

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE BOARD OF DIRECTORS FOR)	
UTILITIES OF THE DEPARTMENT OF PUBLIC)	
UTILITIES OF THE CITY OF INDIANAPOLIS, AS)	
SUCCESSOR TRUSTEE OF A PUBLIC CHARITABLE)	
TRUST, D/B/A CITIZENS GAS FOR AUTHORITY TO)	
INCREASE ITS RATES AND CHARGES FOR GAS)	
UTILITY SERVICE AND FOR APPROVAL OF A)	
NEW SCHEDULE OF RATES AND CHARGES)	
APPLICABLE THERETO, APPROVAL UNDER)	CAUSE NO. 42767
IC 8-1-2.5 OF AN ALTERNATIVE REGULATORY)	
PLAN IMPLEMENTING AN UNCOLLECTIBLE)	
EXPENSE ADJUSTMENT MECHANISM, A DEMAND)	
SIDE MANAGEMENT AND RATE DECOUPLING)	
MECHANISM AND APPROVAL OF OTHER)	
CHANGES TO ITS GENERAL TERMS AND)	
CONDITIONS FOR GAS SERVICE)	

COMPLIANCE FILING

Pursuant to the Commission's Order on Rehearing issued on August 29, 2007 ("Order on Rehearing") and Supplemental Order issued on August 7, 2008 ("Supplemental Order") in this Cause, the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis, as successor trustee of a public charitable trust, d/b/a Citizens Gas respectfully submits Second Revised Page No. 505A, Rider E – Energy Efficiency Adjustment, which will become effective January 1, 2013.

1. Pursuant to the Order on Rehearing and Supplemental Order, the delivery charges set forth in Gas Rate Nos. D1, D2, D3 and D4 are adjusted from time to time by Rider E, which contains an Energy Efficiency Funding Component ("EEFC") and a Sales Reconciliation Component ("SRC").

2. The EEFC recovers the costs of funding energy efficiency efforts throughout the Citizens Gas service area that are not recovered through base rates. The estimated annual costs, plus related revenue taxes, are divided by projected sales volumes to determine the applicable EEFC. The actual costs recoverable and the actual costs recovered under the EEFC will be reconciled, with any under or over recovery collected or returned via the EEFC over a subsequent 12-month period. The EEFC is not changing with this filing.

3. The SRC recovers during the calendar year the difference between the actual margins for the most recent fiscal year and adjusted order margins approved for Citizens Gas in Cause No. 43975. Annually, Citizens Gas reflects in a revised SRC the accumulated monthly margin difference. Citizens Gas is filing at this time only reflects an adjustment only to the SRC component of Rider E.

4. The calculation of the SRC component applicable to customers served under Gas Rate Nos. D1, D2, D3 and D4 is provided on Schedules 1 through 4 attached hereto.

Respectfully submitted,

/s/ Leon A. Ford

Leon A. Ford
Rates Administrator

Leon A. Ford
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing "Compliance Filing" was served via electronic mail on December 3, 2012 to the following:

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ENERGY EFFICIENCY ADJUSTMENT RATE: \$ per Therm

The applicable Energy Efficiency Adjustment Rate (the sum of the EEFC and SRC) shall be applied to each Therm of metered Gas usage each Month.

<u>Rate Schedule</u>	<u>A Energy Efficiency Funding Component</u>	<u>B Sales Reconciliation Component</u>	<u>A + B Energy Efficiency Adjustment Rate</u>
Gas Rate D1	\$0.0099	\$0.0236	\$0.0335
Gas Rate D2	\$0.0099	\$0.0136	\$0.0235
Gas Rate D3	\$0.0099	(\$0.0113)	(\$0.0140)
Gas Rate D4	\$0.0099	\$0.0071	\$0.0170

