

**ORIGINAL**



**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**VERIFIED PETITION OF INDIANAPOLIS )  
POWER & LIGHT COMPANY, AN INDIANA )  
CORPORATION, FOR APPROVAL OF )  
ALTERNATIVE REGULATION PLAN FOR )  
EXTENSION OF DISTRIBUTION AND SERVICE )  
LINES, INSTALLATION OF FACILITIES AND )  
ACCOUNTING AND RATEMAKING OF COSTS )  
THEREOF FOR PURPOSES OF THE CITY OF )  
INDIANAPOLIS' AND BLUEINDY'S ELECTRIC )  
VEHICLE SHARING PROGRAM PURSUANT TO )  
IND. CODE § 8-1-2.5-1 ET SEQ. )**

**CAUSE NO. 44478**

**APPROVED:**

**MAR 18 2015**

**ORDER ON RECONSIDERATION**

**Presiding Officers:  
Carolene Mays-Medley, Vice Chair  
Jeffery A. Earl, Administrative Law Judge**

On March 3, 2015, Indianapolis Power & Light Company (“IPL”) filed its Response to Commission Order and Unopposed Petition for Reconsideration (“Motion”). The Motion indicates that IPL accepts the modifications to its proposed alternative regulatory plan (“ARP”) that the Commission made in its Final Order in this Cause.

The Motion requests that we reconsider our Final Order and revise it to relieve IPL of any obligation to implement the street lighting program and the ISO 50001 program. The Motion indicates that the other parties to this case (the City of Indianapolis (“City”), the Indiana Office of Utility Consumer Counselor (“OUCC”), and Citizens Action Coalition of Indiana (“CAC”)) do not oppose the request.

Without modifying our Final Order in this Cause, we grant the Unopposed Petition for Reconsideration and provide the following clarification.

IPL, the City, and the OUCC submitted a settlement agreement in this Cause, which the Commission approved in its Final Order. The settlement agreement included the following terms:

For purposes of enhancing energy efficiency, public safety and providing other public benefits within IPL’s Service Territory, IPL will collaborate with its DSM Oversight Board to develop an Energy Efficient Streetlighting Program whereby a total of up to \$1.5 million shall be designated for IPL’s Rate MU1 customers. The Energy Efficient Streetlighting Program will be available for the conversion of existing streetlighting to modern LED lights or for upgrading an expansion of a

streetlighting system to LED lights. IPL will collaborate with its DSM/EE Oversight Board:

[W]ithin six months of a final Commission order approving this Settlement Agreement, to report to the Commission on the program design and implementation plan by filing a separate petition with the Commission for approval of the plan.

IPL shall work with its DSM Oversight Board to assess the ISO 50001 energy management system, or other similar strategic energy management programs. The OUCC recommends that the City or K-12 schools in the IPL Service Territory be considered as the initial participating customers in such a pilot program. The parties acknowledge that while a pilot program may have potential, it must be further evaluated to determine whether it is in the best interest of IPL's customers.

Joint Stipulation and Settlement Agreement, p. 3 (footnotes omitted). The CAC did not join the settlement agreement, and specifically questioned the benefits of the street lighting and ISO 50001 programs to ratepayers.

Our Final Order in this Cause focused primarily on the proposed ARP for the recovery of Extension Costs and Installation Costs for the BlueIndy Program. We addressed the value of the street lighting and ISO 50001 programs in our review of the factors that Ind. Code § 8-1-2.5-6 required us to consider before approving the ARP. In that context, we found that insufficient evidence about the street lighting and ISO 50001 programs was presented to indicate that either program would promote energy efficiency and we gave little weight to any customer benefit resulting from the street lighting program. We made no substantive findings regarding the reasonableness of the programs themselves. Nor did we explicitly order IPL to implement the programs.

Our Final Order approved the settlement agreement and proposed ARP “with respect to Extension Costs and other elements ....” (Ordering Paragraph 2, emphasis added) And it explicitly stated: “We approve all other elements [aside from the Installation Costs] of the Settlement.” (Paragraph 11.C.3) As noted above, the settlement agreement requires IPL to take certain actions regarding the street lighting and ISO 50001 programs. Although we approved the settlement agreement—and by extension the obligations imposed on IPL by the other parties to the settlement agreement, we did not explicitly order IPL to take any action regarding the street lighting and ISO 50001 programs. Nor did we rely on the street lighting and ISO 50001 programs in our findings to approve the ARP for Extension Costs. Contrast this with other elements of the settlement agreement (i.e. the terms of the deferral of Extension Costs, profit sharing provisions, and reporting requirements) that we explicitly incorporated into the Ordering Paragraphs.

Therefore, to the extent that the parties to the settlement agreement agree to release IPL from the terms of the settlement agreement regarding the street lighting and ISO 50001 programs, we conclude that such an action would have no material effect on the basis of the

findings supporting our decision in this case and would not be inconsistent with our Final Order in this Cause.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION THAT:**

1. The Unopposed Petition for Reconsideration is granted to the extent that our Final Order is clarified as set forth above without modifying the Final Order.

**STEPHAN, MAYS-MEDLEY, HUSTON, AND ZIEGNER CONCUR; WEBER NOT PARTICIPATING:**

**APPROVED:**

**MAR 18 2015**

**I hereby certify that the above is a true and correct copy of the Order as approved.**



**Brenda A. Howe**  
**Secretary to the Commission**