

December 6, 2010

Indiana Utility Regulatory Commission
Engineering Department
101 W. Washington Street
Suite 1500 East
Indianapolis, IN 46204

TO THE INDIANA UTILITY REGULATORY COMMISSION:

1. Peru Municipal Electric Utility, Peru, Indiana, under and pursuant to the Public Service Commission Act, as amended, and Commission Order in Cause No.36835-S3, hereby files with the Indiana Utility Regulatory Commission for its approval, an average increase in its schedule of rates for electricity sold in the amount of .004409 per kilowatt-hour (kWh).
2. The accompanying changes in schedules of rates are based solely upon the changes in the cost of purchased power and energy, purchased by this utility computed in accordance with the Indiana Utility Regulatory Commission Order in Cause No. 36835-S3, dated December 13, 1989.
3. All of the matters and facts stated herein and in the attached exhibits are true and correct. If approved, this change of rate shall take effect for the bills rendered beginning with the January, 2011 billing cycle.

Peru Municipal Electric Utility

By: Roger Merriman
General Manager

STATE OF INDIANA)
)
COUNTY OF MIAMI)

Personally appeared before me, a Notary Public in and for said county and state, this 6th day of December, 2010, Roger B. Merriman, who, after having been duly sworn according to law, stated that he is an officer of Peru Municipal Electric Utility, Peru, Indiana, that he has read the matters and facts stated above, and in all exhibits attached hereto, and that the same are true; that he is duly authorized to execute this instrument for and on behalf of the applicant herein.

Leah M. Aikman
Leah M. Aikman Notary Public

My Commission Expires

August 24, 2017

County of Residence
Miami

Peru Municipal Electric Utility

Appendix A
(Rate Adjustments)

Rate Adjustment

The Rate Adjustments shall be on the basis of a Purchase Power Cost Adjustment Tracking factor occasioned solely by changes in the cost of purchased demand and energy, in accordance with the Order of the Public Service Commission, approved December 13, 1989 in Cause No. 36835-S3 as follows:

Rate Adjustments applicable to the below listed Rate Schedules are as follows:

Residential Service (RS)	0.018881
General Service (GSA-1)	0.019984
Power Service (PS)	0.020859
Municipal Street Lighting Service (MSL-1)	0.017998
Traffic Signal Service (TL)	0.024451

Legal Notice

Notice is hereby given that the municipal electric utility of the City of Peru, Indiana, known as Peru Electric Light and Power, under and pursuant to the Public Service Commission Act, as amended, and Commission Order in Cause No. 36835-S3, has filed with the Public Service Commission of Indiana for its approval the incremental increases and/or decreases in the Rate Adjustment Factors by Rate Schedules:

Residential decrease	0.000722	per kWh
Power increase	0.003385	per kWh
Demand increase	0.008461	per kWh
Municipal Street Lighting increase	0.008278	per kWh
Metered Traffic Lighting increase	0.022861	per kWh

Rate Adjustments applicable to the Rate Schedules are as follows:

Rate Schedule RS	0.018881	per kWh
Rate Schedule GSA-1	0.019984	per kWh
Rate Schedule PS	0.020859	per kWh
Rate Schedule MSL-1	0.017998	per kWh
Rate Schedule TL	0.024451	per kWh

The accompanying changes in schedules of rate are based solely upon the changes in the cost of purchased power and energy, purchased by this utility and computed in accordance with the Public Service Commission of Indiana order in Cause No. 36835-S3, Dated December 13, 1989.

If approved, this change of rate shall take effect for the bills to be rendered beginning with the January, 2011 billing cycle.

Any objection to this filing should be in written form and directed to either the Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500 East, Indianapolis, IN 46204 or the Office of Utility Consumer Counselor, 115 W. Washington Street, Suite 1500 South, Indianapolis, IN 46204.

Mr. Stan Akers
Chairman
Peru Utility Service Board

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF RATE ADJUSTMENTS FOR THE
 THREE MONTHS OF
 JANUARY, FEBRUARY & MARCH, 2011

LINE NO.	DESCRIPTION	DEMAND RELATED (A)	ENERGY RELATED (B)	LINE NO.
1	INCREMENTAL CHANGE IN BASE RATE (a)	0.843000	0.013538	1
2	ESTIMATED SAVINGS FROM DEDICATED CAPACITY PAYMENTS (b)	1.913617		2
3	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (c)	<u>(0.661000)</u>	<u>0.001142</u>	3
4	ESTIMATED TOTAL CHANGE IN PURCHASED POWER RATE	2.095617	0.014680	4
5	ESTIMATED CHANGE IN PURCHASED POWER RATE ADJUSTED FOR LOSSES & GROSS INCOME TAX (d)	2.234505	0.015653	5
6	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO JANUARY 27, 1983 (e)	<u>-</u>	<u>-</u>	6
7	ESTIMATED TOTAL RATE ADJUSTMENT	2.234505	0.015653	7
8	ESTIMATED AVERAGE BILLING UNITS (f)	37,785	21,156,685	8
9	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (g)	84,430.77	331,165.59	9

(a) Exhibit I, Line 3

(b) Exhibit II, Line 9

(c) Exhibit III, Column E, Lines 3 and 5

(d) Line 4 divided by (1 - Line Loss Factor) (.986)

0.93784376

(e) Tracking Factor effective prior to January 27, 1983. This factor is zero if new rates have been filed and approved since January 27, 1983. Column A equals the demand component of the tracker times Line 8, Column B, divided by Line 8, Column A.

(f) Exhibit III, Column E, Lines 1 and 2.

