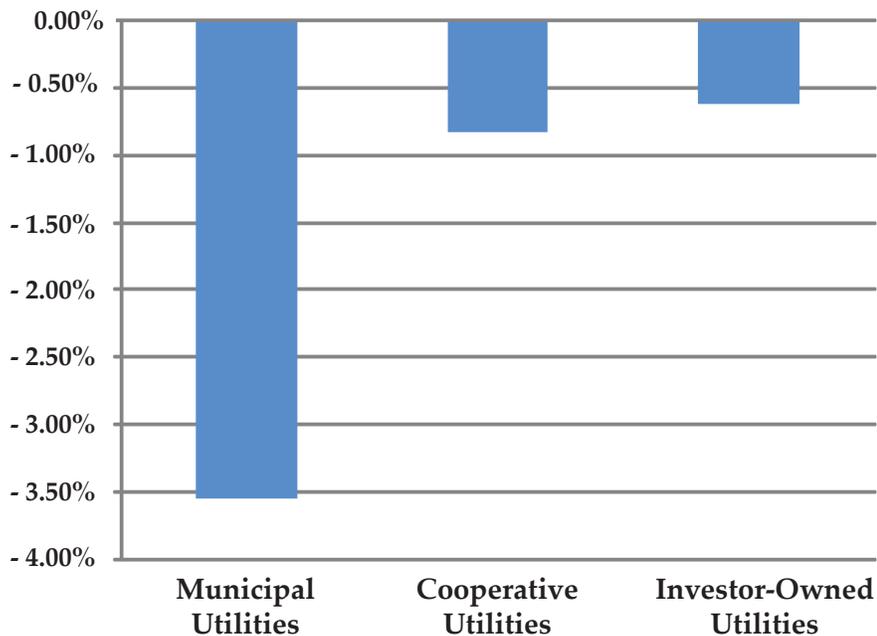
Electric Bill Comparison

Residential Customers

Year-to-Year Average Comparisons for 1000 kWh Usage
2009 and 2010



Percent Change for 1000 kWh Usage
2009 to 2010



Electric Bill Survey

Residential Customers

Jurisdictional Electric Utility Residential Customer Bill Survey

July 1, 2010 Billing

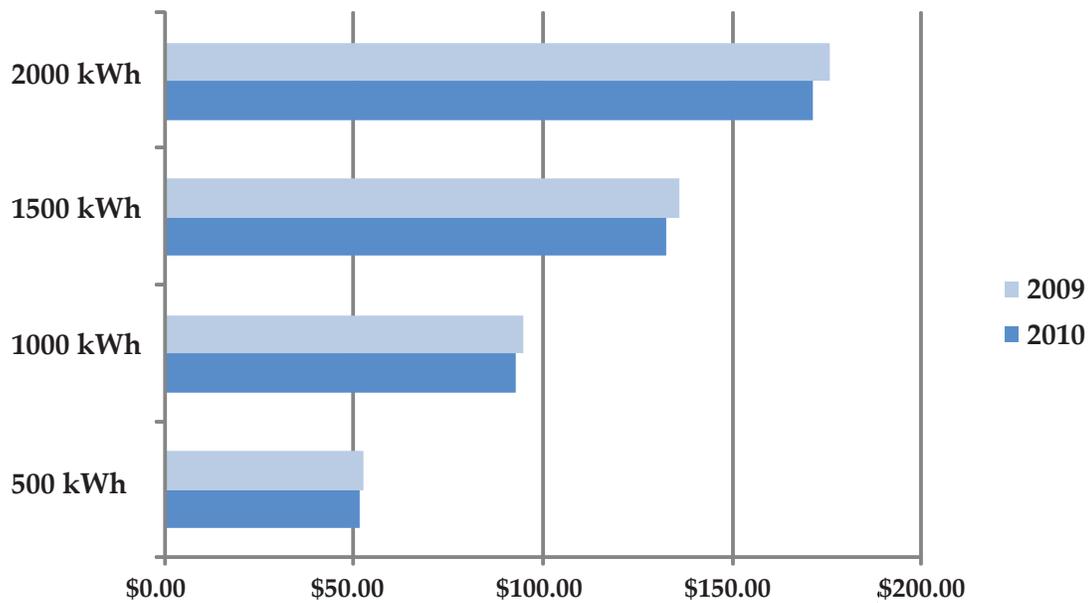
← kWh Consumption →

| <i>Municipal Utilities</i> | 500 | 1000 | 1500 | 2000 |
|--|----------------|----------------|-----------------|-----------------|
| Anderson Municipal | \$49.40 | \$88.95 | \$128.50 | \$165.85 |
| Auburn Municipal | \$31.79 | \$58.59 | \$85.38 | \$112.18 |
| Columbia City Municipal | \$47.07 | \$86.65 | \$126.23 | \$165.81 |
| Crawfordsville Municipal | \$44.13 | \$81.29 | \$116.23 | \$151.17 |
| Frankfort Municipal | \$44.12 | \$77.97 | \$111.81 | \$141.36 |
| Kingsford Heights Municipal | \$51.09 | \$98.68 | \$146.27 | \$193.86 |
| Knightstown Municipal | \$45.02 | \$85.43 | \$121.54 | \$157.65 |
| Lebanon Municipal | \$45.64 | \$84.52 | \$119.59 | \$154.67 |
| Logansport Municipal | \$49.45 | \$90.09 | \$128.31 | \$165.52 |
| Mishawaka Municipal | \$46.59 | \$83.18 | \$119.78 | \$156.38 |
| Peru Municipal | \$46.73 | \$86.89 | \$125.43 | \$163.98 |
| Richmond Municipal | \$49.98 | \$84.43 | \$118.87 | \$151.59 |
| Straughn Municipal | \$39.16 | \$76.52 | \$113.88 | \$151.24 |
| Tipton Municipal | \$44.39 | \$82.78 | \$118.88 | \$154.98 |
| Troy Municipal | \$60.59 | \$115.45 | \$170.32 | \$225.18 |
| <i>Cooperative Utilities</i> | | | | |
| Harrison County REMC | \$66.77 | \$109.60 | \$148.51 | \$187.42 |
| Jackson County REMC | \$52.91 | \$90.82 | \$128.74 | \$166.65 |
| Marshall County REMC | \$75.32 | \$133.10 | \$180.37 | \$227.64 |
| Northeastern County REMC | \$65.69 | \$112.93 | \$160.16 | \$201.90 |
| <i>Investor-Owned Utilities</i> | | | | |
| Duke Energy Indiana | \$58.68 | \$96.33 | \$129.14 | \$161.94 |
| Indiana Michigan Power | \$44.12 | \$81.45 | \$118.77 | \$156.09 |
| Indianapolis Power & Light Co. | \$54.13 | \$85.75 | \$117.38 | \$149.00 |
| Northern Indiana Public Service Co. | \$56.11 | \$105.55 | \$155.00 | \$204.44 |
| Southern Indiana Gas & Electric Co. D/B/A Vectren | \$71.10 | \$132.65 | \$194.20 | \$255.75 |
| Average for 2010 Survey | \$51.67 | \$92.90 | \$132.64 | \$171.76 |
| Average for 2009 Survey | \$52.68 | \$95.13 | \$136.08 | \$176.22 |
| % Change | -1.92% | -2.34% | -2.53% | -2.53% |

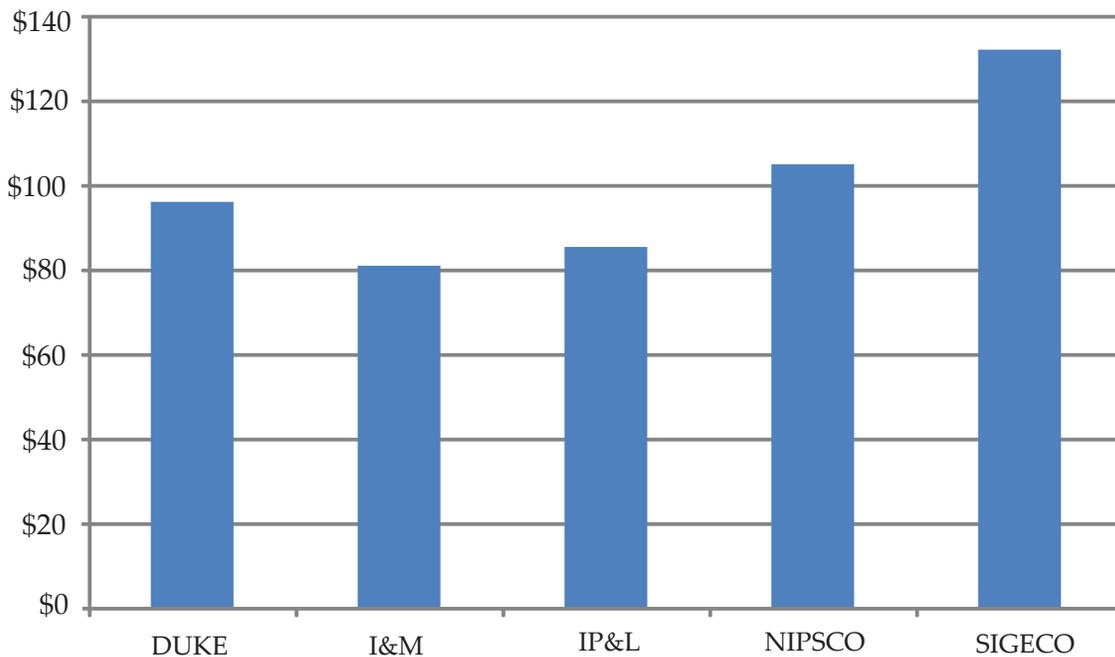
Electric Bill Comparison

Residential Customers

Year-to-Year Average kWh Comparisons Across All Electric Utilities
2009 to 2010



Investor-Owned Utility Comparison
Residential Bills at 1,000 kWh
July 1, 2010 Billing

