

AUBURN MUNICIPAL ELECTRIC UTILITY
Auburn, Indiana

Appendix A - Wholesale Power Factor

Rate Adjustments

The Rate adjustments shall be on the basis of a Power Cost Adjustment Tracking Factor occasioned solely by changes in the costs of purchased and generated power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved April 5, 1995 in Cause No. 40095, as follows:

Rate Adjustments applicable to the above listed Rates Schedules:

\$0.025990 per KWH per month (Positive Factor)

February 8, 2012

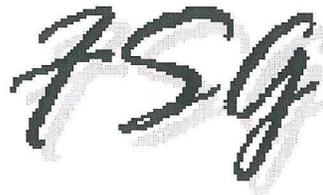
April, May and June 2012

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Indiana Utility Regulatory Commission

**AUBURN MUNICIPAL
ELECTRIC UTILITY**
Auburn, Indiana

2012
2nd Qtr. Wholesale Power Tracker

February 7, 2012

A handwritten signature in black ink, appearing to read 'FSG', is centered on the page. The letters are stylized and slightly overlapping.

Financial
Solutions
Group,
Inc.

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2012

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	INCREMENTAL CHANGE IN BASE RATE PURCHASED POWER COST (a)	0.000000	0.0220250
2	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (b)	<u>0.000000</u>	<u>0.000000</u>
3	ESTIMATED TOTAL CHANGE IN PURCHASED POWER COST (c)	<u>0.000000</u>	<u>0.022025</u>
4	ESTIMATED CHANGE IN PURCHASED POWER COST ADJUSTED FOR LOSSES & UTILITY RECEIPTS TAX (d)	0.000000	0.022745
5	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO AEP'S RATE CHANGE (e)	<u>0.000000</u>	<u>0.000000</u>
6	ESTIMATED TOTAL RATE ADJUSTMENT (f)	0.000000	0.022745
7	ESTIMATED AVERAGE BILLING UNITS (g)	<u>0</u>	<u>37,733,333</u>
8	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (h)	<u>0.000000</u>	<u>858,240.89</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
 DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2012

LINE NO.	ESTIMATED KW PURCHASED	ESTIMATED KWH PURCHASED	INCREMENTAL CHANGE IN PURCHASED POWER COST ADJUSTED FOR LINE LOSS & UTILITY RECEIPTS		
			DEMAND	ENERGY	TOTAL
1	2,511.00 (a)	35,165,361 (b)	- (c)	858,240.89 (d)	858,240.89 (e)

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2012

LINE NO.	PLUS VARIANCE WITH LINE LOSS & GROSS REC.		TOTAL CHANGE IN PURCHASED POWER COST ADJ. FOR LINE LOSS & GROSS RECEIPTS TAX			RATE ADJUSTMENT FACTOR PER KWH		
	DEMAND	ENERGY	DEMAND	ENERGY	TOTAL	DEMAND	ENERGY	TOTAL
1	- (a)	55,699.14 (b)	- (c)	913,940.03 (d)	913,940.03 (e)	- (f)	0.025990 (g)	0.025990 (h)