CITIZENS GAS
SALES RECONCILIATION COMPONENT (SRC)
ANNUAL SRC CALCULATION
USING FISCAL YEAR 2012 SALES DATA

	Residential Domestic Rate No. D1	Residential Heat Rate No. D2	General Non-Heat Rate No. D3	General Heat No. D4	Total
1 Actual Margin	\$833,240	\$87,768,318	\$1,742,740	\$28,299,300	\$118,643,598
2 Order Granted Margin	\$893,235	\$90,548,243	\$1,548,952	\$29,442,585	\$122,433,015
3 Add: Customer Growth Margin (In10)	(\$38,468)	(\$420,027)	(\$9,713)	(\$560,280)	(\$1,028,488)
4 Adjusted Order Granted Margin (In2 + In3)	\$854,767	\$90,128,216	\$1,539,239	\$28,882,305	\$121,404,527
5 SRC FY2012 Amount (In 4 - In1)	\$21,527	\$2,359,898	(\$203,501)	\$583,005	\$2,760,929

Customer Growth Margin					
6 Actual Customer Count	40,426	2,816,778	15,875	254,410	
7 Order Granted Customer Count	42,225	2,825,602	15,959	259,520	
8 Customer Growth	(1,799)	(8,824)	(84)	(5,110)	
9 Order Granted Base/Customer	\$21.3830	\$47.6005	\$115.6310	\$109.6438	
10 Customer Growth Margin (In8 * In9)	(\$38,468)	(\$420,027)	(\$9,713)	(\$560,280)	

CITIZENS GAS
SALES RECONCILIATION COMPONENT (SRC)
SRC RATE CALCULATION

	Residential Domestic Rate No. D1	Residential Heat Rate No. D2	General Non-Heat Rate No. D3	General Heat No. D4	Total
1 SRC FY2012 Amount (Schedule 1, ln5)	\$21,527	\$2,359,898	(\$203,501)	\$583,005	\$2,760,929
2 Variance of SRC Funds at 12/31/11 (Sch. 3, ln3)	\$2,862	\$543,363	\$76,259	\$413,752	\$1,036,236
3 Total SRC Amount to be included in SRC rate (ln1 + ln2)	\$24,389	\$2,903,261	(\$127,242)	\$996,757	\$3,797,166
4 Projected Sales for Calendar Year 2013 - Therms	1,032,590	213,075,380	11,282,670	140,603,890	365,994,530
5 SRC Factor per Therm (ln3 / ln4)	\$0.0236	\$0.0136	(\$0.0113)	\$0.0071	

CITIZENS GAS
SALES RECONCILIATION COMPONENT (SRC)
RECONCILIATION OF CALENDAR YEAR 2011

	Residential Domestic Rate No. D1	Residential Heat Rate No. D2	General Non-Heat Rate No. D3	General Heat No. D4	Total
1 FY 2010 SRC funds to be distributed/collected in CY2011	\$17,738	\$4,594,108	(\$176,696)	\$2,442,946	\$6,878,096
2 Less: Actual FY 2010 SRC funds distributed/collected in CY2011	14,876	4,050,745	(252,955)	2,029,194	\$5,841,860
Variance of calendar year 2011 funds to be included in					
3 the 2013 Sales Reconciliation Component (In1 - In2)	<u>\$2,862</u>	<u>\$543,363</u>	<u>\$76,259</u>	<u>\$413,752</u>	<u>\$1,036,236</u>

CITIZENS GAS ENERGY EFFICIENCY ADJUSTMENT (EEA) - RIDER E CALCULATION

	Residential Domestic Rate No. D1	Residential Heat Rate No. D2	General Non-Heat Rate No. D3	General Heat No. D4
1 SRC Tariff Rate (Schedule 2, ln5)	\$0.0236	\$0.0136	(\$0.0113)	\$0.0071
2 EEFC Tariff Rate (no change, same as 1/12012)	\$0.0099	\$0.0099	\$0.0099	\$0.0099
3 Energy Efficiency Adjustment (\$/Therm) (ln1 + ln2)	<u>\$0.0335</u>	<u>\$0.0235</u>	<u>(\$0.0014)</u>	<u>\$0.0170</u>