



DATE RECEIVED: APRIL 15, 2011
IURC 30-DAY FILING NO: 2850
Indiana Utility Regulatory Commission

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April 15, 2011

Secretary of the Commission
Indiana Utility Regulatory Commission
101 W. Washington St.
Suite 1500 East
Indianapolis, IN 46204-3407

Dear Secretary:

Duke Energy Indiana, Inc. (Company) hereby submits, in compliance with the Settlement Agreement and Indiana Utility Regulatory Commission ("Commission") Order in Cause No. 42873, as approved by the Commission on March 15, 2006, its adjustment to rates to remove the amortization of the costs associated with the Cinergy Corp. merger. Attached is Standard Contract Rider No. 67 ("Rider 67") – Credits to Remove Annual Amortization of Cinergy Merger Costs. These costs were included in base rates pursuant to the Company's Retail Electric Rate Case – Cause No. 42359.

The Company is submitting this filing under Section 3 of the Thirty-Day Administrative Filing Procedures and Guidelines (170 IAC 1-6). Section 3 (5) (B) allows changes to rates and charges so long as the change results in an overall decrease in revenue of the utility and is done for all classes of customers. Rider 67 accomplishes this by reducing the Company revenue by \$11,552,000 each year (adjusted by the "true-up" from the prior year) by Retail Rate Group.

Attached are the work papers that show the development of the Rider rates, by Retail Rate Group, that will go into effect with the June 2011 cycle 1 billing on an as billed basis. The Company plans to file an updated Rider 67 each year in April for implementation by June 1, commencing with June's cycle 1 billing. This will continue until the effective date of the setting of new rates and charges in the Company's next retail base rate case.

The calculation of the Rider 67 rates for June 2011 through May 2012 is done by allocating the annual amortization amount (\$11,552,000) by the Operation and Maintenance ("O&M") Expense Excluding Fuel and Purchased Power from Cause No. 42359, by Retail Rate Group. These credits are then adjusted by an annual reconciliation amount to "true-up" the prior year. The reconciliation amounts are calculated by comparing the actual amounts credited in the prior calendar year to the allowed annual amortization amount by Retail Rate Group. The difference, by Retail Rate Group, will then be added to, or subtracted from, the current year

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annual amortization amount, by Retail Rate Group, to find the total credit amounts. The total credit amounts are divided by the prior calendar year's kWh Sales to determine the per kWh credit rate for each Retail Rate Group.

We are filing this rider and the associated worksheets, including the Company's verified statement that we have provided notice to our customers as required under Section 6 of the thirty-day filing rules, electronically. We would appreciate the return of a file-stamped copy for our files.

If there are any questions concerning this filing, please contact me at 317.838.2824.

Sincerely,



Bradley J. Beagle
Attachments

cc: J. R. Bailey
M. T. Birnbaum
B. P. Davey
K. K. Freeman
D. L. Jenner
K. A. Karn
M. L. McClaine
M. E. Musick
M. D. Price
M. N. Smith
Dr. B. Borum (IURC)
D. Thomas (IURC)
S. C. Wilde

Service List from Cause No. 42873

Robert Mork – Office of the Utility Consumer Counselor
Randy Helmen – Office of the Utility Consumer Counselor
Richard E. Aikman, Jr. (STEWART & IRWIN, P.C.)
Anne E. Becker (STEWART & IRWIN, P.C.)
Robert K. Johnson, Esq.
Damon E. Xenopoulos, Esq. (BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.)

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Peter J. Mattheis (BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.)
Shaun C. Mohler (BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.)
Fred O. Towe (FILLENWARTH DENNERLINE GROTH & TOWE)
Geoffrey S. Lohman (FILLENWARTH DENNERLINE GROTH & TOWE)
Jerome E. Polk (Mullett, Polk & Associates, LLC)
Don F. Morton (PARR RICHEY OBREMSKEY & MORTON)
Grant Smith (Citizens Action Coalition)
Bette J. Dodd (LEWIS & KAPPES, P.C.)
Timothy L. Stewart (LEWIS & KAPPES, P.C.)
Christopher M. Goffinet (Huber & Goffinet)
Larry Wallace (PARR RICHEY OBREMSKEY & MORTON)

**Standard Contract Rider No. 67
Credits to Remove Annual Amortization of
Cinergy Merger Costs**

Availability

The applicable energy charges for service to the Company's retail electric customers shall be decreased monthly to remove the annual amortization of the 1994 Cinergy merger costs as approved by the Commission in Cause No. 42873. The application of this rider shall begin with billing cycle 1 for June 2008 and shall remain in effect until the effective date of the setting of new rates and charges in the Company's next retail base rate case.