(g) Line 7 times Line 8

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF RATE ADJUSTMENTS FOR THE
 THREE MONTHS OF
 JANUARY, FEBRUARY & MARCH, 2011

LINE NO.	RATE SCHEDULE	KW DEMAND ALLOCATOR (%) (a) (A)	KWH ENERGY ALLOCATOR (%) (a) (B)	ALLOCATED ESTIMATED KW PURCHASED (b) (C)	ALLOCATED ESTIMATED KWH PURCHASED (b) (D)	INCREMENTAL CHANGE IN PURCHASED POWER COST ADJ. FOR LINE LOSSES & GROSS RECEIPTS TAX			LINE NO.
						DEMAND(d) (E)	ENERGY (e) (F)	TOTAL (G)	
1	RS-1	40.6970%	38.655%	15,377.4	8,178,117	34,360.79	128,012.06	162,372.85	1
2	GSA-1 & GSB-1	10.8940%	9.787%	4,116.3	2,070,605	9,197.89	32,411.18	41,609.07	2
3	PS	47.8370%	49.773%	18,075.2	10,530,317	40,389.15	164,831.05	205,220.20	3
4	SL-1	0.2920%	1.109%	110.3	234,628	246.54	3,672.63	3,919.17	4
5	MSL-1	0.1840%	0.561%	69.5	118,689	155.35	1,857.84	2,013.19	5
6	TL	0.0960%	0.115%	36.3	24,330	81.05	380.84	461.89	6
7	TOTAL	100.0000%	100.000%	37,785.0	21,156,685	84,430.77	331,165.60	415,596.37	7

 (a) Based on Allocation Study by Peru Utilities in August, 2006
 (b) Page 1 of 3, Column A, Line 8 times Page 2 of 3, Column A
 (c) Page 1 of 3, Column B, Line 8 times Page 2 of 3, Column B
 (d) Page 1 of 3, Column A, Line 9 times Page 2 of 3, Column A
 (e) Page 1 of 3, Column B, Line 9 times Page 2 of 3, Column B

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 JANUARY, FEBRUARY & MARCH, 2011

LINE NO.	RATE SCHEDULE	PLUS VARIANCE (a)		TOTAL CHANGE IN PURCHASED POWER COST ADJ FOR LINE LOSSES & GROSS RECEIPTS TAX			RATE ADJUSTMENT FACTOR PER KWH (d)			LINE NO.
		DEMAND (A)	ENERGY (B)	DEMAND (b) (C)	ENERGY (c) (D)	TOTAL (E)	DEMAND (F)	ENERGY (G)	TOTAL (H)	
1	RS-1	659.53	(8,620.58)	35,020.32	119,391.48	154,411.80	0.004282	0.014599	0.018881	1
2	GSA-1 & GSB-1	700.58	(930.87)	9,898.47	31,480.31	41,378.78	0.004780	0.015203	0.019984	2
3	PS	9,594.39	4,836.83	49,983.54	169,667.88	219,651.42	0.004747	0.016112	0.020859	3
4	SL-1	78.38	216.52	324.92	3,889.15	4,214.07	0.001385	0.016576	0.017961	4
5	MSL-1	41.95	81.04	197.30	1,938.88	2,136.18	0.001662	0.016336	0.017998	5
6	TL	56.98	76.03	138.03	456.87	594.90	0.005673	0.018778	0.024451	6
7	TOTAL	11,131.81	(4,341.03)	95,562.58	326,824.57	422,387.15	0.004517	0.015448	0.019965	7

(a) Exhibit IV, Page 4 of 7, Columns D and E divided by (1 - loss factor)(.986) 0.93784376
 (b) Page 2 of 3, Column E plus Page 3 of 3, Column A
 (c) Page 2 of 3, Column F plus Page 3 of 3, Column B
 (d) Page 3 of 3, Columns C, D and E divided by Page 2 of 3, Column D

Exhibit I

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF INCREMENTAL CHANGE IN BASE RATE

LINE NO.	DESCRIPTION	DEMAND RELATED	ENERGY RELATED	LINE NO.
1	BASE RATE EFFECTIVE JANUARY 1, 2011 (a)	15.929000	0.031315	1
2	BASE RATE EFFECTIVE JANUARY 1, 2006 (b)	15.086000	0.017777	2
3	INCREMENTAL CHANGE IN BASE RATE (c)	0.843000	0.013538	3

 (a) IMPA rate effective for the period covered by this filing. The Base Rate includes the applicable Area Adjustment and Delivery Voltage Adjustment.

(b) Base purchased power rate including Area and Voltage Adjustments effective at the time of the member's last approved rate case was filed or January 27, 1983, whichever is more recent.

(c) Line 1 - Line 2

Exhibit II

PERU MUNICIPAL ELECTRIC UTILITY

 ESTIMATION OF SAVINGS FROM DEDICATED CAPACITY
 PAYMENTS FOR THE THREE MONTHS OF
 JANUARY, FEBRUARY & MARCH, 2011

LINE NO.	DESCRIPTION	DEMAND RELATED	LINE NO.
1	ESTIMATED MONTHLY GENERATING COSTS	106,800.00	1
2	LESS: MONTHLY GENERATING COSTS IN BASE RATES	200,248.00	2
3	ESTIMATED GENERATING COSTS IN TRACKER (a)	(93,448.00)	3
4	ESTIMATED MONTHLY PAYMENT FROM IMPA	62,060.00	4
5	LESS: MONTHLY PAYMENTS IN BASE RATES	227,814.00	5
6	ESTIMATED CAPACITY PAYMENTS IN TRACKER (b)	(165,754.00)	6
7	ESTIMATED MONTHLY COSTS (SAVINGS) (c)	72,306.00	7
8	ESTIMATED AVERAGE MONTHLY KW (d)	37,785	8
9	ESTIMATED COSTS (SAVINGS) PER KW (e)	1.913617	9

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- (a) Line 1 - Line 2
 - (b) Line 4 - Line 5
 - (c) Line 3 - Line 6
 - (d) Exhibit III, Column E, Line 1
 - (e) Line 7 divided by Line 8

EXHIBIT III

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF ENERGY COST ADJUSTMENT
 FOR THE THREE MONTHS OF
 JANUARY, FEBRUARY & MARCH, 2011

LINE NO.	DESCRIPTION	Jan-11 (A)	Feb-11 (B)	Mar-11 (C)	TOTAL (D)	ESTMATED 3 MONTH AVERAGE (E)	LINE NO.
PURCHASED POWER FROM IMPA							
1	KW DEMAND	40,693	38,516	34,146	113,355	37,785	1
2	KWH ENERGY	23,575,832	20,436,417	19,457,806	63,470,055	21,156,685	2
INCREMENTAL PURCHASED POWER COSTS							
DEMAND RELATED							
3	ECA FACTOR PER KW	(0.661000)	(0.661000)	(0.661000)	(1.983000)	(0.661000)	3
4	CHARGE (a)	(26,898.07)	(25,459.08)	(22,570.51)	(74,927.66)	(24,975.89)	4
ENERGY RELATED							
5	ECA FACTOR PER KWH	0.001142	0.001142	0.001142	0.003426	0.001142	5
6	CHARGE (b)	26,923.60	23,338.39	22,220.81	72,482.80	24,160.93	6