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2012

ESTIMATED POWER PURCHASES AND COSTS FROM AEP

LINE NO.		APRIL 2012	MAY 2012	JUNE 2012	TOTAL	ESTIMATED 3-MONTH AVERAGE
	<u>PURCHASE</u>					
1	DEMAND (KW) (a)	2,483.280	2,566.056	2,483.28	7,533	2,511
2	ENERGY (KWH) (b)	37,550,000	38,200,000	37,450,000	113,200,000	37,733,333
	<u>COST</u>					
3	Capacity Rate (c)	116.15	116.15	16.46		
4	Fixed Energy Rate (d)	51.710	51.710	51.710		
	<u>COST</u>					
5	Capacity Cost (e)	\$ 288,432.97	\$ 298,047.40	\$ 40,874.79	627,355.17	209,118.00
6	Fixed Energy Cost (f)	1,941,710.50	1,975,322.00	1,936,539.50	5,853,572.00	1,951,191.00
7	Net Estimated PJM Settlement (g)	62,074.45	45,038.00	50,381.11	157,493.56	52,498.00
8	Total Amount (h)	<u>\$ 2,292,217.92</u>	<u>\$ 2,318,407.40</u>	<u>\$ 2,027,795.40</u>	<u>\$ 6,638,420.73</u>	<u>\$ 2,212,807.00</u>
9	2009 Test Year Average Cost for Initial Tracker (i)					<u>\$ 1,452,141.12</u>
10	Increase (j)				<u>52.38%</u>	<u>\$ 760,665.88</u>
11	Increase per KWH (k)					<u>\$ 0.022025</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
OCTOBER, NOVEMBER AND DECEMBER 2011

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	ACTUAL PURCHASED POWER ENERGY COST ADJUSTMENT (a)	0.000000	0.0157160
2	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO (b)	<u>0.000000</u>	<u>0.000000</u>
3	TOTAL RATE ADJUSTMENT (c)	0.000000	0.0157160
4	ACTUAL AVERAGE BILLING UNITS (d)	<u>2,525</u>	<u>36,502,000</u>
5	ACTUAL INCREMENTAL CHANGE IN PURCHASED POWER COST (e)	<u>0.000000</u>	<u>\$ 573,665.43</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2011

<u>LINE NO.</u>	<u>ACTUAL KW PURCHASED</u>	<u>ACTUAL KWH PURCHASED</u>	<u>INCREMENTAL CHANGE IN PURCHASED POWER COST</u>		
			<u>DEMAND</u>	<u>ENERGY</u>	<u>TOTAL</u>
1	2,525.00 (a)	36,502,000 (b)	- (c)	573,665.43 (d)	573,665.43 (e)

AUBURN MUNICIPAL ELECTRIC UTILITY
 RECONCILIATION OF VARIANCES FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2011

LINE NO.	ACTUAL AVERAGE KWH SALES	DEMAND ADJUSTMENT FACTOR PER KWH	ENERGY ADJUSTMENT FACTOR PER KWH	INCREMENTAL KW DEMAND COST BILLED BY UTILITY	INCREMENTAL KWH ENERGY COST BILLED BY UTILITY	<u>LESS PREVIOUS VARIANCE</u>	
						DEMAND	ENERGY
1	32,882,321 (a)	- (b)	0.0216820 (c)	- (d)	702,972.97 (1) (e)	- (f)	183,243.84 (g)

(1) See Attachment B for detail.

AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
OCTOBER, NOVEMBER AND DECEMBER 2011

LINE NO.	NET INCREMENTAL COST BILLED BY UTILITY			VARIANCE		
	<u>DEMAND</u>	<u>ENERGY</u>	<u>TOTAL</u>	<u>DEMAND</u>	<u>ENERGY</u>	<u>TOTAL</u>
1	- (a)	519,729.13 (b)	519,729.13 (c)	- (d)	53,936.30 (e)	53,936.30 (f)

AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 OCTOBER, NOVEMBER AND DECEMBER 2011