Rate

The following are the monthly credit rider rates:

Line No.	Retail Rate Group	Rate per kWh	Line No.
1	Rate RS	(\$0.000500)	1
2	Rates CS and FOC	(\$0.000538)	2
3	Rate LLF	(\$0.000341)	3
4	Rate HLF	(\$0.000297)	4
5	Customer L - Supp	(\$0.000119)	5
6	Customer D	(\$0.000298)	6
7	Customer O	(\$0.000066)	7
8	Rate OL	(\$0.000965)	8
9	Rate WP	(\$0.000290)	9
10	Rate SL	(\$0.001672)	10
11	Rate AL	(\$0.002334)	11
12	Rate MHLS	(\$0.000417)	12
13	Rates MOLS and UOLS	(\$0.000052)	13
14	Rates FS, TS and MS	(\$0.000502)	14

These rates will be adjusted annually (billing cycle 1 each June) to reflect changes in energy usage. Also, an annual reconciliation to true-up the credit total will be done on a calendar year basis and included in the annual rate adjustments. The Company plans to file an updated Rider 67 each year in April for implementation by June 1.

Duke Energy Indiana, Inc.
PSI Energy Inc. Cause No. 42873

Credits to Remove Annual Amortization of 1994 Cinergy Merger Costs
from the PSI Retail Rate Case - Cause No. 42359

Line No.	Retail Rate Group	Operation and Maintenance Expense Excluding Fuel & Purchased Power (\$ 000's) ¹	Percentage of Total	Annual Amortization Removal Credits (Actual \$)	Prior Calendar Year True-Up (Actual \$)	Total Credits (Actual \$)	2010 kWh Sales (D)	2011 / 2012 Removal of Annual Amortization of 1994 Merger Costs Credit Rider Rate (\$ / kWh) (E)
1	Rate RS	\$ 175,327	45.75%	\$ (5,285,042)	\$ 490,965	\$ (4,794,077)	9,588,443,076	\$ (0.000500)
2	Rates CS and FOC	22,572	5.89%	(680,413)	33,616	(646,797)	1,201,864,304	(0.000538)
3	Rate LLF	49,179	12.83%	(1,482,122)	78,594	(1,403,528)	4,113,860,881	(0.000341)
4	Rate HLF	124,628	32.52%	(3,756,710)	358,775	(3,397,935)	11,427,395,374	(0.000297)
5	Customer L - Supp	647	0.17%	(19,638)	4,004	(15,634)	131,739,009	(0.000119)
6	Customer D	600	0.16%	(18,483)	7,541	(10,942)	36,758,142	(0.000298)
7	Customer O	3,023	0.79%	(91,261)	16,848	(74,413)	1,135,755,320	(0.000066)
8	Rate OL	2,711	0.71%	(82,019)	(661)	(82,680)	85,676,308	(0.000965)
9	Rate WP	1,433	0.37%	(42,742)	3,941	(38,801)	133,831,018	(0.000290)
10	Rate SL	2,321	0.61%	(70,467)	(444)	(70,911)	42,411,830	(0.001672)
11	Rate AL	450	0.12%	(13,862)	9	(13,853)	5,934,314	(0.002334)
12	Rate MHLS	83	0.02%	(2,310)	(186)	(2,496)	5,979,602	(0.000417)
13	Rates MOLS and UOLS	25	0.01%	(1,155)	-	(1,155)	22,123,464	(0.000052)
14	Rates FS, TS and MS	179	0.05%	(5,776)	116	(5,660)	11,271,233	(0.000502)
15	Total Retail	\$ 383,178	100.00%	\$ (11,552,000)	\$ 993,118	\$ (10,558,882)	27,943,043,875	\$ (0.000378) Average