(a) Line 1 times Line 3
 (b) Line 2 times Line 5

PERU MUNICIPAL ELECTRIC UTILITY

 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	DESCRIPTION	DEMAND RELATED (A)	ENERGY RELATED (B)	LINE NO.
1	INCREMENTAL CHANGE IN BASE RATE (a)	1.018000	0.011499	1
2	ACTUAL SAVINGS FROM DEDICATED CAPACITY PAYMENTS (b)	1.925777		2
3	ACTUAL PURCHASED POWER ENERGY COST ADJUSTMENT (c)	0.708000	(0.001956)	3
4	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO JANUARY 27, 1983 (d)	-	-	4
5	TOTAL RATE ADJUSTMENT (e)	3.651777	0.009543	5
6	ACTUAL AVERAGE BILLING UNITS (f)	48,101	23,613,962	6
7	ACTUAL INCREMENTAL CHANGE IN PURCHASED POWER COST (g)	175,654.13	225,348.04	7

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- (a) Page 1 of 3, Line 1 of tracker filing for the three months of Jul., Aug. & Sep., 2010, attached
 - (b) Exhibit IV, Page 5 of 7, Column E, Line 9.
 - (c) Exhibit IV, Page 6 of 7, Column E, Lines 3 and 5.
 - (d) Tracking factor effective prior to January 27, 1983 multiplied by the line loss/tax factor from footnote (d), Page 1 of 3, of the tracker filing for the three months of _____, 19__, attached.
 This line is zero if new rates have been approved since January 27, 1983.
 - (e) Sum of Lines 1 through Line 4
 - (f) Exhibit IV, Page 6 of 7, Column E, Lines 1 and 2
 - (g) Line 5 times Line 6.

PERU MUNICIPAL ELECTRIC UTILITY

 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	RATE SCHEDULE	KW DEMAND ALLOCATOR (%) (a) (A)	KWH ENERGY ALLOCATOR (%) (a) (B)	ALLOCATED ACTUAL KW PURCHASED (b) (C)	ALLOCATED ACTUAL KWH PURCHASED (c) (D)	INCREMENTAL CHANGE IN PURCHASED POWER COST			LINE NO.
						DEMAND (d) (E)	ENERGY (e) (F)	TOTAL (G)	
1	RS-1	40.697%	38.655%	19,575.7	9,127,977	71,485.96	87,108.28	158,594.24	1
2	GSA-1 & GSB-1	10.894%	9.787%	5,240.1	2,311,098	19,135.76	22,054.81	41,190.57	2
3	PS	47.837%	49.773%	23,010.1	11,753,377	84,027.67	112,162.48	196,190.15	3
4	SL-1	0.292%	1.109%	140.5	261,879	512.91	2,499.11	3,012.02	4
5	MSL-1	0.184%	0.561%	88.5	132,474	323.20	1,264.20	1,587.40	5
6	TL	0.096%	0.115%	46.2	27,156	168.63	259.15	427.78	6
7	TOTAL	100.000%	100.000%	48,101.0	23,613,962	175,654.13	225,348.03	401,002.16	7

- (a) Page 2 of 3, Columns A and B of tracker filed for the months of Jul., Aug. & Sep., 2010, attached
 (b) Exhibit IV, Page 6 of 7, Column E Line 1 times Exhibit IV, Page 2 of 7, Column A
 (c) Exhibit IV, Page 6 of 7, Column E Line 2 times Exhibit IV, Page 2 of 7, Column B
 (d) Exhibit IV, Page 1 of 7, Column A Line 7 times Exhibit IV, Page 2 of 7, Column A
 (e) Exhibit IV, Page 1 of 7, Column B Line 7 times Exhibit IV, Page 2 of 7, Column B

PERU MUNICIPAL ELECTRIC UTILITY

 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	RATE SCHEDULE	ACTUAL AVERAGE KWH SALES (a) (A)	DEMAND ADJUSTMENT FACTOR PER KWH (b) (B)	ENERGY ADJUSTMENT FACTOR PER KWH (c) (C)	INCREMENTAL KW DEMAND COST BILLED BY MEMBER (d) (D)	INCREMENTAL KWH ENERGY COST BILLED BY MEMBER (e) (E)	LESS PREVIOUS VARIANCE JAN, FEB & MAR 2010		LINE NO.
							DEMAND (f) (F)	ENERGY (g) (G)	
1	RS-1	9,763,197	0.004433	0.007941	42,674.33	76,444.13	(28,193.09)	(18,748.91)	1
2	GSA-1 & GSB-1	2,295,812	0.007019	0.009416	15,888.70	21,314.72	(2,590.03)	(1,613.10)	2
3	PS	10,752,014	0.008967	0.011343	95,063.52	120,252.65	20,033.89	12,626.36	3
4	SL-1	228,661	0.001949	0.010049	439.42	2,265.64	0.02	(30.41)	4
5	MSL-1	118,244	0.002263	0.009805	263.84	1,143.15	(20.02)	(45.05)	5
6	TL	18,548	0.005847	0.009911	106.93	181.26	(8.26)	(6.59)	6
7	TOTAL	23,176,476			154,436.74	221,601.55	(10,777.49)	(7,817.70)	7

- (a) Exhibit IV, Page 7 of 7, Column E
 (b) Page 3 of 3, Column F of tracker filing for the three months of Jul., Aug. & Sep., 2010, attached
 (c) Page 3 of 3, Column G of tracker filing for the three months of Jul., Aug. & Sep., 2010, attached
 (d) Column A times Column B times the Gross Income Tax Factor of 0.986 effective 01/01/2003
 (e) Column A times Column C times the Gross Income Tax Factor of 0.986 effective 01/01/2003
 (f) Exhibit IV, Page 4 of 7, Column D of tracker filing for the three months of Jul., Aug. & Sep., 2010, attached
 (g) Exhibit IV, Page 4 of 7, Column E of tracker filing for the three months of Jul., Aug. & Sep., 2010, attached

PERU MUNICIPAL ELECTRIC UTILITY

 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	RATE SCHEDULE	NET INCREMENTAL COST BILLED BY MEMBER			VARIANCE			LINE NO.
		DEMAND (a) (A)	ENERGY (b) (B)	TOTAL (C)	DEMAND (c) (D)	ENERGY (c) (E)	TOTAL (c) (F)	
1	RS-1	70,867.42	95,193.04	166,060.46	618.54	(8,084.76)	(7,466.22)	1
2	GSA-1 & GSB-1	18,478.73	22,927.82	41,406.55	657.03	(873.01)	(215.98)	2
3	PS	75,029.63	107,626.29	182,655.92	8,998.04	4,536.19	13,534.23	3
4	SL-1	439.40	2,296.05	2,735.45	73.51	203.06	276.57	4
5	MSL-1	283.86	1,188.20	1,472.06	39.34	76.00	115.34	5
6	TL	115.19	187.85	303.04	53.44	71.30	124.74	6
7	TOTAL	165,214.23	229,419.25	394,633.48	10,439.90	(4,071.22)	6,368.68	7

