

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

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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 & COKE UTILITY 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 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 APROVAL OF)
OTHER CHANGES TO ITS GENERAL TERMS AND)
CONDITIONS FOR GAS SERVICE)

CAUSE NO. 42767

PREHEARING
CONFERENCE ORDER

APPROVED: FEB 23 2005

BY THE COMMISSION:

Judith G. Ripley, Commissioner

William G. Divine, Administrative Law Judge

On December 29, 2004, 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 & Coke Utility ("Petitioner") filed its Verified Petition as titled above.

In accordance with 170 IAC 1-1.1-15 and pursuant to proper notice given as provided by law, a Prehearing Conference and Preliminary Hearing was commenced on February 2, 2005, at 10:30 a.m., EST, in Room E306, Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana. Proof of publication of notice of the Prehearing Conference was incorporated into the record and placed in the official files of the Commission. A Petition to Intervene, filed on February 2, 2005, by certain of Petitioner's industrial customers, identified as the Citizens Industrial Group, was granted at the Prehearing Conference. At the request of Petitioner and the Indiana Office of Utility Consumer Counselor ("Public"), the Prehearing Conference was continued so that the parties could further discuss certain procedural and scheduling issues relevant to this Cause.

The Prehearing Conference was reconvened on February 11, 2005, at 9:30 a.m., EST, in Room E306, Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana. Prior to reopening the record in this Cause and with the participation of all parties in attendance, an informal discussion was held regarding procedural, scheduling and certain other matters pertinent to this Cause. The agreement of the parties was then read into the record.

Based upon the agreement of the parties, the Commission now enters the following Findings and Order which should become a part of the record in this proceeding:

1. **Test Year and Accounting Method.** The test year to be used for determining Petitioner's actual and pro forma operating revenues, expenses and operating income under present and proposed rates should be the twelve months ended September 30, 2004, adjusted for changes that are fixed, known and measurable for ratemaking purposes and that will occur within twelve months following the end of the test year. Notwithstanding the foregoing provision, any party may propose accounting adjustments that are fixed, known and measurable for ratemaking purposes that occur more than twelve months beyond the end of the test year to the extent such adjustments result from a final Commission order issued in consolidated Cause Nos. 42729 and 42730.

2. **Rate Base Cut-Off Date.** The cut-off date for determining the original cost and fair value of Petitioner's property used and useful in furnishing service to the public should be September 30, 2004.

3. **Petitioner's Prefiling Date.** Petitioner should file with the Commission and serve on all parties of record the prepared testimony and exhibits constituting its case-in-chief on or before March 29, 2005.

4. **Hearing On Petitioner's Case-In-Chief.** An Evidentiary Hearing in this Cause should commence on August 10, 2005, at 9:30 a.m., EST, in the Conference Center, Room 32, of the Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana, at which time Petitioner's prefiled case-in-chief should be presented and its witnesses offered for cross-examination. As necessary, the hearing should continue from day to day thereafter. The Evidentiary Hearing should then be continued to the next appropriate hearing date below.

5. **Public's and Intervenors' Prefiling Date.** The Public and all Intervenors should file with the Commission and serve on all parties of record the prepared testimony and exhibits constituting their respective cases-in-chief on or before October 7, 2005.

6. **Settlement Hearing.** In the event the parties are able to reach agreement on some or all of the issues in this Cause, a Settlement Hearing should be conducted on October 24, 2005, at 9:30 a.m., EST, in Room E-306, Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana. In such event, the parties' written settlement agreement should be filed with the Commission no less than five (5) business days prior to the Settlement Hearing date. If settlement is not reached, the parties should so advise the Commission on or before October 14, 2005.

7. **Rebuttal and Cross-Answer Prefiling Date.** Petitioner's rebuttal testimony and exhibits and the Public's and Intervenors' cross-answers should be filed with the Commission and served on all parties of record on or before November 4, 2005.

8. **Hearing On Public's and Intervenors' Cases and On Petitioner's Rebuttal.** The Evidentiary Hearing in this Cause should resume on November 30, 2005, at 9:30 a.m., EST,

in the Conference Center, Room 32, of Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana and continue as necessary, from day to day thereafter. The Public and all Intervenors should present their respective cases-in-chief and their witnesses should be offered for cross-examination. Thereafter, Petitioner should present its prefiled rebuttal evidence as well as any additional evidence rebutting evidence adduced on cross-examination of Public's or Intervenors' witnesses.

9. **Field Hearing.** A public hearing should be scheduled at a later time in the City of Indianapolis, the largest municipality served by Petitioner, for statements to be received by members of the public, which should be included in the record of evidence in this Cause. The Commission may, in its discretion, schedule other public field hearings in this Cause.

10. **Objections to Prefiled Testimony and Exhibits.** Any objection to the admissibility of prefiled testimony or exhibits should be filed with the Commission and served on all parties of record no less than two (2) business days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record.

11. **Corrections.** Any corrections to prefiled testimony or exhibits should be filed with the Commission and served on all parties of record no less than two (2) business days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record. If corrections to an exhibit appear in multiple iterations or are extensive, the exhibit with corrections incorporated should be rebound as necessary to minimize confusion over the substance and pagination of the exhibit.

12. **Copies.** An original and five (5) copies of all prepared testimony and exhibits should be filed with the Commission. Although Commission rules require that original copies be one-sided, it is the Commission's preference that duplicate copies use both sides of the paper. During the course of any hearing in this Cause, parties should provide copies of any exhibits or materials entered into evidence, which were not prefiled, to the presiding officers and assigned Commission staff.

13. **Prefiling of Workpapers.** When prefilng technical evidence with the Commission, each party should concurrently file copies of the work papers used to produce that evidence. Copies of same should also be provided to any other party requesting such in writing. When submitting workpapers to the Commission, two (2) copies of each document should be filed with the Commission.

14. **Witness Order.** Parties should submit their intended order of witnesses to the Commission and the parties in writing at least 24 hours in advance of each hearing.

15. **Discovery.** Discovery should be conducted on an informal basis and available for all parties. Any party receiving a discovery request should respond to or object to the discovery request within ten (10) business days of receipt, except that after the deadline to prefile rebuttal and cross-answers, the time to respond or object to discovery requests should be shortened to five (5) business days. Objections not made within the applicable time period should be deemed

waived unless an extension is agreed upon or obtained from the Commission. If more time is needed to respond to a discovery request, the parties will attempt in good faith to reach agreement upon the amount of time needed. If the parties are unable to agree, the party desiring more time must seek and obtain an extension from the Commission for good cause shown.

16. **Intervention.** Pursuant to 170 IAC 1-1.1-11, any party permitted to become an Intervenor in this Cause should be bound by the record as it stands at the time its Petition to Intervene is granted.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. The determinations set forth above in Finding Paragraph Nos. 1 through 16 of this Order are made a part of the record in this Cause and shall be binding on all parties of record during the proceedings in this Cause.

2. This Order shall be effective on and after the date of its approval.

McCARTY, HADLEY, LANDIS, RIPLEY, AND ZIEGNER CONCUR:

APPROVED: FEB 23 2005

**I hereby certify that the above is a true
and correct copy of the Order as approved.**



Nancy E. Manley
Secretary to the Commission