Total Annual Amortization Removal Credit	(\$11,552,000)
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Total Allowable Credits for Calendar Year 2010	\$ (11,552,000)
Actual Credits for Calendar Year 2010	(12,545,115)
Difference to be added / (subtracted)	<u>\$ 993,115</u>

¹ - O&M Expense from Rate Case (Cause No. 42359)

Line No.	Retail Rate Group	Rate per kWh	Line No.
1	Rate RS	(\$0.000500)	1
2	Rates CS and FOC	(\$0.000538)	2
3	Rate LLF	(\$0.000341)	3
4	Rate HLF	(\$0.000297)	4
5	Customer L - Supp	(\$0.000119)	5
6	Customer D	(\$0.000298)	6
7	Customer O	(\$0.000066)	7
8	Rate OL	(\$0.000965)	8
9	Rate WP	(\$0.000290)	9
10	Rate SL	(\$0.001672)	10
11	Rate AL	(\$0.002334)	11
12	Rate MHLS	(\$0.000417)	12
13	Rates MOLS and UOLS	(\$0.000052)	13
14	Rates FS, TS and MS	(\$0.000502)	14

Duke Energy Indiana, Inc.
PSI Energy, Inc. Cause No. 42873

**Credits to Remove Annual Amortization of 1994 Cinergy Merger Costs
from the PSI Retail Rate Case - Cause No. 42359**

December 2010
YTD 7020 By Rate Class

Description	Billed KWH	Rider 67	Retail Rate Group	Billed KWH	Rider 67	Allowable	True-up
						In 2010	
AL	5,934,314	\$ (13,870.83)	Rate RS	9,588,443,076	\$ (5,776,007)	\$ (5,285,042)	\$ 490,965
CS	1,201,864,304	(714,027.81)	Rates CS and FOC	1,201,864,304	(714,029)	(680,413)	33,616
FS	605,059	(301.73)	Rate LLF	4,113,860,881	(1,560,716)	(1,482,122)	78,594
HL	14,640	(5.30)	Rate HLF	11,427,395,374	(4,115,485)	(3,756,710)	358,775
HLF	10,878,737,256	(3,920,935.26)	Customer L - Supp	131,739,009	(23,642)	(19,638)	4,004
HLS	1,720,630	(620.58)	Customer D	36,758,142	(26,024)	(18,483)	7,541
LLF	4,113,860,881	(1,560,715.80)	Customer O	1,135,755,320	(108,109)	(91,261)	16,848
MHLS	4,244,332	(1,497.80)	Rate OL	85,676,308	(81,358)	(82,019)	(661)
MOLS	1,501,682	(74.36)	Rate WP	133,831,018	(46,683)	(42,742)	3,941
MS	2,205,430	(1,148.97)	Rate SL	42,411,830	(70,023)	(70,467)	(444)
OL	85,676,308	(81,358.00)	Rate AL	5,934,314	(13,871)	(13,862)	9
RS	9,588,443,076	(5,776,007.47)	Rate MHLS	5,979,602	(2,124)	(2,310)	(186)
SL	42,411,830	(70,022.75)	Rates MOLS and UOLS	22,123,464	(1,155)	(1,155)	-
TS	8,457,852	(4,439.43)	Rates FS, TS and MS	11,271,233	(5,892)	(5,776)	116
UOLS	20,621,782	(1,080.29)	Total Retail	27,943,043,875	\$ (12,545,118)	\$ (11,552,000)	\$ 993,118
WHTL	2,892	(1.68)					
WP	133,831,018	(46,682.54)					
Customer D	36,758,142	(26,024.04)					
Customer O Firm	1,135,755,320	(108,109.17)					
Customer O Inter	-	-					
Customer L Firm	131,739,009	(17,922.30)					
Customer L RTP	42,089,961	(5,719.85)					
Customer C - RTP	12,130,856	-					
Customer C - FIRM	372,486,963	(132,273.91)					
Customer J-HLF	176,171,155	(62,275.35)					
Total 7020 Report	27,997,264,692	\$ (12,545,115.22)					
Add:	-	-					
Less:							
Customer L RTP	(42,089,961)	-					
Customer C RTP	(12,130,856)	-					
Total 2010 kWh	27,943,043,875	\$ (12,545,115.22)					

Customer L RTP kWh is not included in the calculation of the Rider Factor, but it does receive the credit (per contract).
Customer C RTP kWh is not used in the calculation of the Rider Factor and it will not receive the credit.