ACTUAL POWER PURCHASES AND COSTS FROM AEP

LINE NO.		OCTOBER 2011	NOVEMBER 2011	DECEMBER 2011	TOTAL	3-MONTH AVERAGE
	<u>PURCHASE</u>					
1	DEMAND (KW)	2,566.06	2,483.28	2,566.06	7,615.39	2,525.00
2	ENERGY (KWH)	36,738,000	36,266,000	36,189,000	109,193,000	36,502,000
	<u>COST</u>					
3	Capacity Rate (c)	\$ 116.16000	\$ 116.16000	\$ 116.15000		
4	Fixed Energy Rate (d)	44.310	44.310	44.310		
	<u>COST</u>					
5	Capacity Cost (e)	\$ 298,073.06	\$ 288,457.80	\$ 298,047.40	884,578.27	294,859.00
6	Fixed Energy Cost (f)	1,627,860.78	1,606,946.46	1,603,534.59	4,838,341.83	1,612,781.00
7	Net PJM Settlement (g)	145,634.22	99,361.55	109,478.37	354,474.14	118,158.00
8	Total Billed (h)	<u>\$ 2,071,568.06</u>	<u>\$ 1,994,765.81</u>	<u>\$ 2,011,060.36</u>	<u>\$ 6,077,394.24</u>	<u>\$ 2,025,798.00</u>
9	2009 Test Year Average Cost for Tracker (i)					<u>\$ 1,452,141.12</u>
10	Increase (j)				<u>39.50%</u>	<u>\$ 573,656.88</u>
11	Factor (k)					<u>0.015716</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
OCTOBER, NOVEMBER AND DECEMBER 2011

ACTUAL AVERAGE KWH SALES

<u>LINE</u> <u>NO.</u>	<u>OCTOBER</u>	<u>NOVEMBER</u>	<u>DECEMBER</u>	<u>TOTAL</u>	<u>AVERAGE</u>
1	33,660,421 (a)	32,722,849 (b)	32,263,693 (c)	98,646,963 (d)	32,882,321 (e)

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
APRIL, MAY AND JUNE 2012

ESTIMATED UNITS TO BE PURCHASED AND SOLD

<u>LINE NO.</u>		<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	<u>TOTAL</u>	<u>AVERAGE</u>
1	Units Purchased (a)	<u>34,973,961</u>	<u>34,937,412</u>	<u>35,584,710</u>	<u>105,496,083</u>	<u>35,165,361</u>
2	Line Loss (b)	<u>1.79%</u>	<u>1.79%</u>	<u>1.79%</u>		
3	Units Sold (c)	<u><u>34,347,927</u></u>	<u><u>34,312,032</u></u>	<u><u>34,947,744</u></u>	<u><u>103,607,703</u></u>	<u><u>34,535,901</u></u>

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
APRIL, MAY AND JUNE 2012

**CALCULATION OF INCREMENTAL ENERGY COST
BILLED BY AUBURN**

<u>MONTHS</u>	<u>KWH</u> <u>SALES</u>	(a)	<u>FACTOR</u>	(b)	<u>DOLLAR</u> <u>AMOUNT</u>	(c)
2011						
OCTOBER	33,660,421		0.0216820		\$ 729,825.00	
NOVEMBER	32,722,849		0.0216820		709,497.00	
DECEMBER	<u>32,263,693</u>		0.0216820		<u>699,541.00</u>	
Total	<u>98,646,963</u>				<u>\$ 2,138,863.00</u>	
Average	<u><u>32,882,321</u></u>				<u>\$ 712,954.33</u>	
Utility Receipts Tax					<u>\$ 0.986</u>	
Monthly Amount without Utility Receipts					<u><u>\$ 702,972.97</u></u>	

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
 THREE MONTHS OF
 APRIL, MAY AND JUNE 2012

Impact of Tracker

	<u>Average Usage</u> (a)	<u>Current Tracker</u> (b)	<u>Proposed Tracker</u> (c)	<u>Difference</u> (d)
		0.025994 (e)	0.025990 (f)	(0.000004)
Residential	2,000	\$ 51.99	\$ 51.98	\$ (0.01)
Commercial	8,500	220.95	220.92	(0.03)
Industrial (Small)	88,300	2,295.27	2,294.92	(0.35)
Industrial (Large)	15,025,000	390,559.85	390,499.75	(60.10)

AUBURN MUNICIPAL ELECTRIC UTILITY
DETERMINATION OF RATE ADJUSTMENT FOR THE
ACTUAL COST FOR JANUARY 2010 THROUGH JUNE 2011

(Note: New Rates in Effect during This Time)

