

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

<b>APPLICATION OF DUKE ENERGY INDIANA, LLC</b>	<b>)</b>	
<b>FOR APPROVAL OF A CHANGE IN ITS FUEL</b>	<b>)</b>	
<b>COST ADJUSTMENT FOR ELECTRIC SERVICE</b>	<b>)</b>	
<b>AND FOR APPROVAL OF A CHANGE IN ITS FUEL</b>	<b>)</b>	
<b>COST ADJUSTMENT FOR HIGH PRESSURE</b>	<b>)</b>	<b>CAUSE NO. 38707-</b>
<b>STEAM SERVICE, IN ACCORDANCE WITH</b>	<b>)</b>	<b>FAC134</b>
<b>INDIANA CODE §8-1-2-42, INDIANA CODE</b>	<b>)</b>	
<b>§8-1-2-42.3, AND VARIOUS ORDERS OF THE</b>	<b>)</b>	
<b>INDIANA UTILITY REGULATORY COMMISSION</b>	<b>)</b>	

**SUBMISSION OF FINAL TARIFFS**

Pursuant to the Final Order of the Commission in this proceeding dated December 28, 2022, Duke Energy Indiana, LLC, by counsel, respectfully submits Standard Contract Rider No. 60 and the updated tariff sheet for the Fuel Cost Adjustment associated with steam service provided to International Paper for approval by the Commission's Energy Division. The attached tariffs are effective for all bills rendered beginning with January 2023 – Billing Cycle 1. Please email the approved tariff sheets to [Beth.Okulovich@duke-energy.com](mailto:Beth.Okulovich@duke-energy.com) and [Suzanne.Sieferman@duke-energy.com](mailto:Suzanne.Sieferman@duke-energy.com).

Respectfully submitted,

**DUKE ENERGY INDIANA, LLC**

By:

A handwritten signature in dark ink, appearing to be "Andrew J. Wells", written over a horizontal line.

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## **CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the foregoing electronically this 28th day of December 2022 to the following:

Lorraine Hitz  
Michael Eckert  
Office of Utility Consumer Counselor  
115 W. Washington Street, Suite 1500 South  
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A handwritten signature in grey ink, appearing to read "Andrew J. Wells", is written over a horizontal line.

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**STANDARD CONTRACT RIDER NO. 60 -  
FUEL COST ADJUSTMENT**

**Calculation of Adjustment**

- A. The applicable charges for electric service to the Company's retail customers shall be increased or decreased, to the nearest 0.001 mill (\$0.000001) per KWH to recover and/or credit the cost for fuel in accordance with the following formula:

$$\text{Fuel Cost Adjustment Factor} = F/S - BF$$

where:

1. "F" is the estimated expense of fuel based on a three-month average cost beginning with the first month of the billing cycle and consisting of the following costs:
    - (a) the average cost of fossil fuel consumed due to the operation of Company's own generating units incurred to serve native load customers, including only those items listed in Account 151, of the Federal Energy Regulatory Commission's Uniform System of Accounts for Class A and B Public Utilities and Licensees;
    - (b) the actual identifiable fossil fuel costs, or, if fuel costs are not specifically identified, costs computed in accordance with applicable Commission Orders, associated with energy purchased or transferred to serve native load customers for reasons other than identified in (c) below;
    - (c) the net energy cost, exclusive of capacity or demand charges, of energy purchased or transferred to serve native load customers on an economic dispatch basis, and energy purchased or transferred to serve native load customers resulting from the scheduled outage of a Company owned generating unit, when the costs thereof are less than the Company's fuel costs of replacement net generating from its own system, as computed in accordance with applicable Commission Orders;
    - (d) fuel-related Regional Transmission Operator ("RTO") costs and credits approved by the Commission for recovery in the FCA;
    - (e) other revenues or costs approved by the Commission for recovery in this rider.
  2. "S" is the estimated kilowatt-hour sales for the same estimated period set forth in "F."
  3. "BF" is the base cost of fuel pursuant to the Commission's Order in Cause No. 45253 equal to \$0.026955 per kWh.
- B. The factor shall be further modified commencing with the fifth succeeding billing cycle month to reflect the difference between the estimated incremental fuel cost billed and the incremental fuel cost actually incurred during the first and succeeding billing cycle month(s) in which such estimated incremental fuel cost was billed.
- C. Effective for all bills rendered beginning with and subsequent to the later of the effective date of the Commission's Order or the first billing cycle of January 2023 the fuel cost adjustment shall be:

