

RIDER 870
ADJUSTMENT OF CHARGES FOR COST OF FUEL RIDER

Sheet No. 1 of 1

TO WHOM AVAILABLE

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

RATE

- A. The applicable charges for Energy use under all Rate Schedules are subject to adjustment for fuel cost and shall be increased or decreased to the nearest 0.001 mill (\$.000001) per kWh to recover and/or credit for the cost of fuel in accordance with the following:

$$\text{Adjustment Factor} = (F/S) - 0.026736$$

Where:

1. "F" is the estimated expense of fuel based on a three (3) month average cost beginning with the month immediately following the twenty (20) day period allowed by the Commission in IC 8-1-2-42 (b) and consisting of the following costs:
 - (a) the average cost of fossil fuel consumed in the Company's own plants, such cost being only those items listed in Account 151 of FERC's Uniform System of Accounts for Class A and B Public Utilities and Licensees; and
 - (b) Purchased Power Costs; and
 - (c) Fuel-related MISO charge types; and
 - (d) Other costs approved by the Commission for recovery.
 2. "S" is the three (3) month kWh sales forecast for each Rate Schedule.
- B. The Fuel Cost Adjustment shall be further modified to reflect the difference in the estimated incremental fuel cost billed and the incremental fuel cost actually experienced during the first and succeeding billing cycle month(s) or calendar months(s) in which such estimated incremental fuel cost was billed for those months not previously reconciled.
- C. The Fuel Cost Adjustment is shown in Appendix B.