Billing Date			Capacity	Fixed Energy	PJM Settlement	PJM Settlement	Cost per		
Month	KWH (a)	KW (b)	Charge	Charge	Charge	Credit	Total Bill (g)	KWH (h)	Increase
January 2010	38,320,000	2,456.29	\$ 257,460.96	\$ 1,542,380.00	\$ 1,550,489.00	\$ (1,691,406.02)	\$ 1,658,923.94	0.04329	
February 2010	29,460,000	2,218.59	232,545.38	1,191,951.60	1,375,040.89	(1,200,810.23)	1,598,727.64	0.05427	25.35%
March 2010	28,467,000	2,456.29	257,460.96	1,151,774.82	1,250,439.51	(985,610.53)	1,674,064.76	0.05881	8.36%
April 2010	30,304,000	2,377.06	249,155.77	1,226,099.84	1,108,559.72	(996,221.76)	1,587,593.57	0.05239	-10.91%
May 2010	29,812,000	2,456.29	257,460.96	1,206,193.52	1,272,082.02	(1,040,162.14)	1,695,574.36	0.05688	8.56%
June 2010	30,304,000	1,878.56	327,413.60	1,226,099.84	1,649,707.98	(1,255,383.39)	1,947,838.03	0.06428	13.01%
July 2010	30,387,000	1,941.18	338,327.38	1,229,458.02	1,917,635.31	(1,423,443.37)	2,061,977.34	0.06786	5.57%
August 2010	32,896,000	1,941.18	338,327.38	1,330,972.16	1,932,739.28	(1,491,111.91)	2,110,926.91	0.06417	-5.43%
September 2010	34,077,000	1,878.56	327,413.60	1,378,755.42	1,189,476.65	(1,143,971.84)	1,751,673.83	0.05140	-19.89%
October 2010	33,405,000	1,941.18	338,327.38	1,351,566.30	1,154,528.10	(1,062,106.81)	1,782,314.97	0.05335	3.80%
November 2010	31,441,000	1,878.56	327,413.60	1,272,102.86	1,202,655.33	(1,069,907.71)	1,732,264.08	0.05510	3.26%
December 2010	31,280,000	1,941.18	338,327.38	1,265,588.80	1,636,490.12	(1,325,452.13)	1,914,954.17	0.06122	11.12%
January 2011	35,133,000	1,941.18	338,327.38	1,556,743.23	1,744,878.19	(1,475,029.16)	2,164,919.64	0.06162	0.65%
February 2011	33,588,000	2,064.61	377,522.95	1,488,284.28	1,415,584.00	(1,233,815.89)	2,047,575.34	0.06096	-1.07%
March 2011	35,943,000	2,285.82	417,961.46	1,592,634.33	1,537,955.66	(1,328,521.56)	2,220,029.89	0.06177	1.32%
April 2011	35,901,000	2,212.08	404,478.83	1,590,773.31	1,411,169.94	(1,367,295.44)	2,039,126.64	0.05680	-8.04%
May 2011	36,048,000	2,285.82	417,961.46	1,597,286.88	1,727,256.52	(1,538,220.13)	2,204,284.73	0.06115	7.66%
June 2011	35,862,000	2,483.22	288,426.00	1,589,045.22	1,810,248.69	(1,602,547.72)	2,085,172.19	0.05814	-4.91%
July 2011	36,468,000	2,566.06	298,073.06	1,615,897.08	2,242,578.13	(1,909,189.02)	2,247,359.25	0.06163	5.99%
August 2011	37,791,000	2,566.06	298,073.06	1,674,519.21	1,941,172.83	(1,551,061.82)	2,362,703.28	0.06252	1.45%
September 2011	38,034,000	2,483.28	288,457.80	1,685,286.54	1,473,745.13	(1,372,486.35)	2,075,003.12	0.05456	-12.74%
October 2011	37,738,000	2,566.06	298,073.06	1,627,860.78	1,501,120.76	(1,355,486.54)	2,071,568.06	0.05489	0.62%
November 2011	36,266,000	2,483.28	288,457.80	1,606,946.46	1,374,902.08	(1,275,540.53)	1,994,765.81	0.05500	0.20%
December 2011	36,189,000	2,566.06	298,047.40	1,603,534.59	1,325,451.80	(1,215,973.43)	2,011,060.36	0.05557	1.03%
Total	815,114,000	53,868.40	\$ 7,603,494.61	\$34,601,755.09	\$36,745,907.64	\$(31,910,755.43)	\$ 47,040,401.91		26.02%