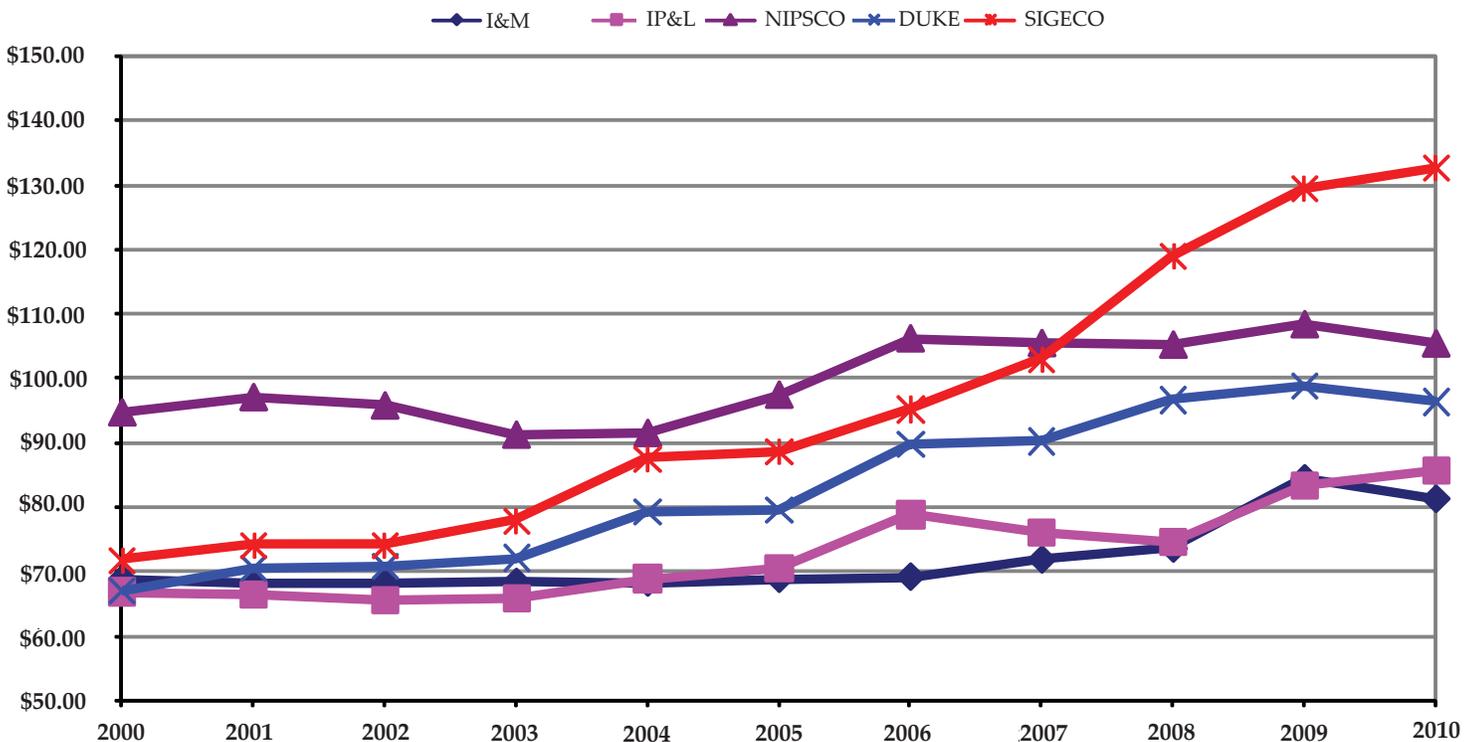


Electric Bill Comparison

Residential Customers

| Utility | 5-Year Change | | 10-Year Change | |
|-------------------------------------|---------------|-------|----------------|-------|
| Indiana Michigan Power | \$12.52 | 18.2% | \$12.54 | 18.2% |
| Indianapolis Power & Light | \$15.25 | 21.6% | \$18.89 | 28.3% |
| Northern Indiana Public Service Co. | \$8.01 | 8.2% | \$10.78 | 11.4% |
| Duke Energy Indiana | \$16.80 | 21.1% | \$29.33 | 43.8% |
| Southern Indiana Gas & Electric Co. | \$43.98 | 49.6% | \$60.74 | 84.5% |

10-Year Investor-Owned Utility Comparison
Residential Bills at 1,000 kWh



Electric Bill Comparison

Residential Customers

Indiana Investor-Owned Electric Utilities Base and Variable (Tracker) Bill Components 1000 kWh Usage, July 1, 2010 Billing

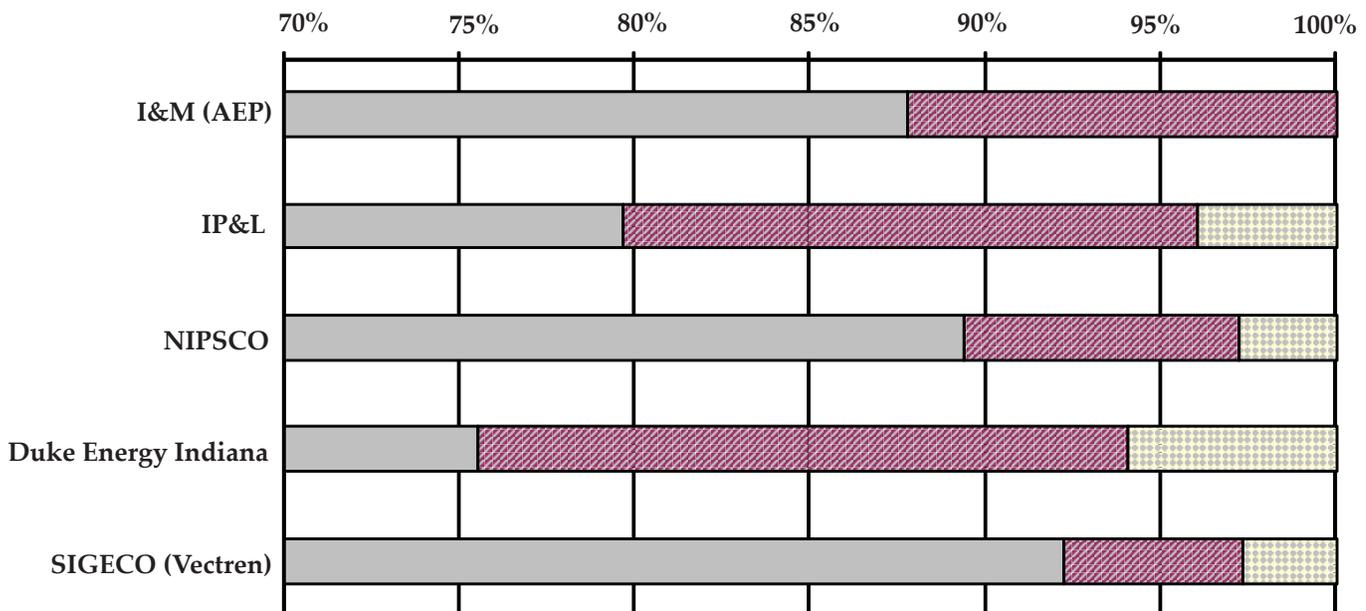
| Utility | Base \$ | Variable \$ | Total \$ |
|--|----------|-------------|----------|
| Indiana Michigan Power | \$74.30 | \$7.15 | \$81.45 |
| Indianapolis Power & Light Co. | \$66.50 | \$19.25 | \$85.75 |
| Northern Indiana Public Service Co. | \$97.31 | \$8.24 | \$105.55 |
| Duke Energy Indiana | \$74.59 | \$21.74 | \$96.33 |
| Southern Indiana Gas and Electric Co. D/B/A Vectren | \$118.90 | \$13.75 | \$132.65 |

Note:

Northern Indiana Public Service Co. base amount includes a \$6.11 credit applied through the FAC.
Duke Energy, Indiana base amount includes a \$0.61 amortization removal credit.

