**Section 415.430 Electric Plant Instruction 3**

In Electric Plant Instruction 3, "Components of Construction Cost," the changes set forth in the remainder of this Section are made.

a) In Paragraph (17)(b), the words "Federal Energy Regulatory" are added between "the" and "Commission's".

b) The following is added at the end of Paragraph (17)(b):

 "If the balance for S (Short-term debt balances) exceeds the balance for W (Average balance in construction work in progress plus nuclear fuel in process of refinement, conversion, enrichment and fabrication), the maximum total AFUDC rate to be utilized will be the weighted average short-term debt rate. In instances where this occurs, the entire credit for AFUDC will be recorded in Account 432, Allowance for borrowed funds used during construction – credit."

c) The following is added as Paragraph (17)(c):

 "(c) All deviations from the AFUDC formula shown in Electric Plant Instruction 3(17)(a) above must have approval from the Commission before implementation. In determining whether to approve such deviations, the Commission will consider the degree to which current securities issues have changed the embedded cost included in the annual computation provided in the formula."

(Source: Amended at 28 Ill. Reg. 334, effective December 31, 2003)