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- (a) Column D minus Column F from Exhibit IV, Page 3 of 7
 - (b) Column E minus Column G from Exhibit IV, Page 3 of 7
 - (c) Column E, F and G from Exhibit IV, Page 2 of 7 minus Columns A, B and C

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF ACTUAL DEDICATED CAPACITY PAYMENTS
 FOR THE THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	DESCRIPTION	Jul-10 (A)	Aug-10 (B)	Sep-10 (C)	TOTAL (D)	ACTUAL 3 MONTH AVERAGE (E)	LINE NO.
1	ACTUAL MEMBER GENERATING COSTS	128,365.07	106,686.86	100,522.72	335,574.65	111,858.22	1
2	LESS: GENERATING COSTS IN BASE RATES	200,248.00	200,248.00	200,248.00	600,744.00	200,248.00	2
3	DIFFERENCE IN ACTUAL TO BASE RATE COSTS (a)	(71,882.93)	(93,561.14)	(99,725.28)	(265,169.35)	(88,389.78)	3
4	ACTUAL MONTHLY PAYMENT FROM IMPA	59,904.01	18,199.20	62,274.00	140,377.21	46,792.40	4
5	LESS: ESTIMATED PAYMENT IN BASE RATES	227,814.00	227,814.00	227,814.00	683,442.00	227,814.00	5
6	DIFFERENCE IN ACTUAL TO BASE RATE PAYMENT (b)	(167,909.99)	(209,614.80)	(165,540.00)	(543,064.79)	(181,021.60)	6
7	ACTUAL CAPACITY PAYMENT TO BE COLLECTED THROUGH THE TRACKER (c)	96,027.06	116,053.66	65,814.72	277,895.44	92,631.82	7
8	ACTUAL MONTHLY KW BILLED (d)	53,425	47,391	43,488	144,304	48,101	8
9	ACTUAL CAPACITY PAYMENT SAVINGS PER KW (e)	1.797418	2.448854	1.513400		1.925777	9

 (a) Line 1 minus Line 2
 (b) Line 4 minus Line 5
 (c) Line 3 minus Line 6
 (d) Exhibit IV, Page 6 of 7, Line 1
 (e) Line 7 divided by Line 8

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF ACTUAL ENERGY COST ADJUSTMENT
 FOR THE THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	DESCRIPTION	Jul-10 (A)	Aug-10 (B)	Sep-10 (C)	TOTAL (D)	ESTIMATED 3 MONTH AVERAGE (E)	LINE NO.
PURCHASED POWER FROM IMPA							
1	KW DEMAND (a)	53,425	47,391	43,488	144,304	48,101	1
2	KWH ENERGY (a)	26,094,007	25,380,004	19,367,875	70,841,886	23,613,962	2
INCREMENTAL PURCHASED POWER COSTS							
DEMAND RELATED							
3	ECA FACTOR PER KW (a)	0.708000	0.708000	0.708000	2.124000	0.708000	3
4	CHARGE (b)	37,824.90	33,552.83	30,789.50	102,167.23	34,055.74	4
ENERGY RELATED							
5	ECA FACTOR PER KWH (a)	(0.001956)	(0.001956)	(0.001956)	(0.005868)	(0.001956)	5
6	CHARGE (c)	(51,039.88)	(49,643.29)	(37,883.56)	(138,566.73)	(46,188.91)	6

(a) From IMPA bills for the months of
 (b) Line 1 times Line 3.
 (c) Line 2 times Line 5.

Jul., Aug. & Sep., 2010, attached

PERU MUNICIPAL ELECTRIC UTILITY

FOR THE THREE MONTHS OF
JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	RATE SCHEDULE	Jul-10 (A)	Aug-10 (B)	Sep-10 (C)	TOTAL (D)	AVERAGE (E)	LINE NO.
1	RS-1	9,154,522	10,334,352	9,800,716	29,289,590	9,763,197	1
2	GSA-1 & GSB-1	2,274,681	2,301,364	2,311,390	6,887,435	2,295,812	2
3	PS	10,304,652	10,982,019	10,969,370	32,256,041	10,752,014	3
4	SL-1	228,854	229,973	227,155	685,982	228,661	4
5	MSL-1	118,244	118,244	118,244	354,732	118,244	5
6	TL	18,057	17,080	20,506	55,643	18,548	6
7	TOTAL	22,099,010	23,983,032	23,447,381	69,529,423	23,176,476	7