Investor-Owned Utility Comparison % of Bill Composition

■ Base Rate % ■ Expense Adjustment % ■ Capital Adjustment %



Natural Gas Bill Survey

Residential Natural Gas Bills Comparison By Therm Usage January 1, 2010 Billing

← Consumption →

| Utilities | Ownership | Last Rate Case | Order Date | 150 Therms | 200 Therms | 250 Therms |
|---|-----------|----------------|------------|-----------------|-----------------|-----------------|
| Aurora Municipal Gas | Municipal | 43527 | 1/30/09 | \$142.90 | \$189.37 | \$235.84 |
| Boonville Natural Gas | IOU | 43342 | 8/27/08 | \$228.34 | \$299.18 | \$370.02 |
| Citizens Gas | Municipal | 43463 | 9/17/08 | \$146.04 | \$189.56 | \$233.07 |
| Citizens Gas of Westfield | IOU | 42095-U | 2/27/02 | \$142.43 | \$182.19 | \$221.94 |
| Community Natural Gas | IOU | 43377 | 8/27/08 | \$118.22 | \$150.84 | \$183.46 |
| Fountaintown Gas | IOU | 40494 | 3/5/97 | \$127.20 | \$166.37 | \$205.54 |
| Indiana Gas Company (Vectren North) | IOU | 43298 | 2/13/08 | \$135.46 | \$175.67 | \$215.89 |
| Indiana Natural Gas | IOU | 43434 | 10/08/08 | \$153.34 | \$200.03 | \$246.72 |
| Indiana Utilities | IOU | 43520 | 1/21/09 | \$247.40 | \$324.29 | \$401.18 |
| Kokomo Gas and Fuel | IOU | 38096 | 7/29/87 | \$132.45 | \$171.10 | \$209.76 |
| Midwest Natural Gas | IOU | 43229 | 11/20/07 | \$156.96 | \$202.95 | \$248.94 |
| Northern Indiana Fuel & Light (NIFL) | IOU | 39145 | 1/29/92 | \$106.93 | \$138.25 | \$169.57 |
| Northern Indiana Public Service Co. (NIPSCO) (2) | IOU | 38380 | 10/26/88 | \$56.70 | \$73.48 | \$98.02 |
| Ohio Valley Gas Corp. (ANR) * | IOU | 43209 | 10/10/07 | \$152.46 | \$198.44 | \$244.43 |
| Ohio Valley Gas Corp. (TXG) * | IOU | 43209 | 10/10/07 | \$165.93 | \$216.40 | \$266.88 |
| Ohio Valley Gas, Inc. * | IOU | 43208 | 10/10/07 | \$136.17 | \$176.72 | \$217.28 |
| Snow & Ogden Gas | IOU | 42821-U | 11/22/05 | \$109.19 | \$145.49 | \$181.79 |
| South Eastern Indiana Natural Gas Co. | IOU | 43318-U | 1/16/08 | \$136.06 | \$176.35 | \$216.65 |
| Southern Indiana Gas and Electric Co. (Vectren South) | IOU | 43112 | 8/1/07 | \$133.37 | \$173.57 | \$213.77 |
| Switzerland County Natural Gas | IOU | 42844 | 8/31/05 | \$126.88 | \$164.60 | \$202.31 |
| Sycamore Gas Company | IOU | 43090 | 6/20/07 | \$165.75 | \$211.98 | \$258.20 |
| Valley Rural Utility Company (1) | NFP | 42115 | 5/8/02 | \$227.23 | \$298.94 | \$370.65 |
| Industry Average | | | | \$147.61 | \$192.08 | \$236.91 |

Note:

Drawing conclusions about a utility's performance is difficult due to many factors such as utility size and resources, period from the last rate case, storage options, geographic location, base rates, customer density and gas cost adjustment in effect at the time of the bill calculations.

(1) Valley Rural Utility Company began natural gas service in July 2003; therefore, it is not included in the 10-year average.
(2) NIPSCO refunded dollars to consumers due to a change in its GCA filing frequency and regulatory authorized refunds that resulted in a lower overall billable amount.

Rates do not include NTA.

For purposes of this comparison: 100 Therms = 100 Ccf = 10 Dth = 10 Mcf

Natural Gas Bill Survey

Residential Natural Gas Bills Comparison By 200 Therm Usage January 1, 2010 Billing

| Utilities | 5-Year Average | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Aurora Municipal Gas | \$253.17 | \$189.37 | \$247.85 | \$228.55 | \$261.15 | \$338.94 |
| Boonville Natural Gas | \$297.35 | \$299.18 | \$328.66 | \$253.30 | \$295.50 | \$310.11 |
| Chandler Natural Gas (3) | \$282.49 | \$299.18 | \$328.66 | \$220.26 | \$272.24 | \$292.09 |
| Citizens Gas | \$222.57 | \$189.56 | \$253.20 | \$201.60 | \$225.48 | \$242.99 |
| Citizens Gas of Westfield | \$230.00 | \$182.19 | \$249.89 | \$223.61 | \$231.35 | \$262.97 |
| Community Natural Gas | \$237.95 | \$150.84 | \$279.20 | \$213.84 | \$259.70 | \$286.17 |
| Fountaintown Gas | \$228.33 | \$166.37 | \$223.31 | \$227.18 | \$284.26 | \$240.55 |
| Indiana Gas Company (Vectren North) | \$226.32 | \$175.67 | \$236.02 | \$207.68 | \$222.64 | \$289.58 |
| Indiana Natural Gas | \$252.13 | \$200.03 | \$272.51 | \$231.69 | \$255.25 | \$301.16 |
| Indiana Utilities | \$291.97 | \$324.29 | \$317.56 | \$249.16 | \$277.87 | \$290.98 |
| Kokomo Gas and Fuel | \$203.72 | \$171.10 | \$232.83 | \$197.42 | \$189.58 | \$227.66 |
| Midwest Natural Gas | \$249.08 | \$202.95 | \$261.88 | \$232.43 | \$255.12 | \$293.04 |
| Northern Indiana Fuel & Light (NIFL) | \$200.03 | \$138.25 | \$238.63 | \$201.39 | \$201.15 | \$220.71 |
| Northern Indiana Public Service Co. (NIPSCO) (2) | \$201.90 | \$73.48 | \$254.20 | \$205.10 | \$181.64 | \$295.08 |
| Ohio Valley Gas Corp. (ANR) * | \$249.05 | \$198.44 | \$249.50 | \$264.06 | \$269.02 | \$264.24 |
| Ohio Valley Gas Corp. (TXG) * | \$274.89 | \$216.40 | \$309.02 | \$282.10 | \$280.18 | \$286.74 |
| Ohio Valley Gas, Inc. * | \$249.58 | \$176.72 | \$274.18 | \$251.58 | \$268.60 | \$276.84 |
| Snow & Ogden Gas | \$145.49 | \$145.49 | \$145.49 | \$145.49 | \$145.49 | \$145.49 |
| South Eastern Indiana Natural Gas Co. | \$242.69 | \$176.35 | \$276.97 | \$222.08 | \$271.62 | \$266.45 |
| Southern Indiana Gas and Electric Co. (Vectren South) | \$231.10 | \$173.57 | \$257.01 | \$221.57 | \$213.04 | \$290.30 |
| Switzerland County Natural Gas | \$263.51 | \$164.60 | \$259.78 | \$218.00 | \$292.82 | \$382.34 |
| Sycamore Gas Company | \$273.13 | \$211.98 | \$283.06 | \$262.64 | \$264.60 | \$343.38 |
| Valley Rural Utility Company (1) | \$314.11 | \$298.94 | \$298.60 | \$291.80 | \$318.67 | \$362.55 |
| Industry Average | \$244.37 | \$196.74 | \$264.26 | \$228.37 | \$249.43 | \$283.06 |

Note:

Drawing conclusions about a utility's performance is difficult due to many factors such as utility size and resources, period from the last rate case, storage options, geographic location, base rates, customer density and gas cost adjustment in effect at the time of the bill calculations.

(1) Valley Rural Utility Company began natural gas service in July 2003; therefore, it is not included in the 10-year average.

(2) NIPSCO refunded dollars to consumers due to a change in its GCA filing frequency and regulatory authorized refunds that resulted in a lower overall billable amount.

(3) Chandler Natural Gas merged with Boonville Natural Gas on August 27, 2008 in Cause No. 43342.

Rates do not include NTA.

