Indiana Utility Regulatory Commission Update Since Last Exchange

Scott R. Storms General Counsel Indiana Utility Regulatory Commission September 17, 2007 Tirana, Albania

Office Move

- Relocation of the Indiana Utility Regulatory Commission and the Office of the Utility Consumer Counselor to new offices outside the State Government Complex
 - Offices of the Commission and the OUCC are now on the 15th floor of the National City Center in Indianapolis.
 - Two Hearing Rooms are on the 2nd floor of the National City Center

Reorganization of Commission's Legal Office

July 1, 2007-Combination of Administrative Law Judges and General Counsel into a single newly constituted Office of General Counsel.



Work in Progress Rulemakings

Proposed Modification of the **Commission's Procedural Rules** Proposed Modification of the **Commission's Ex-parte rules** Proposed Modification of the **Commission's Rules on Minimum Standard Filing Requirements** > Rulemaking to Formalize Requirements for "30 Day Filings."

Recent Rate Cases

Southern Indiana Gas and Electric Company Gas Rate Case

- Order issued on August 1, 2007
- Cause No. 43112
- Vectren Electric Rate Case
 - Order issued on August 15, 2007
 - Cause No. 43111

Both Cases Settled with the Office of the Utility Consumer Counselor and the Industrial Intervenors

Major Electric Cases

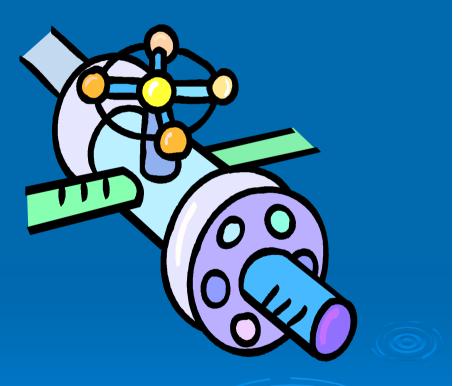
Request by Duke Energy Indiana for approval to Construct an Integrated Gasification Combined Cycle ("IGCC") Plant in Knox County Indiana.

- Designed to convert coal to synthetic natural gas to be burned in a 650 MW generation unit.
- Would replace an existing older unit that is small and underutilized.
- Record closed- Request being considered by the Commission.
- Record in the Commission's Demand Side Management Investigation is closed and the matter is being considered by the Commission

Syngas Proceeding

Request for the Commission to Decline to Exercise Jurisdiction over the Construction and Operation of a Facility that will convert coal to synthetic natural gas

- syngas may be sold to jurisdictional gas and electric utilities under a long term contract
- Parties attempting to work out details before moving forward



Pending or Possible Upcoming Electric Rate Cases

Indiana Michigan Power recently filed a Rate Case with the Commission

- First such request since Order issued in Cause No. 39314 on Nov. 12, 1993 – Almost 16 years ago.
- Prehearing Conference Order has been issued by the Commission which establishes the Procedural Schedule

Rate case from Other Electric Utilities may be forthcoming in the near future

Guidelines on Interstate Pipelines

- Senate Enrolled Act 529 requires the Pipeline Safety division of the IURC to create and administer guidelines related to interstate pipeline construction.
- The Commission accepted written comments on proposed guidelines and held three public meetings throughout the state to solicit verbal comments.
- After September 1, 2007, the statute requires the Pipeline Safety division to mail the guidelines and a letter to all affected landowners and pipelines as soon as it learns of a proposed pipeline (or within 3 days of receiving notice from FERC of a pipeline's application for a certificate of territorial authority). The division is also required to establish a website and keep all information about pipeline projects current; make a contact person available at a toll-free number; and attend all public meetings regarding pipeline projects.

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