PACITY COST FORM
PERU UTILITIES

		JUL	AUG	SEP
UNIT FIXED COSTS				
500	Supervision and Engineering-Operation	0.00	0.00	0.00
502	Steam Expenses	7,956.83	17,556.87	4,593.17
504	Steam Transferred (CR)	0.00	0.00	0.00
505	Electric Expenses	1,684.23	2,051.73	2,283.95
506	Miscellaneous Steam Power Expenses	199.03	441.81	777.93
507	Rent	0.00	0.00	0.00
511	Maintenance of Structures	0.00	0.00	0.00
514	Maintenance of Miscellaneous Steam Plant	3,565.00	35.65	29.10
---	Payroll Taxes (Allocated to Power Prod. Fixed Costs)	677.68	2,403.58	2,325.20
(A)	TOTAL UNIT FIXED COSTS	14,082.77	22,489.64	10,009.35
UNIT VARIABLE COSTS				
503	Steam From Other Sources	0.00	0.00	0.00
510	Supervision and Engineering-Maintenance	0.00	0.00	0.00
512	Maintenance of Boiler Plant	30,922.76	23,600.98	18,046.76
513	Maintenance of Electric Plant	660.49	0.00	0.00
---	Payroll Taxes (Allocated to Power Production Costs)	4,892.32	1,356.42	1,342.76
(B)	TOTAL UNIT VARIABLE COSTS	36,475.57	24,957.40	19,389.52
PRODUCTION OPERATION AND MAINTENANCE COSTS - OTHER THAN FUEL				
ADMINISTRATIVE & GENERAL COSTS (PRODUCTION RELATED)*				
920	Administrative and General Salaries	13,365.99	9,146.28	9,114.19
921	Office Supplies and Expenses	6,435.98	6,008.05	4,969.21
923	Outside Services	1,656.44	500.04	500.04
925	Injuries and Damages	0.00	0.00	0.00
926	Employee Pension and Benefits	29,980.59	16,796.82	30,865.16
928	Regulatory Commission Expenses	0.00	0.00	0.00
930	Miscellaneous General Expenses	631.63	1,141.07	635.90
918	Sales Promotion Expenses	108.00	128.27	108.00
932	Maintenance of General Plant	404.34	300.00	300.00
---	Payroll Taxes (Allocated to Administrative & General)	1,480.00	1,000.00	940.00
(C)	TOTAL ADMINSTRATIVE AND GENERAL	54,062.97	35,020.53	47,432.50
PLANT INSURANCE				
924	Plant Insurance	6,066.01	6,013.61	6,013.61
(D)	TOTAL PLANT INSURANCE	6,066.01	6,013.61	6,013.61
DEBT SERVICE (PRODUCTION RELATED)**				
405	Amortization of Intangible Plant	0.00	0.00	0.00
456	Other Electric Revenues	0.00	0.00	0.00
427	Interest on Long-Term Debt	0.00	0.00	0.00
428	Amortization of Debt Discount and Expense	0.00	0.00	0.00
429	Amortization of Premium of Debt (CR)	0.00	0.00	0.00
---	Payment of Principal on Debt	0.00	0.00	0.00
(E)	TOTAL DEBT SERVICE	0.00	0.00	0.00
AMORTIZATION AND INTEREST (From Form A-1)				
	Amortization of Expenditures for Capital and Fixed Assets and Extraordinary Items	17,123.46	17,677.74	17,176.19
	Interest on Expenditures for Capital and Fixed Assets	554.29	527.94	501.55
(F)	TOTAL AMORTIZATION AND INTEREST	17,677.75	18,205.68	17,677.74
MEMBER PRODUCTION COSTS				
	Member Production Costs (MPC) (G=A+B+C+D+E+F)			
(G)	TOTAL MEMBER PRODUCTION COSTS	128,365.07	106,686.86	100,522.72



IMPA
 INDIANA MUNICIPAL POWER AGENCY

Peru Utilities
 P.O. Box 67
 Peru, IN 46970-0067

Due Date:
09/15/10

Amount Due:
\$1,546,414.32

Billing Period: July 01 to July 31, 2010

Invoice Date: 08/16/10

Demand	kW	kvar	Power Factor	Date	Time (EST)	Load Factor
Maximum Demand:	53,784	12,937	97.23%	07/23/10	1300	65.2%
CP Billing Demand:	53,425	12,551	97.35%	07/23/10	1400	65.6%
kvar at 97% PF:		13,390				
Reactive Demand:		-				

Energy	kWh
Duke Interconnections	21,698,538
Grissom	4,355,669
Net Generation	39,800
Total Energy:	26,094,007

History	Jul 2010	Jul 2009	2010 YTD
Max Demand (kW):	53,784	45,280	53,784
CP Demand (kW):	53,425	42,140	53,425
Energy (kWh):	26,094,007	21,858,252	150,106,352
CP Load Factor:	65.6%	69.7%	
HDD/CDD (Lafayette):	0/376	3/131	

Purchased Power Charges	Rate	Units	Charge
Base Demand Charge - Production:	\$ 12.833 /kW x	53,425	\$ 685,603.03
Base Demand Charge - Transmission:	\$ 2.268 /kW x	53,425	\$ 121,167.90
ECA Demand Charge:	\$ 0.708 /kW x	53,425	\$ 37,824.90
Delivery Voltage Charge:	\$ 1.003 /kW x	53,425	\$ 53,585.28
Total Demand Charges:			\$ 898,181.11
Base Energy Charge - Production:	\$ 0.029276 /kWh x	26,094,007	\$ 763,928.15
ECA Energy Charge:	\$ (0.001956) /kWh x	26,094,007	\$ (51,039.88)
Total Energy Charges:			\$ 712,888.27
Average Purchased Power Cost: 6.174 cents per kWh			TOTAL PURCHASED POWER CHARGES: \$ 1,611,069.38

Other Charges and Credits	Rate	Units	Charge
Dedicated Capacity Payment (see attached):			\$ (64,655.06)

RECEIVED AUG 18 2010

NET AMOUNT DUE: \$ 1,546,414.32

To avoid a late payment charge, as provided for in Schedule B, payment in full must be received by: 09/15/10

Questions, please call: 317-573-9955

Send payments to: Indiana Municipal Power Agency
 P.O. Box 660363, Indianapolis, IN 46266

MONTHLY DEDICATED CAPACITY PAYMENT
PERU UTILITIES
UNITS #2, #3 and #4

A. <u>Member Production Cost (MPC)</u>		July-10	Year to Date
Prior Month Cumulative MPC	=		\$ 728,030.93
MFC = Member Fuel Charge	=	\$0.119373 /kWh	
GEN = Net Generation Due to Agency Scheduling	=	39,800 kWh	
Total Fuel Costs = GEN x MFC	=	\$ 4,751.05	
Member Capacity Costs (MCC)	=	\$ 91,451.43	
Total Member Production Cost (MPC)	=	\$ 96,202.48	\$96,202.48
Cumulative MPC	=		\$ 824,233.41
B. <u>IMPA LMP Payment</u>		July-10	Year to Date
Prior Month Cumulative IMPA LMP Payment	=		\$ 362,698.50
<u>Resource Adequacy Payment</u>			
Installed Capacity (ICAP)		Peru #2 19.2 Peru #3 10.5 Peru DSL 1.8	MW
EFORD		7.86% 7.86% 7.07%	
Unforced Capacity (ICAP*(1-EFORD))		17.7 9.7 1.7	29.1 MW
Planning Year Capacity Price (PYCP)	x	\$ 2,140.00	/MW
Total Monthly Resources Adequacy Payment		\$ 62,274.00	
<u>Net LMP Revenue</u>			
Day-Ahead LMP Revenue	=	\$ -	
Plus: Real-Time LMP Revenue	=	\$ 2,448.36	
Less: Real-Time Operating Reserve Charge	=	\$ (67.30)	
Net LMP Revenue	=	\$ 2,381.06	
IMPA LMP Payment	=	\$ 64,655.06	\$64,655.06
2010 Cumulative IMPA LMP Payment	=		\$427,353.56
C. <u>Calculation of Cumulative Split-the-Savings (1)</u>			Year to Date
2010 Cumulative IMPA LMP Payment	=		\$ 427,353.56
Less: 2010 Cumulative MPC	=		\$ 824,233.41
2010 Cumulative Split-the-Savings	=		\$ -
Peru Cumulative Share of Split-the-Savings	=		\$ -
<i>(1) The "Split-the-Savings" amount is applicable only if the Cumulative MPC is less than the Cumulative IMPA LMP Payment.</i>			
D. <u>Payment Calculation (Based on Cumulative Totals)</u>		July-10	Year to Date
a. 2010 Cumulative MPC	=		\$ 824,233.41
Less: 2010 Cumulative Share of Split-the-Savings	=		\$ -
Cumulative MPC with Split-the-Savings	=		\$ 824,233.41
b. 2010 Cumulative IMPA LMP Payment	=		\$ 427,353.56
c. If "a" is less than "b", enter "a", otherwise enter "b"	=		\$ 427,353.56
Less: Prior Month 2010 Cumulative Dedicated Capacity Payments	=		\$ 362,698.50
July 2010 Dedicated Capacity Payment	=		\$ 64,655.06
E. Dedicated Capacity Payment (Included on Power Bill):		\$ 64,655.06	\$ 427,353.56