For purposes of this comparison: 100 Therms = 100 Ccf = 10 Dth = 10 Mcf

Natural Gas Bill Survey

Residential Natural Gas Bills (2006-2010) Comparison By 200 Therm Usage January 1, 2010 Billing

| Utilities | 10-Year Average | 2010 | 2009 | 2008 | 2007 | 2006 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Aurora Municipal Gas | \$220.14 | \$189.37 | \$247.85 | \$228.55 | \$261.15 | \$338.94 |
| Boonville Natural Gas | \$246.00 | \$299.18 | \$328.66 | \$253.30 | \$295.50 | \$310.11 |
| Chandler Natural Gas (3) | \$225.64 | \$299.18 | \$328.66 | \$220.26 | \$272.24 | \$292.09 |
| Citizens Gas | \$190.12 | \$189.56 | \$253.20 | \$201.60 | \$225.48 | \$242.99 |
| Citizens Gas of Westfield | \$211.44 | \$182.19 | \$249.89 | \$223.61 | \$231.35 | \$262.97 |
| Community Natural Gas | \$202.99 | \$150.84 | \$279.20 | \$213.84 | \$259.70 | \$218.88 |
| Fountaintown Gas | \$198.60 | \$166.37 | \$223.31 | \$227.18 | \$284.26 | \$240.55 |
| Indiana Gas Company (Vectren North) | \$199.06 | \$175.67 | \$236.02 | \$207.68 | \$222.64 | \$289.58 |
| Indiana Natural Gas | \$215.78 | \$200.03 | \$272.51 | \$231.69 | \$255.25 | \$301.16 |
| Indiana Utilities | \$240.59 | \$324.29 | \$317.56 | \$249.16 | \$277.87 | \$290.98 |
| Kokomo Gas and Fuel | \$176.63 | \$171.10 | \$232.83 | \$197.42 | \$189.58 | \$227.66 |
| Midwest Natural Gas | \$207.78 | \$202.95 | \$261.88 | \$232.43 | \$255.12 | \$293.04 |
| Northern Indiana Fuel & Light (NIFL) | \$182.36 | \$138.25 | \$238.63 | \$201.39 | \$201.15 | \$220.71 |
| Northern Indiana Public Service Co. (NIPSCO) (2) | \$190.60 | \$73.48 | \$254.20 | \$205.10 | \$181.64 | \$295.08 |
| Ohio Valley Gas Corp. (ANR) * | \$221.25 | \$198.44 | \$249.50 | \$264.06 | \$269.02 | \$264.24 |
| Ohio Valley Gas Corp. (TXG) * | \$230.03 | \$216.40 | \$309.02 | \$282.10 | \$280.18 | \$286.74 |
| Ohio Valley Gas, Inc. * | \$214.86 | \$176.72 | \$274.18 | \$251.58 | \$268.60 | \$276.84 |
| Snow & Ogden Gas | \$122.85 | \$145.49 | \$145.49 | \$145.49 | \$145.49 | \$145.49 |
| South Eastern Indiana Natural Gas Co. | \$215.70 | \$176.35 | \$276.97 | \$222.08 | \$271.62 | \$266.45 |
| Southern Indiana Gas and Electric Co. (Vectren South) | \$187.21 | \$173.57 | \$257.01 | \$221.57 | \$213.04 | \$290.30 |
| Switzerland County Natural Gas | \$215.89 | \$164.60 | \$259.78 | \$218.00 | \$292.82 | \$382.34 |
| Industry Average | \$206.82 | \$192.09 | \$262.70 | \$225.49 | \$246.29 | \$276.39 |

Note:

Drawing conclusions about a utility's performance is difficult due to many factors such as utility size and resources, period from the last rate case, storage options, geographic location, base rates, customer density and gas cost adjustment in effect at the time of the bill calculations.

- (1) Valley Rural Utility Company began natural gas service in July 2003; therefore, it is not included in the 10-year average.
- (2) NIPSCO refunded dollars to consumers due to a change in its GCA filing frequency and regulatory authorized refunds that resulted in a lower overall billable amount.
- (3) Chandler Natural Gas merged with Boonville Natural Gas on August 27, 2008 in Cause No. 43342.

Rates do not include NTA.

For purposes of this comparison: 100 Therms = 100 Ccf = 10 Dth = 10 Mcf

Natural Gas Bill Survey

Residential Natural Gas Bills (2001-2005) Comparison By Therm Usage January 1, 2010 Billing

| Utilities | 10-Year Average | 2005 | 2004 | 2003 | 2002 | 2001 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Aurora Municipal Gas | \$220.14 | \$240.59 | \$205.25 | \$147.77 | \$184.96 | \$156.95 |
| Boonville Natural Gas | \$246.00 | \$219.08 | \$196.18 | \$172.63 | \$205.70 | \$179.66 |
| Chandler Natural Gas (3) | \$225.64 | \$191.54 | \$171.08 | \$148.57 | \$179.36 | \$153.39 |
| Citizens Gas | \$190.12 | \$190.49 | \$167.85 | \$146.66 | \$125.92 | \$157.44 |
| Citizens Gas of Westfield | \$211.44 | \$193.87 | \$204.97 | \$167.15 | \$213.05 | \$185.36 |
| Community Natural Gas | \$202.99 | \$206.08 | \$199.96 | \$145.77 | \$205.47 | \$150.16 |
| Fountaintown Gas | \$198.60 | \$239.98 | \$139.58 | \$144.86 | \$180.32 | \$139.60 |
| Indiana Gas Company (Vectren North) | \$199.06 | \$209.70 | \$179.40 | \$161.32 | \$133.22 | \$175.40 |
| Indiana Natural Gas | \$215.78 | \$204.41 | \$208.96 | \$151.36 | \$178.29 | \$154.18 |
| Indiana Utilities | \$240.59 | \$238.26 | \$209.20 | \$150.89 | \$189.05 | \$158.65 |
| Kokomo Gas and Fuel | \$176.63 | \$182.98 | \$165.80 | \$131.60 | \$154.01 | \$113.27 |
| Midwest Natural Gas | \$207.78 | \$195.12 | \$205.12 | \$125.25 | \$155.57 | \$151.34 |
| Northern Indiana Fuel & Light (NIFL) | \$182.36 | \$187.95 | \$170.11 | \$141.90 | \$192.85 | \$130.65 |
| Northern Indiana Public Service Co. (NIPSCO) (2) | \$190.60 | \$199.70 | \$181.31 | \$179.35 | \$127.81 | \$210.91 |
| Ohio Valley Gas Corp. (ANR) * | \$221.25 | \$227.40 | \$225.70 | \$164.94 | \$180.37 | \$168.81 |
| Ohio Valley Gas Corp. (TXG) * | \$230.03 | \$235.80 | \$220.18 | \$144.48 | \$168.15 | \$157.27 |
| Ohio Valley Gas, Inc. * | \$214.86 | \$217.56 | \$223.52 | \$137.72 | \$172.89 | \$148.97 |
| Snow & Ogden Gas | \$122.85 | \$100.20 | \$100.20 | \$100.20 | \$100.20 | \$100.20 |
| South Eastern Indiana Natural Gas Co. | \$215.70 | \$250.45 | \$211.19 | \$147.09 | \$172.41 | \$162.41 |
| Southern Indiana Gas and Electric Co. (Vectren South) | \$187.21 | \$171.72 | \$154.84 | \$146.42 | \$108.80 | \$134.82 |
| Switzerland County Natural Gas | \$215.89 | \$173.19 | \$173.19 | \$144.31 | \$199.79 | \$150.85 |
| Industry Average | | \$205.54 | \$187.58 | \$148.04 | \$169.34 | \$154.75 |

Note:

Drawing conclusions about a utility's performance is difficult due to many factors such as utility size and resources, period from the last rate case, storage options, geographic location, base rates, customer density and gas cost adjustment in effect at the time of the bill calculations.

(1) Valley Rural Utility Company began natural gas service in July 2003; therefore, it is not included in the 10-year average.

(2) NIPSCO refunded dollars to consumers due to a change in its GCA filing frequency and regulatory authorized refunds that resulted in a lower overall billable amount.