\$0.036148 per kilowatt-hour.

**ISSUED:**

**December 28, 2022**

**EFFECTIVE:**

**Bills Rendered  
January 2023 - Billing Cycle 1**

**Duke Energy Indiana, LLC**

1000 East Main Street  
Plainfield, Indiana 46168

**FUEL COST ADJUSTMENT  
INTERNATIONAL PAPER  
FORMERLY TEMPLE-INLAND, INC.**

- A. The energy charge per 1,000 pounds of steam shall be increased or decreased, in accordance with the following factor to reflect changes in net fuel costs:

$$\text{Fuel Cost Adjustment Factor} = (F/K * 108.4) - 1.5890079$$

where:

1. "F" is the estimated fuel expense based on a three-month average of the following costs:
    - (a) the average cost of fossil fuel consumed due to the operation of Company's own generating units incurred to serve native load customers, including only those items listed in Account 151, of the Federal Energy Regulatory Commission's Uniform System of Accounts for Class A and B Public Utilities and licensees;
    - (b) the actual identifiable fossil fuel costs, or, if fuel costs are not specifically identified, costs computed in accordance with applicable Commission Orders, associated with energy purchased or transferred to serve native load customers for reasons other than in (c) below;
    - (c) the net energy cost, exclusive of capacity or demand charges, of energy purchased or transferred to serve native load customers on an economic dispatch basis, and energy purchased or transferred to serve native load customers resulting from the scheduled outage of a Company owned generating unit, when the costs thereof are less than the Company's fuel costs of replacement net generation from its own system, as computed in accordance with applicable Commission Orders,
    - (d) less: the cost of fossil fuel recovered through inter-system sales.
    - (e) any other fuel or purchased power related costs applicable to native load which are approved by the Commission for inclusion in the electric fuel cost adjustment.
  2. "K" is the estimated kilowatt-hours available for the same estimated period as "F", consisting of the net sum in kilowatt-hours of:
    - (a) net generation
    - (b) purchases
    - (c) equivalent steam sales kWh, less
    - (d) inter-system sales
  3. 108.4 is the equivalent kWh per 1,000 pounds of steam.
  4. 1.5890079 is the system average base cost of fuel to be included in the steam rates. Use of the system average cost of fuel will remain in effect unless modified by written agreement of the Parties or pursuant to an order of the Commission.
- B. The Fuel Cost Adjustment Factor as computed above shall be modified to allow the recovery of utility receipts taxes and/or other similar revenue based costs incurred due to the recovery of fuel costs.
- C. The Fuel Cost Adjustment Factor as computed above shall be further modified to include the separate recovery, pursuant to IC 8-1-2-42(a), of costs applicable to certain power purchases in excess of the monthly purchased power benchmark.
- D. The difference between the estimated incremental fuel cost billed and the incremental fuel costs actually experienced during the billing cycle month(s) in which such estimated incremental fuel cost was billed will be calculated on a quarterly basis and charged or credited directly on Customer's bills for high pressure steam service on a monthly basis.
- E. Effective for all bills rendered beginning with and subsequent to the later of the effective date of this Order or the January 2023 bill, the fuel cost adjustment factor shall be \$2.8818473 per 1,000 pounds of steam.

**ISSUED:**

**December 28, 2022**

**Effective the first billing  
cycle of January 2023 or  
for the bills rendered after  
the effective date of the  
Commission's Order, if later**