64,655.06
4,751.05
59,904.01



IMPA
 INDIANA MUNICIPAL POWER AGENCY

Peru Utilities
 P.O. Box 67
 Peru, IN 46970-0067

Due Date:
10/14/10

Amount Due:
\$1,382,811.88

Billing Period: August 01 to August 31, 2010

Invoice Date: 09/14/10

Demand	kW	kvar	Power Factor	Date	Time (EST)	Load Factor
Maximum Demand:	51,308	12,162	97.30%	08/12/10	1300	66.5%
CP Billing Demand:	47,391	10,331	97.71%	08/04/10	1600	72.0%
kvar at 97% PF:		11,877				
Reactive Demand:		-				

Energy	kWh
Duke Interconnections	20,263,452
Grissom	4,271,172
Net Generation	845,380
Total Energy:	25,380,004

History	Aug 2010	Aug 2009	2010 YTD
Max Demand (kW):	51,308	49,230	53,784
CP Demand (kW):	47,391	48,559	53,425
Energy (kWh):	25,380,004	22,870,835	175,486,356
CP Load Factor:	72.0%	63.3%	
HDD/CDD (Lafayette):	1/325	21/172	

Purchased Power Charges	Rate	Units	Charge
Base Demand Charge - Production:	\$ 12.833 /kW x	47,391	\$ 608,168.70
Base Demand Charge - Transmission:	\$ 2.268 /kW x	47,391	\$ 107,482.79
ECA Demand Charge:	\$ 0.708 /kW x	47,391	\$ 33,552.83
Delivery Voltage Charge:	\$ 1.003 /kW x	47,391	\$ 47,533.17
Total Demand Charges:			<u>\$ 796,737.49</u>
Base Energy Charge - Production:	\$ 0.029276 /kWh x	25,380,004	\$ 743,025.00
ECA Energy Charge:	\$ (0.001956) /kWh x	25,380,004	\$ (49,643.29)
Total Energy Charges:			<u>\$ 693,381.71</u>
Average Purchased Power Cost: 5.871 cents per kWh			TOTAL PURCHASED POWER CHARGES: \$ 1,490,119.20

Other Charges and Credits	Rate	Units
Dedicated Capacity Payment (see attached):		\$ (107,307.32)

NET AMOUNT DUE: \$ 1,382,811.88

1,05448

To avoid a late payment charge, as provided for in Schedule B, payment in full must be received by: 10/14/10

Questions, please call: 317-573-9955

Send payments to: Indiana Municipal Power Agency
 P.O. Box 660363, Indianapolis, IN 46266

MONTHLY DEDICATED CAPACITY PAYMENT
 PERU UTILITIES
 UNITS #2, #3 and #4

A. <u>Member Production Cost (MPC)</u>		August-10	Year to Date
Prior Month Cumulative MPC	=		\$ 824,233.41
MFC = Member Fuel Charge	=	\$0.105406 /kWh	
GEN = Net Generation Due to Agency Scheduling	=	845,380 kWh	
Total Fuel Costs = GEN x MFC	=	\$ 89,108.12	
Member Capacity Costs (MCC)	=	\$ 128,365.07	
Total Member Production Cost (MPC)	=	\$ 217,473.19	\$217,473.19
Cumulative MPC	=		\$ 1,041,706.60
B. <u>IMPA LMP Payment</u>		August-10	Year to Date
Prior Month Cumulative IMPA LMP Payment	=		\$ 427,353.56
<u>Resource Adequacy Payment</u>			
Installed Capacity (ICAP)		Peru #2 19.2 Peru #3 10.5 Peru DSL 1.8 MW	
EFORd		7.86% 7.86% 7.07%	
Unforced Capacity (ICAP*(1-EFORd))		17.7 9.7 1.7	29.1 MW
Planning Year Capacity Price (PYCP)	x	\$ 2,140.00 /MW	
Total Monthly Resources Adequacy Payment		\$ 62,274.00	
<u>Net LMP Revenue</u>			
Day-Ahead LMP Revenue	=	\$ 18,160.88	
Plus: Real-Time LMP Revenue	=	\$ 29,806.04	
Less: Real-Time Operating Reserve Charge	=	\$ (2,933.60)	
Net LMP Revenue	=	\$ 45,033.32	
IMPA LMP Payment	=	\$ 107,307.32	\$107,307.32
2010 Cumulative IMPA LMP Payment	=		\$534,660.88
C. <u>Calculation of Cumulative Split-the-Savings (1)</u>			Year to Date
2010 Cumulative IMPA LMP Payment	=		\$ 534,660.88
Less: 2010 Cumulative MPC	=		\$ 1,041,706.60
2010 Cumulative Split-the-Savings	=		\$ -
Peru Cumulative Share of Split-the-Savings	=		\$ -
<i>(1) The "Split-the-Savings" amount is applicable only if the Cumulative MPC is less than the Cumulative IMPA LMP Payment.</i>			
D. <u>Payment Calculation (Based on Cumulative Totals)</u>		August-10	Year to Date
a. 2010 Cumulative MPC	=		\$ 1,041,706.60
Less: 2010 Cumulative Share of Split-the-Savings	=		\$ -
Cumulative MPC with Split-the-Savings	=		\$ 1,041,706.60
b. 2010 Cumulative IMPA LMP Payment	=		\$ 534,660.88
c. If "a" is less than "b", enter "a", otherwise enter "b"	=		\$ 534,660.88
Less: Prior Month 2010 Cumulative Dedicated Capacity Payments	=		\$ 427,353.56
August 2010 Dedicated Capacity Payment	=		\$ 107,307.32
E. Dedicated Capacity Payment (Included on Power Bill):		\$ 107,307.32	\$ 534,660.88