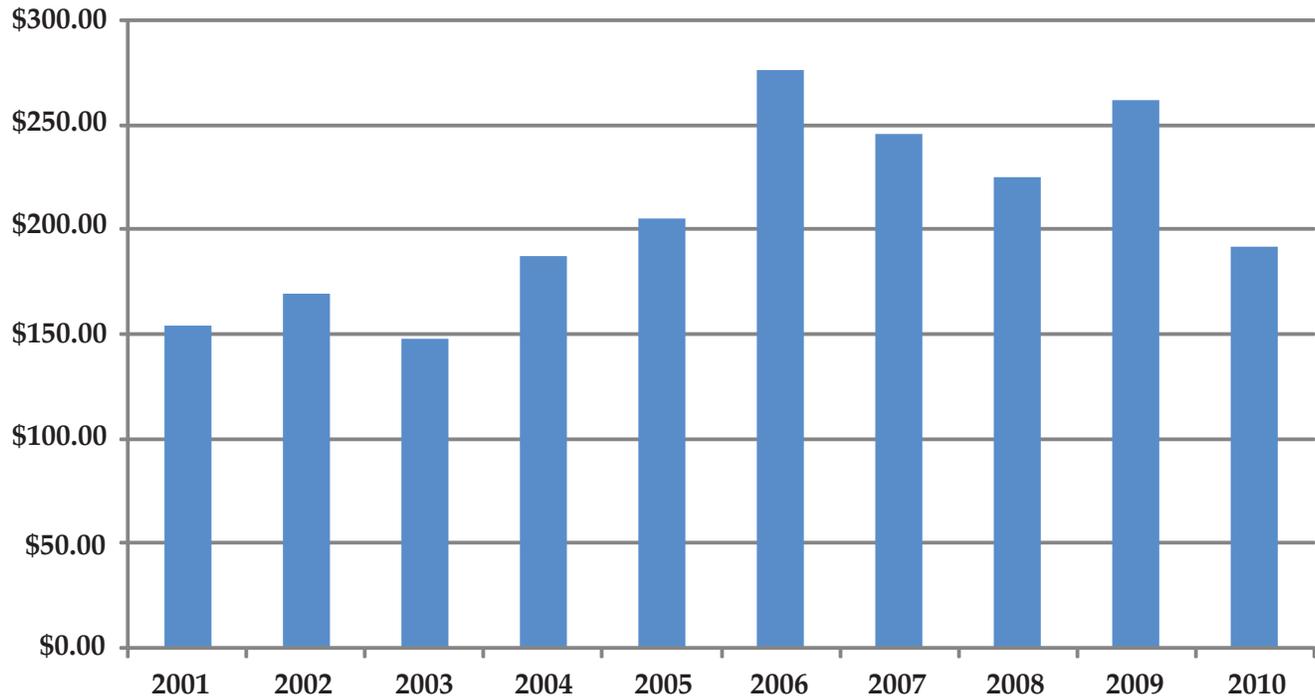
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Rates do not include NTA.

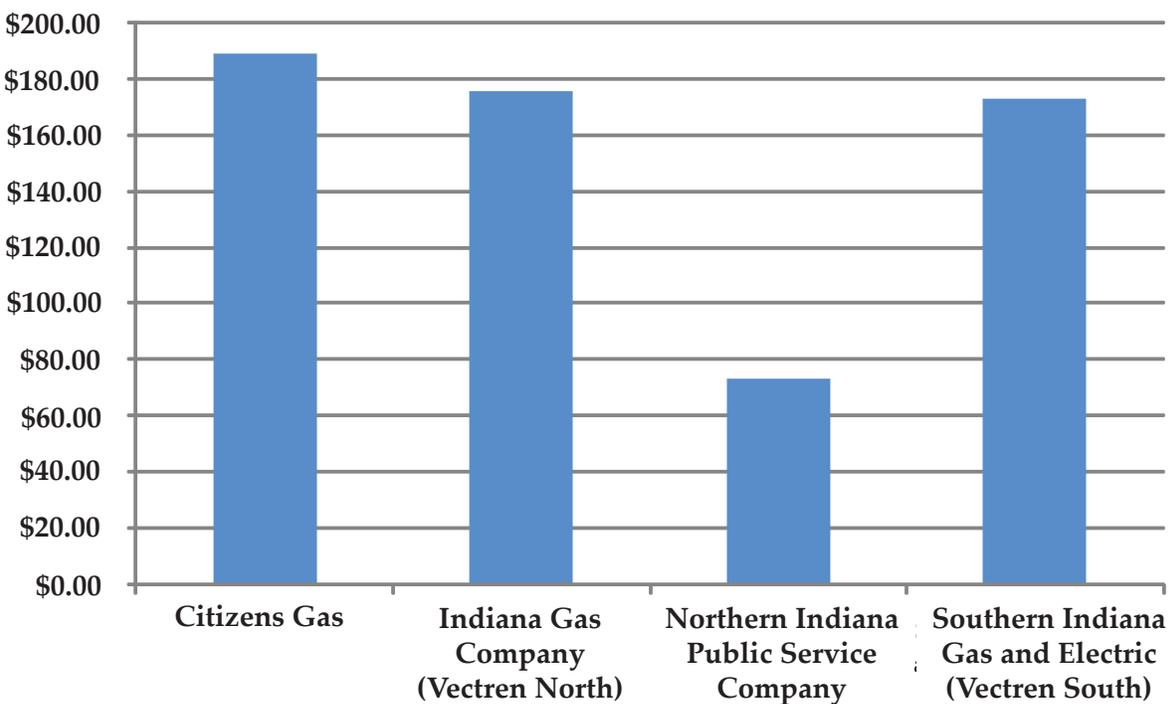
For purposes of this comparison: 100 Therms = 100 Ccf = 10 Dth = 10 Mcf

Natural Gas Bill Comparison

10-Year Average Residential Gas Bill Comparison
2001 to 2010



Large Natural Gas Utilities
2010 Bill Comparison at 200 Therms



Natural Gas Areas Served

Ohio Valley Gas Corp.

ANR Pipeline Service Area

Serving: Bretzville, Ferdinand, Maltersville, St. Anthony, St. Marks, and other rural areas in Dubois County; Bluff Point, Center, College Corner, Pennville, Portland, and other rural areas in Jay County; Deerfield, Harrisville, Haysville, Lynn, Ridgeville, Saratoga, Union City, Winchester, and other rural areas in Randolph County; St. Meinrad, and other rural areas in Spencer County; and Fountain City and other rural areas in Wayne County

Texas Gas Service Area

Serving: Dover, Guilford, Lawrenceville, Logan, New Alsace, St. Leon, Yorkville, and other rural areas in Dearborn County; Connersville, Everton, Lyonsville, Springersville, and other rural areas in Fayette County; rural areas in Franklin County; Cannelton, St. Marks, Tell City, Troy, and other rural areas in Perry County; Clinton Corners, Negangard Corner, Penntown, Sunman, and other rural areas in Ripley County; rural areas in eastern Spencer County west of Troy; and Brownsville, Liberty, and other rural areas in Union County

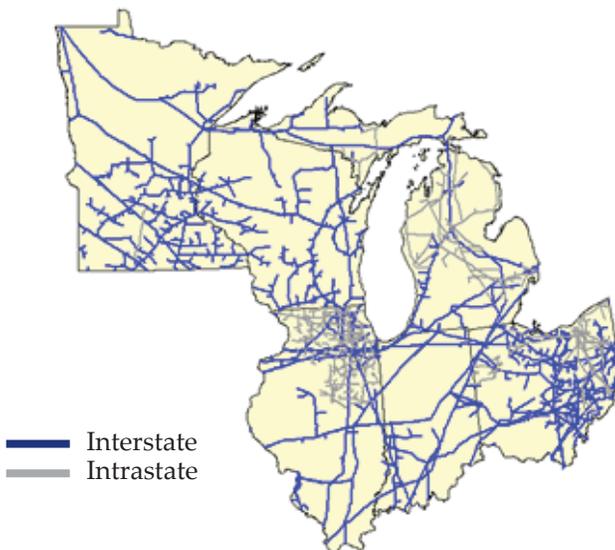
Ohio Valley Gas, Inc.

Serving: rural areas in Greene and Knox counties; Arthur, Ayrshire, Campbelltown, Winslow, and other rural areas in Pike County; Cass, Curryville, Dugger, Farmersburg, Hymera, New Lebanon, Shelburn, Sullivan, and other rural areas in Sullivan County; and Blackhawk, Riley, and other rural areas in Vigo County

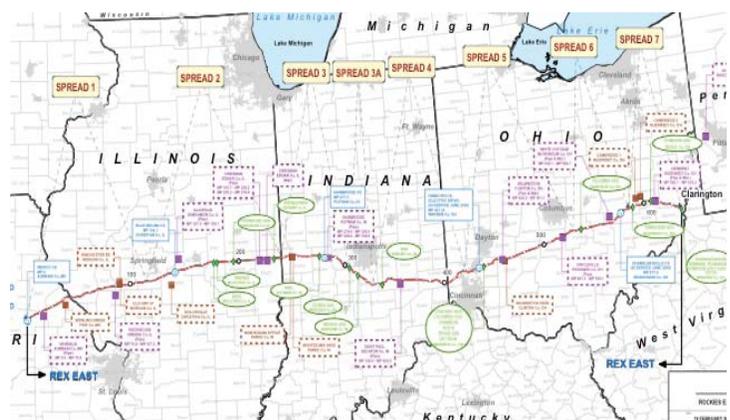
Note:

- 1) Valley Rural Utility Company began natural gas service in July 2003. Not enough data at this point in time to be included in the 10-year average.
- 2) Chandler Natural Gas merged with Boonville Natural Gas on August 27, 2008 in Cause No. 43342.