**Standard Contract Rider No. 67
 Credits to Remove Annual Amortization of
 Cinergy Merger Costs**

Availability

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Rate

The following are the monthly credit rider rates:

Line No.	Retail Rate Group	Rate per kWh	Line No.
1	Rate RS	(\$0.000500) (\$0.000610)	1
2	Rates CS and FOC	(0.000538) (\$0.000609)	2
3	Rate LLF	(0.000341) (\$0.000371)	3
4	Rate HLF	(0.000297) (\$0.000393)	4
5	Customer L - Supp	(0.000119) (\$0.000138)	5
6	Customer D	(0.000298) (\$0.000711)	6
7	Customer O	(0.000066) (\$0.000111)	7
8	Air Liquide	\$0.000000	8
9	GSN	(\$0.000000)	9
810	Rate OL	(0.000965) (\$0.000964)	810
911	Rate WP	(0.000290) (\$0.000353)	911
1012	Rate SL	(0.001672) (\$0.001653)	1012
1113	Rate AL	(0.002334) (\$0.002373)	1113
1214	Rate MHLS	(0.000417) (\$0.000364)	1214
1315	Rates MOLS and UOLS	(0.000052) (\$0.000053)	1315
1416	Rates FS, TS and MS	(0.000502) (\$0.000523)	1416

These rates will be adjusted annually (billing cycle 1 each June) to reflect changes in energy usage. Also, an annual reconciliation to true-up the credit total will be done on a calendar year basis and included in the annual rate adjustments. The Company plans to file an updated Rider 67 each year in April for implementation by June 1.

**LEGAL NOTICE OF
DUKE ENERGY INDIANA, INC.'S
STANDARD CONTRACT RIDER NO. 67
CREDITS TO REMOVE ANNUAL
AMORTIZATION OF CINERGY MERGER COSTS**

DUKE ENERGY INDIANA, INC. ("Duke Energy Indiana") hereby provides notice that on April 15, 2011, Duke Energy Indiana will submit its Standard Contract Rider No. 67, Credits to Remove Annual Amortization of Cinergy Merger Costs ("Standard Contract Rider 67") to the Indiana Utility Regulatory Commission ("Commission") for approval under the Commission's thirty-day administrative filing procedures and guidelines. Standard Contract Rider 67 provides the adjustment to rates to remove the amortization of the costs associated with the Cinergy Corp. merger.

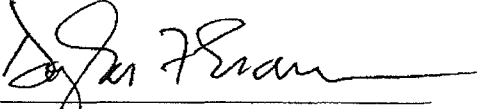
Standard Contract Rider 67 is applicable to all Duke Energy Indiana retail electric customers and will be deemed approved thirty-days from the date of its filing on April 15, 2011, unless an objection is made. Any objections may be made by contacting the Secretary of the Commission, or Tyler Bolinger or Randy Helmen of the Indiana Office of Utility Consumer Counselor at the following addresses or phone numbers:

Indiana Utility Regulatory Commission
101 W. Washington St.
Suite 1500 East
Indianapolis, IN 46204-3407
317-232-2703

Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington St.
Suite 1500 South
Indianapolis, IN 46204
317-232-2494.

Duke Energy Indiana, Inc.
By: Douglas F Esamann, President

In accordance with 170 IAC 1-6 *et seq.*, I hereby verify under the penalties of perjury that all affected customers have been notified as required under section 6 of the above-referenced rule and pursuant to the attached legal notice, which was published in a newspaper of general circulation in Hamilton County, Indiana to the best of my knowledge, information and belief.



Duke Energy Indiana, Inc.
Douglas F Esamann, President

Dated: April 15, 2011