107,307.32
 - 89,108.12

 18,199.20



IMPA
 INDIANA MUNICIPAL POWER AGENCY

Peru Utilities
 P.O. Box 67
 Peru, IN 46970-0067

Due Date:
11/15/10

Amount Due:
\$1,197,976.59

Billing Period: September 01 to September 30, 2010

Invoice Date: 10/14/10

Demand	kW	kvar	Power Factor	Date	Time (EST)	Load Factor
Maximum Demand:	45,481	9,380	97.94%	09/01/10	1300	59.15%
CP Billing Demand:	43,488	6,970	98.74%	09/21/10	1500	61.86%
kvar at 97% PF:		10,899				
Reactive Demand:		-				

Energy	kWh
Duke Interconnections	16,148,908
Grissom	3,218,967
Net Generation	-
Total Energy:	19,367,875

History	Sep 2010	Sep 2009	2010 YTD
Max Demand (kW):	45,481	39,286	53,784
CP Demand (kW):	43,488	38,050	53,425
Energy (kWh):	19,367,875	19,446,873	194,854,231
CP Load Factor:	61.86%	70.98%	
HDD/CDD (Lafayette):	46/129	25/110	

Purchased Power Charges	Rate	Units	Charge
Base Demand Charge - Production:	\$ 12.833 /kW x	43,488	\$ 558,081.50
Base Demand Charge - Transmission:	\$ 2.268 /kW x	43,488	\$ 98,630.78
ECA Demand Charge:	\$ 0.708 /kW x	43,488	\$ 30,789.50
Delivery Voltage Charge:	\$ 1.003 /kW x	43,488	\$ 43,618.46
Total Demand Charges:			\$ 731,120.24
Base Energy Charge - Production:	\$ 0.029276 /kWh x	19,367,875	\$ 567,013.91
ECA Energy Charge:	\$ (0.001956) /kWh x	19,367,875	\$ (37,883.56)
Total Energy Charges:			\$ 529,130.35
Average Purchased Power Cost: 6.507 cents per kWh			TOTAL PURCHASED POWER CHARGES: \$ 1,260,250.59

Other Charges and Credits	Rate	Units
Dedicated Capacity Payment (see attached):		\$ (62,274.00)

NET AMOUNT DUE: \$ 1,197,976.59

To avoid a late payment charge, as provided for in Schedule B, payment in full must be received by: 11/15/10
 Questions, please call: 317-573-9955

Send payments to: Indiana Municipal Power Agency
 P.O. Box 660363, Indianapolis, IN 46266

MONTHLY DEDICATED CAPACITY PAYMENT
PERU UTILITIES
UNITS #2, #3 and #4

A. <u>Member Production Cost (MPC)</u>		September-10	Year to Date
Prior Month Cumulative MPC	=		\$ 1,041,706.60
MFC = Member Fuel Charge	=	\$0.102896 /kWh	
GEN = Net Generation Due to Agency Scheduling	=	0 kWh	
Total Fuel Costs = GEN x MFC	=	\$ -	
Member Capacity Costs (MCC)	=	\$ 106,686.86	
Total Member Production Cost (MPC)	=	\$ 106,686.86	\$106,686.86
Cumulative MPC	=		\$ 1,148,393.46
<hr/>			
B. <u>IMPA LMP Payment</u>		September-10	Year to Date
Prior Month Cumulative IMPA LMP Payment	=		\$ 534,660.88
<u>Resource Adequacy Payment</u>			
Installed Capacity (ICAP)	Peru #2	Peru #3	Peru DSL
	19.2	10.5	1.8 MW
EFORD	7.86%	7.86%	7.07%
Unforced Capacity (ICAP*(1-EFORD))	17.7	9.7	1.7
Planning Year Capacity Price (PYCP)			29.1 MW
Total Monthly Resources Adequacy Payment			x \$ 2,140.00 /MW
			\$ 62,274.00
<u>Net LMP Revenue</u>			
Day-Ahead LMP Revenue	=	\$ -	
Plus: Real-Time LMP Revenue	=	\$ -	
Less: Real-Time Operating Reserve Charge	=	\$ -	
Net LMP Revenue	=	\$ -	
IMPA LMP Payment	=	\$ 62,274.00	\$62,274.00
2010 Cumulative IMPA LMP Payment	=		\$596,934.88
<hr/>			
C. <u>Calculation of Cumulative Split-the-Savings (1)</u>		Year to Date	
2010 Cumulative IMPA LMP Payment	=	\$	596,934.88
Less: 2010 Cumulative MPC	=	\$	1,148,393.46
2010 Cumulative Split-the-Savings	=	\$	-
Peru Cumulative Share of Split-the-Savings	=	\$	-
<i>(1) The "Split-the-Savings" amount is applicable only if the Cumulative MPC is less than the Cumulative IMPA LMP Payment.</i>			
<hr/>			
D. <u>Payment Calculation (Based on Cumulative Totals)</u>		September-10	Year to Date
a. 2010 Cumulative MPC	=		\$ 1,148,393.46
Less: 2010 Cumulative Share of Split-the-Savings			\$ -
Cumulative MPC with Split-the-Savings			\$ 1,148,393.46
b. 2010 Cumulative IMPA LMP Payment	=		\$ 596,934.88
c. If "a" is less than "b", enter "a", otherwise enter "b"	=		\$ 596,934.88
Less: Prior Month 2010 Cumulative Dedicated Capacity Payments	=		\$ 534,660.88
September 2010 Dedicated Capacity Payment			\$ 62,274.00
E. Dedicated Capacity Payment (Included on Power Bill):		\$ 62,274.00	\$ 596,934.88