Midwest Region Natural Gas Pipeline Network



Rockies Express Pipeline - East



Sources: Energy Information Administration/Rockies Express Pipeline LLC

Water Bill Survey

Residential Water Bills Comparison By Gallon Usage January 1, 2010 Billing

| Utility | Ownership | Last Rate Case | Order Date | 5,000 gal./ | 7,500 gal./ |
|--|-----------|----------------|------------|----------------------|----------------------|
| | | | | 668.4028 cu. ft. | 1,002.6042 cu. ft. |
| | | | | Average Monthly Bill | Average Monthly Bill |
| American Suburban | IOU | 38936 | 6/21/90 | \$51.78 | \$51.78 |
| Anderson | Municipal | 42194 | 12/20/06 | \$17.14 | \$22.59 |
| Apple Valley | IOU | 39889 | 3/8/95 | \$21.02 | \$21.02 |
| Auburn* | Municipal | 41414 | 9/22/99 | \$22.31 | \$28.54 |
| Aurora, inside city | Municipal | 42786 | 9/14/05 | \$15.50 | \$22.63 |
| Aurora, outside city | Municipal | 42786 | 9/14/05 | \$18.50 | \$27.00 |
| B&B Water Project | NFP | 39107 | 5/22/91 | \$24.84 | \$35.46 |
| Battleground | CD | 43088 | 3/7/07 | \$24.70 | \$32.10 |
| Bloomington, inside city* | Municipal | 42858 | 11/22/05 | \$15.20 | \$20.55 |
| Bloomington, outside city* | Municipal | 42858 | 11/22/05 | \$15.96 | \$21.31 |
| Bluffs Basin | IOU | 42188 | 3/5/03 | \$28.15 | \$38.15 |
| Boonville* | Municipal | 43477 | 4/8/09 | \$35.48 | \$51.38 |
| Brown County | NFP | 43203 | 10/17/07 | \$55.83 | \$82.59 |
| Carmel | Municipal | 42725 | 12/14/05 | \$16.20 | \$20.53 |
| Cataract Lake Water Corporation | NFP | 43742-U | 12/22/09 | \$36.78 | \$51.40 |
| Chandler, Town* | Municipal | 42856 | 1/31/06 | \$27.21 | \$35.68 |
| Charlestown | Municipal | 42878 | 8/16/06 | \$18.30 | \$27.45 |
| Clinton Township | NFP | 43696 | 10/14/09 | \$38.59 | \$49.15 |
| Columbia City* | Municipal | 42983 | 10/11/06 | \$23.70 | \$32.08 |
| Columbus* | Municipal | 39425 | 3/29/94 | \$10.69 | \$14.72 |
| Consumers Indiana, Lake County | IOU | 42190 | 6/19/02 | \$23.27 | \$32.72 |
| Cordry Sweetwater - mostly outside of jurisdiction | CD | -- | 5/20/71 | \$26.71 | \$36.07 |
| Corydon* | Municipal | 40591 | 4/9/97 | \$16.90 | \$23.75 |
| Country Acres | NFP | 36972 | 12/8/82 | \$6.00 | \$6.00 |

Note:

This bill analysis should be construed as an informative guideline as a snapshot in time. Do not use this analysis to draw conclusions about performance since many factors such as size, resources and customer density, etc. affect the bill calculations.

*Fire protection surcharge for 5/8 inch meter included.

**Fire protection charge for a 5/8 inch meter is included in the base charge.

***The location of these customers determine whether the fire protection surcharge apply.

Water Bill Survey

Residential Water Bills Comparison By Gallon Usage January 1, 2010 Billing

| Utility | Ownership | Last Rate Case | Order Date | 5,000 gal./ | 7,500 gal./ |
|---------------------------------|-----------|----------------|------------|----------------------|----------------------|
| | | | | 668.4028 cu. ft. | 1,002.6042 cu. ft. |
| | | | | Average Monthly Bill | Average Monthly Bill |
| Darlington, Aqua Indiana | IOU | 43609 | 6/10/09 | \$49.82 | \$66.77 |
| East Chicago | Municipal | 42680 | 11/8/06 | \$12.05 | \$15.03 |
| East Lawrence Water | NFP | 43630 | 9/16/09 | \$43.60 | \$60.95 |
| Eastern Bartholomew | NFP | 43392 | 9/24/08 | \$23.21 | \$33.39 |
| Eastern Heights | NFP | 42839 | 4/20/06 | \$21.59 | \$30.02 |
| Eaton | Municipal | 41830-U | 12/22/03 | \$25.00 | \$34.95 |
| Edwardsville Water | NFP | 43003 | 5/9/07 | \$34.02 | \$48.80 |
| Elkhart | Municipal | 43191 | 7/11/07 | \$12.17 | \$17.12 |
| Ellettsville, inside city* | Municipal | 43582-U | 7/11/07 | \$19.56 | \$27.94 |
| Ellettsville, outside city* | Municipal | 43582-U | 6/3/09 | \$24.94 | \$35.99 |
| Evansville, inside city* | Municipal | 43190 | 9/26/07 | \$12.65 | \$17.03 |
| Evansville, outside city* | Municipal | 43190 | 9/26/07 | \$14.03 | \$18.41 |
| Everton | NFP | 43312 | 12/5/07 | \$33.70 | \$47.04 |
| Fillmore | Municipal | 43118-U | 2/28/07 | \$52.66 | \$76.61 |
| Floyds Knobs | NFP | 36297 | 4/1/81 | \$24.20 | \$34.20 |
| Fort Wayne, inside city | Municipal | 42979 | 8/23/06 | \$17.26 | \$22.24 |
| Fort Wayne, outside city | Municipal | 42979 | 8/23/06 | \$19.83 | \$25.54 |
| Fortville | Municipal | 43551-U | 10/7/09 | \$27.15 | \$37.42 |
| German Township | NFP | 42282 | 3/26/03 | \$22.10 | \$32.55 |
| German Township Stewartsville | NFP | 42282 | 3/26/03 | \$50.46 | \$74.31 |
| German Township, Marrs Division | NFP | 42282 | 3/26/03 | \$50.46 | \$74.31 |
| Gibson Water | NFP | 37829 | 4/9/86 | \$33.13 | \$49.26 |
| Hammond | Municipal | 37653 | 6/5/85 | \$2.20 | \$3.28 |
| Hessen Utilities | IOU | 30805 | 7/30/65 | \$6.00 | \$6.00 |
| Hillsdale Water | NFP | -- | -- | \$26.65 | \$38.48 |

Note:

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**Fire protection charge for a 5/8 inch meter is included in the base charge.

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Water Bill Survey

Residential Water Bills Comparison By Gallon Usage January 1, 2010 Billing

| Utility | Ownership | Last Rate Case | Order Date | 5,000 gal./ | 7,500 gal./ |
|--|-----------|----------------|------------|----------------------|----------------------|
| | | | | 668.4028 cu. ft. | 1,002.6042 cu. ft. |
| | | | | Average Monthly Bill | Average Monthly Bill |
| Hoosierland Vistas (formerly Burns Harbor) | IOU | 35206 | 2/7/78 | \$10.00 | \$15.00 |
| Indiana American | | | | | |
| <i>Burns Harbor, Chesterton, Gary, Porter, South Haven***</i> | IOU | 43187 | 10/10/07 | \$28.54 | \$39.94 |
| <i>Crawfordsville*</i> | IOU | 43187 | 10/10/07 | \$30.40 | \$38.42 |
| <i>Flowing Wells*</i> | IOU | 43187 | 10/10/07 | \$23.13 | \$28.92 |
| <i>Gary***</i> | IOU | 43187 | 10/10/07 | \$28.04 | \$39.44 |
| <i>Hobart*</i> | IOU | 43187 | 10/10/07 | \$27.75 | \$38.44 |
| <i>Johnson County - Greenwood, So. Indiana (New Albany, Jeffersonville), Newburgh*</i> | IOU | 43187 | 10/10/07 | \$30.86 | \$39.33 |
| <i>Kokomo*</i> | IOU | 43187 | 10/10/07 | \$35.43 | \$45.07 |
| <i>Merrillville***</i> | IOU | 43187 | 10/10/07 | \$31.78 | \$45.26 |
| <i>Mooresville</i> | IOU | 43187 | 10/10/07 | \$30.86 | \$39.32 |
| <i>Muncie, Johnson County - Franklin, Shelbyville, Clarksville</i> | IOU | 43187 | 10/10/07 | \$28.22 | \$36.69 |
| <i>Noblesville*</i> | IOU | 43187 | 10/10/07 | \$34.77 | \$44.41 |
| <i>Portage*</i> | IOU | 43187 | 10/10/07 | \$27.70 | \$41.47 |
| <i>Richmond, Wabash Valley*</i> | IOU | 43187 | 10/10/07 | \$31.01 | \$39.48 |
| <i>Seymour, Somerset, Summitville</i> | IOU | 43187 | 10/10/07 | \$34.92 | \$44.56 |
| <i>Wabash*</i> | IOU | 43187 | 10/10/07 | \$19.79 | \$19.79 |
| <i>Warsaw*</i> | IOU | 43187 | 10/10/07 | \$31.05 | \$38.12 |
| <i>West Lafayette</i> | IOU | 43187 | 10/10/07 | \$19.89 | \$24.78 |
| <i>West Lafayette, suburban surcharge*</i> | IOU | 43187 | 10/10/07 | \$22.51 | \$27.40 |
| <i>Winchester</i> | IOU | 43583 | 12/23/08 | \$31.43 | \$39.82 |
| <i>Winchester, suburban surcharge*</i> | IOU | 43187 | 10/10/07 | \$31.04 | \$39.43 |
| Indiana Water Service, Inc. | IOU | 41710-U | 3/25/01 | \$15.28 | \$21.40 |

