

RIDER 488
ADJUSTMENT OF CHARGES FOR TRANSMISSION, DISTRIBUTION AND STORAGE
SYSTEM IMPROVEMENT CHARGE

No. 1 of 1 Sheet

TO WHOM AVAILABLE

This Rider shall be applicable to the Rate Schedules as identified in Appendix A.

ADJUSTMENT OF CHARGES FOR TRANSMISSION, DISTRIBUTION AND STORAGE
SYSTEM IMPROVEMENT CHARGE

Energy Charges in the Rate Schedules included in this Tariff are subject to charges to reflect the recovery of costs incurred in connection with approved Transmission, Distribution and Storage System Improvements, and such charges shall be increased or decreased to the nearest 0.001 mill (\$.000001) per therm in accordance with the following:

$$\text{TDSIC} = ((\text{Rd} \times \text{Ad}) + (\text{Rt} \times \text{At}) + (\text{Rs} \times \text{As})) / \text{S}$$

Where:

- “TDSIC” is the rate adjustment for each Rate Schedule.
“Rd” equals the revenue requirement based upon the distribution project costs approved by the Indiana Utility Regulatory Commission in a TDSIC adjustment proceeding.
“Rt” equals the revenue requirement based upon the transmission project costs approved by the Indiana Utility Regulatory Commission in a TDSIC adjustment proceeding.
“Rs” equals the revenue requirement based upon the storage project costs approved by the Indiana Utility Regulatory Commission in a TDSIC adjustment proceeding.
“Ad” represents the applicable distribution allocation percentage(s) for each Rate Schedule.
“At” represents the applicable transmission allocation percentage(s) for each Rate Schedule.
“As” represents the applicable storage allocation percentage(s) for each Rate Schedule.
“S” is the therm sales forecast for each Rate Schedule.

TDSIC

The rates identified in Appendix A are subject to a Transmission, Distribution and Storage System Improvement Charge (“TDSIC”). The TDSIC stated in Appendix F is applicable hereto and is issued and effective at the dates shown on Appendix F.

The TDSIC as computed above shall be further modified to allow the recovery of gross receipts taxes and other similar revenue based tax charges occasioned by the TDSIC revenues and later reconciled with actual sales and revenues.

See Appendix F for the TDSIC per therm charge for each Rate Schedule.

Effective 2/1/2015