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF RATE ADJUSTMENTS FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	DESCRIPTION	DEMAND RELATED (A)	ENERGY RELATED (B)	LINE NO.
1	INCREMENTAL CHANGE IN BASE RATE (a)	1.018000	0.011499	1
2	ESTIMATED SAVINGS FROM DEDICATED CAPACITY PAYMENTS (b)	1.508727		2
3	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (c)	0.708000	(0.001956)	3
4	ESTIMATED TOTAL CHANGE IN PURCHASED POWER RATE	3.234727	0.009543	4
5	ESTIMATED CHANGE IN PURCHASED POWER RATE ADJUSTED FOR LOSSES & GROSS INCOME TAX (d)	3.449111	0.010175	5
6	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO JANUARY 27, 1983 (e)	-	-	6
7	ESTIMATED TOTAL RATE ADJUSTMENT	3.449111	0.010175	7
8	ESTIMATED AVERAGE BILLING UNITS (f)	49,675	23,150,538	8
9	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (g)	171,334.59	235,556.72	9

(a) Exhibit I, Line 3
 (b) Exhibit II, Line 9
 (c) Exhibit III, Column E, Lines 3 and 5
 (d) Line 4 divided by (1 - Line Loss Factor) (.986) 0.93784376
 (e) Tracking Factor effective prior to January 27, 1983. This factor is zero if new rates have been filed and approved since January 27, 1983. Column A equals the demand component of the tracker times Line 8, Column B, divided by Line 8, Column A.
 (f) Exhibit III, Column E, Lines 1 and 2.
 (g) Line 7 times Line 8

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF RATE ADJUSTMENTS FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	RATE SCHEDULE	KW DEMAND ALLOCATOR	KWH ENERGY ALLOCATOR	ALLOCATED ESTIMATED KW PURCHASED (b)	ALLOCATED ESTIMATED KWH PURCHASED (b)	INCREMENTAL CHANGE IN PURCHASED POWER COST ADJ. FOR LINE LOSSES & GROSS RECEIPTS TAX			LINE NO.
		(%) (a) (A)	(%) (a) (B)	(C)	(D)	DEMAND(d) (E)	ENERGY (e) (F)	TOTAL (G)	
1	RS-1	40.6970%	38.655%	20,216.2	8,948,840	69,728.04	91,054.45	160,782.49	1
2	GSA-1 & GSB-1	10.8940%	9.787%	5,411.6	2,265,743	18,665.19	23,053.94	41,719.13	2
3	PS	47.8370%	49.773%	23,763.0	11,522,717	81,961.33	117,243.65	199,204.98	3
4	SL-1	0.2920%	1.109%	145.1	256,739	500.30	2,612.32	3,112.62	4
5	MSL-1	0.1840%	0.561%	91.4	129,875	315.26	1,321.47	1,636.73	5
6	TL	0.0960%	0.115%	47.7	26,623	164.48	270.89	435.37	6
7	TOTAL	100.0000%	100.000%	49,675.0	23,150,538	171,334.60	235,556.72	406,891.32	7

 (a) Based on Allocation Study by Peru Utilities in August, 2006
 (b) Page 1 of 3, Column A, Line 8 times Page 2 of 3, Column A
 (c) Page 1 of 3, Column B, Line 8 times Page 2 of 3, Column B
 (d) Page 1 of 3, Column A, Line 9 times Page 2 of 3, Column A
 (e) Page 1 of 3, Column B, Line 9 times Page 2 of 3, Column B

PERU MUNICIPAL ELECTRIC UTILITY

 DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 JULY, AUGUST & SEPTEMBER, 2010

LINE NO.	RATE SCHEDULE	PLUS VARIANCE (a)		TOTAL CHANGE IN PURCHASED POWER COST ADJ FOR LINE LOSSES & GROSS RECEIPTS TAX			RATE ADJUSTMENT FACTOR PER KWH (d)			LINE NO.
		DEMAND (A)	ENERGY (B)	DEMAND (b) (C)	ENERGY (c) (D)	TOTAL (E)	DEMAND (F)	ENERGY (G)	TOTAL (H)	
1	RS-1	(30,061.61)	(19,991.51)	39,666.43	71,062.94	110,729.37	0.004433	0.007941	0.012374	1
2	GSA-1 & GSB-1	(2,761.69)	(1,720.01)	15,903.50	21,333.93	37,237.43	0.007019	0.009416	0.016435	2
3	PS	21,361.65	13,463.18	103,322.98	130,706.83	234,029.81	0.008967	0.011343	0.020310	3
4	SL-1	0.02	(32.43)	500.32	2,579.89	3,080.21	0.001949	0.010049	0.011997	4
5	MSL-1	(21.35)	(48.04)	293.91	1,273.43	1,567.34	0.002263	0.009805	0.012068	5
6	TL	(8.81)	(7.03)	155.67	263.86	419.53	0.005847	0.009911	0.015758	6
7	TOTAL	(11,491.79)	(8,335.84)	159,842.81	227,220.88	387,063.69	0.006904	0.009815	0.016719	7

 (a) Exhibit IV, Page 4 of 7, Columns D and E divided by (1 - loss factor)(.986) 0.93784376
 (b) Page 2 of 3, Column E plus Page 3 of 3, Column A
 (c) Page 2 of 3, Column F plus Page 3 of 3, Column B
 (d) Page 3 of 3, Columns C, D and E divided by Page 2 of 3, Column D

PERU MUNICIPAL ELECTRIC UTILITY

 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 JANUARY, FEBRUARY & MARCH, 2010

LINE NO.	RATE SCHEDULE	NET INCREMENTAL COST BILLED BY MEMBER			VARIANCE			LINE NO.
		DEMAND (a) (A)	ENERGY (b) (B)	TOTAL (C)	DEMAND (c) (D)	ENERGY (c) (E)	TOTAL (c) (F)	
1	RS-1	79,252.47	112,298.39	191,550.86	(28,193.09)	(18,748.91)	(46,942.00)	1
2	GSA-1 & GSB-1	16,257.89	25,298.75	41,556.64	(2,590.03)	(1,613.10)	(4,203.13)	2
3	PS	39,983.49	107,829.93	147,813.42	20,033.89	12,626.36	32,660.25	3
4	SL-1	366.33	2,714.32	3,080.65	0.02	(30.41)	(30.39)	4
5	MSL-1	250.87	1,402.73	1,653.60	(20.02)	(45.05)	(65.07)	5
6	TL	128.70	284.90	413.60	(8.26)	(6.59)	(14.85)	6
7	TOTAL	136,239.75	249,829.02	386,068.77	(10,777.49)	(7,817.70)	(18,595.19)	7

 (a) Column D minus Column F from Exhibit IV, Page 3 of 7
 (b) Column E minus Column G from Exhibit IV, Page 3 of 7
 (c) Column E, F and G from Exhibit IV, Page 2 of 7 minus Columns A, B and C