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Water Bill Survey

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|--|-----------|----------------|------------|----------------------|----------------------|
| | | | | 668.4028 cu. ft. | 1,002.6042 cu. ft. |
| | | | | Average Monthly Bill | Average Monthly Bill |
| Indianapolis, City of | Municipal | 43645 | 6/30/09 | \$22.58 | \$29.32 |
| J.B. Waterworks | IOU | 39231-U | 5/1/92 | \$18.26 | \$26.56 |
| Jackson County | NFP | 43289 | 1/4/08 | \$42.83 | \$63.48 |
| Kingsbury | IOU | 43297 | 1/16/08 | \$18.75 | \$26.80 |
| Kingsford Heights | Municipal | 43502-U | 3/4/09 | \$35.35 | \$44.25 |
| Knightstown* | Municipal | 43440 | 7/30/08 | \$30.25 | \$40.33 |
| Lafayette | Municipal | 41845 | 5/9/01 | \$12.13 | \$17.13 |
| Lafayette - rural areas | Municipal | 41845 | 5/9/01 | \$12.67 | \$17.67 |
| Libertytree Campground | IOU | 41662 | 12/22/04 | \$8.58 | \$8.58 |
| LMS Townships | CD | 40991-U | 7/15/99 | \$18.94 | \$26.87 |
| Mapleturn | NFP | 37039 | 9/28/03 | \$22.15 | \$24.05 |
| Marion* | Municipal | 42720 | 3/30/05 | \$27.02 | \$33.63 |
| Marion Heights | CD | 42346 | 7/23/03 | \$43.79 | \$64.02 |
| Martinsville* | Municipal | 42676 | 6/20/08 | \$22.89 | \$28.97 |
| Martinsville, Morgan-Monroe Forest* | Municipal | 42676 | 1/5/05 | \$29.54 | \$35.62 |
| Marysville-Otisco-Nabb | NFP | 42476-U | 1/14/04 | \$18.65 | \$25.95 |
| Michigan City* | Municipal | 42517 | 3/31/04 | \$20.92 | \$27.64 |
| Mishawaka, city* | Municipal | 41395 | 6/14/00 | \$15.14 | \$21.05 |
| Mishawaka, Clay | Municipal | 41395 | 6/14/00 | \$30.12 | \$30.16 |
| Morgan County Rural | NFP | 42993 | 5/14/08 | \$51.18 | \$76.25 |
| Morgan County Rural, Western Exp. | NFP | 42993 | 5/14/08 | \$60.92 | \$85.99 |
| New Castle | Municipal | 42984 | 9/13/06 | \$15.12 | \$22.31 |
| North Dearborn | NFP | 43736 | 10/1/09 | \$34.25 | \$55.20 |
| North Lawrence | NFP | 42897 | 5/11/06 | \$46.06 | \$61.15 |
| Oak Park | CD | 41811-U | 3/21/01 | \$20.67 | \$29.22 |
| Ogden Dunes | Municipal | 43295 | 1/16/08 | \$36.41 | \$48.04 |

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Water Bill Survey

Residential Water Bills Comparison By Gallon Usage January 1, 2010 Billing

5,000 gal./
668.4028 cu. ft. 7,500 gal./
1,002.6042 cu. ft.

| Utility | Ownership | Last Rate Case | Order Date | Average Monthly Bill | Average Monthly Bill |
|--------------------------------|-----------|----------------|------------|----------------------|----------------------|
| Painted Hills | IOU | 37017 | 10/17/83 | \$27.75 | \$37.00 |
| Pence | NFP | -- | -- | \$25.00 | \$25.00 |
| Peru, inside corporate limits* | Municipal | 39817 | 4/6/94 | \$18.57 | \$25.92 |
| Peru, outside corporate limits | Municipal | 39817 | 4/6/94 | \$16.20 | \$23.55 |
| Petersburg | Municipal | 41185 | 5/31/00 | \$13.25 | \$19.23 |
| Pike-Gibson | NFP | 43528 | 1/21/09 | \$31.93 | \$47.41 |
| Pioneer | IOU | 41089 | 8/26/98 | \$35.00 | \$40.00 |
| Pipe Creek | IOU | 40056 | 4/12/95 | \$30.00 | \$30.00 |
| Pleasant View | IOU | 41591-U | 4/12/00 | \$31.15 | \$46.73 |
| Posey Township | NFP | 43005-U | 8/16/06 | \$31.55 | \$43.15 |
| Princeton | Municipal | 41159 | 9/9/99 | \$25.28 | \$35.63 |
| Ramsey | NFP | 43413 | 6/11/08 | \$27.97 | \$40.20 |
| Reelsville | NFP | 43134-U | 2/18/09 | \$30.45 | \$43.20 |
| Rhorer, Harrell & Schacht | NFP | 43080-U | 12/20/06 | \$19.86 | \$28.37 |
| River's Edge | IOU | 42234 | 2/5/03 | \$22.55 | \$33.83 |
| Riverside | IOU | 42122 | 2/19/03 | \$18.87 | \$25.05 |
| Schererville* | Municipal | 42872 | 12/14/05 | \$21.16 | \$29.71 |
| Schneider | Municipal | 36056 | 10/23/80 | \$9.15 | \$9.15 |
| Shady Side Drive | NFP | 38869 | 7/18/90 | \$21.96 | \$32.76 |
| Silver Creek | NFP | 37734 | 6/5/85 | \$21.70 | \$32.55 |
| South 43 | NFP | 31465 | 6/23/67 | \$21.60 | \$32.03 |
| South Bend* | Municipal | 42779 | 2/8/06 | \$15.34 | \$20.32 |
| South Harrison | NFP | 39134 | 11/3/82 | \$36.23 | \$53.28 |
| South Lawrence | NFP | 43324 | 3/26/08 | \$54.86 | \$71.57 |
| Southern Monroe | NFP | 36029 | 6/25/80 | \$23.98 | \$34.40 |
| Southwestern Bartholomew | NFP | 43329 | 3/5/08 | \$39.36 | \$58.04 |
| St. Anthony | NFP | 39193 | 10/19/91 | \$37.95 | \$55.25 |
| Stucker Fork, Austin | CD | 42752 | 6/28/06 | \$26.42 | \$36.65 |

Note:

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Water Bill Survey

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|------------------------------|-----------|----------------|------------|----------------------|----------------------|
| | | | | 668.4028 cu. ft. | 1,002.6042 cu. ft. |
| | | | | Average Monthly Bill | Average Monthly Bill |
| Sugar Creek | IOU | 43579 | 12/22/09 | \$18.36 | \$18.36 |
| Sullivan-Vigo | NFP | 42599 | 6/23/04 | \$67.20 | \$97.98 |
| Town of Cedar Lake | IOU | 43655 | 6/1/09 | \$43.55 | \$62.33 |
| Tri-County | CD | -- | 6/11/08 | \$32.65 | \$41.90 |
| Tri-Township | NFP | 40327 | 4/17/96 | \$19.85 | \$27.61 |
| Twin Lakes | IOU | 43128 | 1/16/08 | \$21.85 | \$28.78 |
| Utility Center, Aqua Indiana | IOU | 43331 | 8/27/08 | \$32.15 | \$45.05 |
| Valparaiso Lakes* | CD | 38556 | 12/22/84 | \$37.69 | \$48.35 |
| Van Bibber Lake | CD | 42549-U | 11/18/04 | \$23.40 | \$23.40 |
| Van Buren Water | NFP | 42159 | 9/4/02 | \$22.25 | \$32.08 |
| Waldron | CD | 42376 | 2/11/04 | \$25.98 | \$37.93 |
| Washington Twp. of Monroe | NFP | 42672 | 7/28/04 | \$31.86 | \$44.81 |
| Water Service Co. of Indiana | IOU | 42969 | 8/30/06 | \$22.24 | \$32.49 |
| Watson Rural | NFP | 41057 | 11/25/98 | \$18.55 | \$25.93 |
| Wedgewood Park | IOU | 42769 | 3/7/07 | \$23.26 | \$31.18 |
| Wells Homeowners Association | NFP | 40056 | 4/12/95 | \$30.00 | \$30.00 |

Note:

NFP = Not-For-Profit
 CD = Conservancy District
 IOU = Investor-Owned Utility

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Sewer Bill Survey

Residential Sewer Bills Comparison By Gallon Usage January 1, 2010 Billing

5,000 gal./
668.4028 cu. ft.

| Utility | Ownership | Last Rate Case | Effective Date | Average Monthly Bill |
|--|-----------|----------------|----------------|----------------------|
| Aldrich Environmental, LLC | IOU | 42805 | 9/28/05 | \$50.00 |
| American Suburban Utilities, Inc. | IOU | 41254 | 8/15/00 | \$47.50 |
| Anderson Lake Estates, LLC | IOU | 42478 | 1/15/08 | \$42.35 |
| Apple Valley Utilities, Inc. | IOU | 40191 | 8/2/95 | \$48.58 |
| Aqua Indiana South Haven | IOU | 43310 | 3/31/08 | \$56.00 |
| Bluffs Basin Utility Company, LLC | IOU | 42188 | 3/5/03 | \$46.88 |
| Brushy Hollow Utilities, Inc | IOU | 41285 | 1/27/99 | \$27.10 |
| Centurian Corporation | IOU | 40157 | 8/30/95 | \$65.00 |
| Cha Utilities | IOU | 42244 | 12/4/02 | \$41.00 |
| Consumers Indiana Water Company | IOU | 42190 | 4/28/04 | \$45.07 |
| Country Acres Property Owners Association | NFP | 36972 | 12/16/82 | \$6.00 |
| Devon Woods Utilities, In | IOU | 40234 - U | 2/6/96 | \$41.88 |
| Doe Creek Sewer Utility | IOU | 43530 - U | 6/10/09 | \$48.00 |
| Driftwood Utilities, Inc. | NFP | 37297 | 4/25/06 | \$25.00 |
| East Shore Corporation | IOU | 41494 | 3/8/01 | \$29.17 |
| Eastern Hendricks County Utility, Inc. | IOU | 42031 - U | 4/16/06 | \$39.00 |
| Eastern Richland Sewer Corporation | NFP | 37900 | 8/19/85 | \$41.31 |
| Hamilton Southeastern Utilities, Inc. | IOU | 43581 | 12/4/09 | \$33.55 |
| Harbortown Sanitary Sewage Corporation | IOU | 35455 | 6/3/87 | \$18.00 |
| Heir Industries, Inc. | IOU | 42990 - U | 6/28/06 | \$37.50 |
| Hessen Utilities, Inc. | IOU | 30805 | 7/30/65 | \$4.00 |
| Hillview Estates Subdivision Utilities, Inc. | IOU | 38737 - U | 5/31/89 | \$30.00 |
| Hoosierland Vistas | IOU | 35206 | 6/20/78 | \$14.00 |
| Howard County Utilities, Inc. | IOU | 43294 | 1/23/08 | \$45.38 |
| Indiana American Water Company - Muncie and Somerset | IOU | 43187 | 10/10/07 | \$61.29 |

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Sewer Bill Survey

Residential Sewer Bills Comparison By Gallon Usage January 1, 2010 Billing

5,000 gal./
668.4028 cu. ft.

| Utility | Ownership | Last Rate Case | Effective Date | Average Monthly Bill |
|--|-----------|----------------|----------------|----------------------|
| JLB Development, Inc. | IOU | 39868 | 4/28/95 | \$65.53 |
| Kingsbury Utility Corporation | IOU | 43296 | 2/1/08 | \$33.15 |
| Lakeland Lagoon Corp. | NFP | 41597 - U | 2/2/00 | \$77.22 |
| LMH Utilities Corporation | IOU | 43431 | 1/21/09 | \$46.59 |
| Mapleturn Utilities, Inc. | NFP | 41656 | 5/10/00 | \$41.31 |
| Northern Richland Sewage Corporation | NFP | 32784 | 5/3/72 | \$39.51 |
| Old State Utility Corporation | IOU | 36470 | 12/30/92 | \$40.79 |
| Pleasantview Utilities, Inc. | IOU | 43313 - U | 5/15/08 | \$24.38 |
| Rivers Edge Utility, Inc. | IOU | 42234 | 10/25/05 | \$22.55 |
| Sani Tech, Inc. | IOU | 41644 | 6/14/06 | \$70.00 |
| Sanitary District of Hammond | NFP | 43307 | 1/9/08 | \$19.00 |
| South County Utilities, Inc. | IOU | 39999 | 1/18/95 | \$49.15 |
| Southeastern Utilities, Inc. | IOU | 40619 | 6/14/06 | \$55.00 |
| Sugar Creek Utility Company, Inc. | IOU | 39891 | 4/16/96 | \$60.14 |
| Twin Lakes Utilities, Inc. | IOU | 43128 | 11/12/09 | \$42.48 |
| Utility Center, Inc. (metered) | IOU | 43331 | 8/27/08 | \$43.35 |
| Utility Center, Inc. (unmetered) | IOU | 43331 | 8/27/08 | \$54.64 |
| Wastewater One, LLC (formerly Highlander Village Sewage) | IOU | 41584 | 2/22/06 | \$45.00 |
| Water Service Company of Indiana, Inc. | IOU | 41486 | 1/21/00 | \$44.28 |
| Webster Development, LLC | IOU | 42232 | 8/9/07 | \$36.81 |
| Wildwood Shores | IOU | 43233 - U | 10/19/07 | \$41.44 |
| Wymberly Sanitary Works, Inc. | IOU | 42877 - U | 3/22/06 | \$80.00 |

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Pipeline Safety

Service, Distribution and Transmission Lines

| | |
|------------------------------------|--------------------|
| Number of service lines | 1,953,793 |
| Avg. length of service line (feet) | 92 |
| Total service lines (feet) | 179,748,956 |
| | |
| Total service lines (miles) | 34,043 |
| Total distribution lines (miles) | 39,217 |
| Total transmission lines (miles) | 1,962 |
| Total lines (miles) | 75,222 |



Leaks Repaired by Cause

| | |
|----------------------------|---------------|
| Corrosion | 1,045 |
| Natural forces | 958 |
| Excavation | 2,216 |
| Other outside force damage | 499 |
| Material or welds | 2,158 |
| Equipment | 3,096 |
| Operations | 218 |
| Other | 2,289 |
| Total leaks | 12,579 |
| | |
| Main leaks | 2,135 |
| Miles of main | 39,217 |
| Miles of main per leak | 18.4 |
| | |
| Service leaks | 10,444 |
| Service lines | 1,953,793 |
| Service lines per leak | 187.1 |

Accidents and Incidents

| Reported Cause | Reports | >\$50,000 Damages | Fatalities | Injuries |
|--------------------|----------|-------------------|------------|----------|
| Third-party damage | 0 | 0 | 0 | 0 |
| Outside forces | 1 | 1 | 0 | 0 |
| Natural forces | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Total | 1 | 1 | 0 | 0 |

Communications

The years 2009 and 2010 were both engaging and productive for the Communications Division of the IURC. HEA 1279, which became law through the 2006 General Assembly, outlined significant policy changes in communications regulation to be in place by July 1, 2009. These changes focus on parity in the regulation of Communications Service Providers and review of rules and policies to identify and eliminate unnecessary requirements. Many policies and rules were either streamlined or eliminated over the past year. One such example is the new streamlined CTA process that was developed.

HEA 1279 requires new types of providers, including providers of information service and video service provided under local franchises to obtain a CTA beginning July 1, 2009. The Commission also continues to issue state video franchises in its role as the sole video franchise authority in the state.

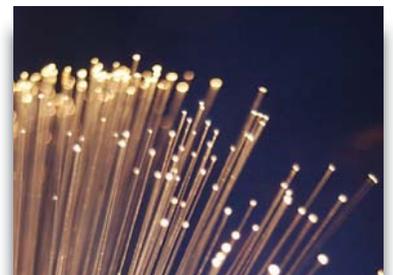
Types of Services in New Communications Service Provider CTA Petitions Filed Since 7/1/09

| | |
|---|-----------|
| Information Service | 27 |
| Telecommunications Service | 15 |
| Video Service | 12 |
| Telecommunications & Information Services | 2 |
| Telecommunications & Video | 0 |
| Information & Video Services | 5 |
| Total | 61 |



New Types of Service in Notices Filed by Existing Providers Since 7/1/09

| | |
|----------------------------|-----------|
| Information Service | 31 |
| Telecommunications Service | 13 |
| Video Service | 6 |
| Total | 50 |



State-Issued Video Franchise Authority

| | |
|---|----|
| Number of State-Issued Franchises since 7/1/06 | 27 |
| - Number of Existing Providers as of 7/1/06 | 15 |
| - Number of New Franchises since 7/1/06 | 12 |
| Number of Franchises Issued from 7/1/09 to 6/30/10 | 8 |
| Number of Franchise Petitions Received after 7/1/09 | 10 |

