**Section 556.10 Definitions**

Terms defined in Section 9-220.3 of the Public Utilities Act shall have the same meaning for purposes of this Part as they have under that Section of the Act, unless further defined in this Part. The following terms, when used in this Part, shall have the meaning ascribed to them in this Section.

"Act" means the Public Utilities Act [220 ILCS 5].

"Base rate revenues" means the utility's revenues recovered through base rates, as determined in the utility's last rate case proceeding, excluding:

revenues recovered under negotiated contract rates authorized by Section 9-102.1 of the Act;

revenues recovered under billing services offered to alternative gas suppliers or application charges assessed to alternative gas suppliers; and

revenues recovered under cost recovery riders that recover specific costs outside of rate cases, including, by way of example and not limitation, costs recovered under the rider authorized by this Part, gas costs recovered under 83 Ill. Adm. Code 525, manufactured gas plant remediation costs, costs for implementing energy efficiency and on-bill financing programs under Sections 8-104 and 19-140 of the Act, and add-on taxes.

Base rate revenues may include costs and revenues associated with uncollectible expense automatic adjustment clause tariffs authorized by Section 19-145 of the Act, revenue decoupling mechanisms, and base rate storage cost recovery.

*"Baseline amount" means an amount equal to the utility's average of total depreciation expense, as reported on page 336, column (b) of the utility's ILCC Form 21, for the calendar years 2006 through 2010.* [220 ILCS 5/9-220.3(d)(4)]

"Commission" means the Illinois Commerce Commission.

*"Costs associated with investments in qualifying infrastructure plant" shall include a return on qualifying infrastructure plant and recovery of depreciation and amortization expense on qualifying infrastructure plant, net of the depreciation included in the utility's base rates on any plant retired in conjunction with the installation of the qualifying infrastructure plant.* [220 ILCS 5/9-220.3(b)]

"Depreciation expense" shall be calculated by applying the utility's approved depreciation rates, including removal and salvage, to the end-of-month QIP balance, for each category of QIP identified in Section 556.40(a)(1) through (a)(7). The resulting depreciation expense for QIP shall be reduced by *the depreciation included in the utility's base rates on any plant retired in conjunction with the installation of the qualifying infrastructure plant.* [220 ILCS 5/9-220.3(b)]

"Difficult to locate main" refers to a main from which a utility cannot obtain a reliable locating signal.

"Difficult to locate service pipe" means a service pipe from which a utility cannot obtain a reliable locating signal.

"Information sheet" means a tariff sheet filed in accordance with this Part to initiate or modify a QIP surcharge percentage.

"Qualifying infrastructure plant" or "QIP" is the qualifying infrastructure plant eligible to be recovered through the QIP surcharge as described in Section 556.40. It *includes only plant additions* *placed in service not reflected in the rate base used to establish the utility's delivery base rates.* [220 ILCS 5/9-220.3(b)]

"Qualifying infrastructure investment" means QIP and "costs associated with investments in qualifying infrastructure plant"*.* It *shall not include costs or expenses incurred in the ordinary course of business for the ongoing or routine operations of the utility, including, but not limited to:*

*operating and maintenance costs; and*

*costs of facilities that are revenue-producing, which means facilities that are constructed or installed for the purpose of serving new customers.* [220 ILCS 5/9-220.3(c)]

"QIP surcharge percentage" is the percentage determined in accordance with Section 556.60 for filing in an information sheet.

"Rate zone" means the entire service area to which a particular base rate applies.

"Reconciliation year" means the calendar year period for which actual costs associated with QIP and the QIP surcharge revenues are reconciled.