AUBURN MUNICIPAL ELECTRIC UTILITY

TRACKER HISTORY

	<u>Tracker</u>	<u>Change</u>	<u>Estimated on November, 2011</u>	<u>Difference</u>	<u>Percentage</u>
1st Quarter 2010	0.010707	Estimated			
2nd Quarter 2010	0.010707	Estimated			
3rd Quarter 2010	0.018982	77.29%			
4th Quarter 2010	0.013650	-28.09%			
1st Quarter 2011	0.011699	-14.29%			
2nd Quarter 2011	0.012531	7.11%			
3rd Quarter 2011	0.023909	90.80%			
4th Quarter 2011	0.021682	-9.31%			
1st Quarter 2012	0.025994	19.89%			
2nd Quarter 2012	0.025990	-0.02%	0.02286	(0.003129)	-12.04%
3rd Quarter 2012			0.02786		
4th Quarter 2012			0.02255		

Tina Shipe

From: Tina Shipe
Sent: Thursday, February 09, 2012 1:24 PM
To: legals@kpcnews.net
Cc: Tina Shipe
Subject: Legal Ad
Attachments: Ad for 2nd Qtr 2012 WPF Tracker.doc

Please advertise this on February 16, 2012. If this is not possible, please let me know. Thank you!



Tina M. Shipe
Deputy Clerk-Treasurer

CLERK-TREASURER'S OFFICE
210 E Ninth St / PO Box 506
Auburn, IN 46706
www.ci.auburn.in.us

260.925.6450 [office] ext 1102
260.920.3358 [fax]
tmshipe@ci.auburn.in.us

"Home of the Classics"

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NOTICE OF PROPOSED RATE CHANGE BY AUBURN CITY ELECTRIC UTILITY

Notice is hereby given to rate payers of the municipally owned electric utility and other interested persons of the following Wholesale Power Factor Tracker change for April 1 – June 30, 2012. The City of Auburn, Indiana under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's Order in Cause No 40095 and Cause No 43638, hereby files with the Commission for its approval and average decrease in its schedule of rates for the Wholesale Power Factor for electricity sold in the amount of .000004 per kilowatt hours (KWH) for a new rate of .025990 per KWH.

The utility has made a filing with the Indiana Utility Regulatory Commission for approval of the Rate Change. If approved, the rate change will take effect for bills to be rendered beginning with April 1, 2012 billing.

Objections should be submitted to: The Indiana Utility Regulatory Commission, 101 W Washington Street, Suite 1500 East, Indianapolis IN 46204 and/or Office of Utility Consumer Counselor, 115 W Washington Street, Suite 1500 South, Indianapolis IN 46204.

Patricia M. Miller
Clerk-Treasurer
City of Auburn, IN

AUBURN MUNICIPAL ELECTRIC UTILITY
Auburn, Indiana

Appendix A - Wholesale Power Factor

Rate Adjustments

The Rate adjustments shall be on the basis of a Power Cost Adjustment Tracking Factor occasioned solely by changes in the costs of purchased and generated power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved April 5, 1995 in Cause No. 40095, as follows:

Rate Adjustments applicable to the above listed Rates Schedules:

\$0.025990 per KWH per month (Positive Factor)

February 8, 2012

April, May and June 2012