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STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED JOINT)
 PETITION OF WHITE COUNTY REMC AND)
 INDIANA MICHIGAN POWER COMPANY)
 FILED PURSUANT TO IND. CODE §8-1-2.3-)
 4(a) FOR APPROVAL OF WRITTEN) CAUSE NO. 43813
 CONSENT FOR INDIANA MICHIGAN)
 POWER COMPANY TO PROVIDE)
 ELECTRIC SERVICE TO THE MEADOW) APPROVED: JAN 20 2010
 LAKE WIND FARM LOCATED WITHIN THE)
 SERVICE AREA OF WHITE COUNTY)
 REMC.)

BY THE COMMISSION:

David E. Ziegner, Commissioner

DeAnna L. Brunner, Administrative Law Judge

On October 15, 2009, White County Rural Electric Membership Corporation (“REMC”) and Indiana Michigan Power Company (“I&M”) (collectively “Joint Petitioners”) filed a *Verified Joint Petition* (Joint Petition”) with the Indiana Utility Regulatory Commission (“Commission”). Pursuant to Ind. Code 8-1-2.3-4(a), the Joint Petition seeks Commission approval of a Limited and Conditional Consent to Serve Agreement entered into by REMC, I&M and Meadow Lake Wind Farm LLC (“Meadow Lake”) (“Consent Agreement”) for I&M to provide retail electric service on a limited and conditional basis to Meadow Lake located within the REMC’s assigned service area in White County, Indiana. A copy of the Consent Agreement and the Legal Description of Meadow Lake Switching Station were attached to the Joint Petition.

On October 28, 2009, Meadow Lake filed its Petition to Intervene, which was granted by the Commission on November 16, 2009. On December 17, 2009, the Indiana Office of Utility Consumer Counselor (“OUCC”) filed its Notice of Intent Not to Prefile Testimony.

Pursuant to notice published as required by law, proof of which was incorporated into the record by reference and placed in the official files of the Commission, a public hearing was held in this Cause on December 28, 2009 at 9:30 a.m., EST, in Judicial Courtroom 224 of the National City Center, 101 West Washington Street, Indianapolis, Indiana. At the hearing, Joint Petitioners, Intervenor Meadow Lake and the OUCC participated, and the Verified Joint Petition and Consent Agreement were admitted into the record. Counsel for the OUCC and counsel for Meadow Lake represented that they had no objections to the requested relief. No members of the public appeared.

Based upon the applicable law and evidence herein, and being duly advised in the premises, the Commission now finds:

1. **Commission Jurisdiction.** Joint Petitioner REMC is a rural electric membership corporation organized and existing under the laws of the State of Indiana, with its principal office and place of business located in Monticello, Indiana. It is engaged in the business of distributing, furnishing, and selling retail electric service to the public in various counties in the State of Indiana, including White County, and has charter authority to do so.

I&M is a corporation organized under the laws of the State of Indiana. I&M qualifies as a “public utility” under Ind. Code 8-1-2-1 and is engaged in the business of generating, transmitting, distributing, and selling electric service to the public within the State of Indiana, including White County, and has charter authority to do so. Each Joint Petitioner is an “electricity supplier” within the meaning of Ind. Code 8-1-2.3-2(b).

Joint Petitioners request consent to serve under Ind. Code 8-1-2.3-4(a). Therefore, the Commission has jurisdiction over the parties and the subject matter of this Cause.

2. **Approval of Written Consent.** Joint Petitioners request Commission approval of the REMC’s consent for I&M to serve as a third-party supplier of “station power” for Meadow Lake’s Wind Farm in the event that Meadow Lake is not able to self-supply station power for the generating facility. Pursuant to the Consent Agreement, REMC consents to I&M providing retail electric service for station power to Meadow Lake’s Wind Farm generating facilities for an initial term of five (5) years with up to three (3) successive five-year renewal terms. A copy of the Consent Agreement and the Legal Description of Meadow Lake Switching Station were attached to the Joint Petition as Exhibit A.

The Joint Petitioners state that a consent to serve under Ind. Code 8-1-2.3-4(a) would be beneficial in this instance, rather than a service territory boundary change under Ind. Code 8-1-2.3-6 because the Wind Farm is interspersed among other retail customers of the REMC, making a boundary modification impossible. The Joint Petitioners further state that the Consent Agreement for which approval is requested in this proceeding is limited in duration and will not cause the duplication of electric utility facilities; waste of materials or resources; or uneconomic, inefficient or inadequate electric service to the public. The Consent Agreement will not require a change in the electricity supplier for existing customers of either utility. There is no evidence to the contrary before the Commission in this proceeding.

Joint Petitioners seek relief pursuant to Ind. Code 8-1-2.3-4(a) which, in part, provides:

As long as an electricity supplier continues to provide adequate retail service, it shall have the sole right to furnish retail electric service to each present and future consumer within the boundaries of its assigned service area and no other electricity supplier shall render or extend retail electric service within its assigned service area unless the electricity supplier with the sole right consents thereto in writing and the commission approves.

The REMC has the sole right to furnish retail electric service within its service territory. However, Joint Petitioners state that the REMC will consent to I&M's continued provision of electricity to Meadow Lake's Wind Farm generating facilities in the event that Meadow Lake is not able to self-supply station power for the generating facility.

Based upon the law and evidence discussed above, the Commission finds that the REMC's consent to allow I&M to provide electricity to Meadow Lake's Wind Farm under the terms of the Consent Agreement, as set forth in its Joint Petition, should be approved.

According to the Verified Joint Petition, under PJM's FERC-approved netting rules, the only time that Meadow Lake will have retail usage is in months when Meadow Lake's cumulative net kWh usage for the month as measured at the interconnection from I&M is greater than 0 kWh. Verified Joint Petition at 3. Meadow Lake has represented that the likelihood of this occurring is very low. *Id.* In the event that Meadow Lake ever has positive net usage for the month, I&M proposes to bill Meadow Lake's usage under the provisions of Tariff M.G.S subtransmission voltage. *Id.* Finally, if multiple such events occurred and Meadow Lake's 12-month average demands exceeded 1,000 kVA, Meadow Lake would be required to take service under Tariff I.P. transmission voltage. *Id.* On that basis, I&M and Meadow Lake request that the Commission approve the provision of retail service by I&M to Meadow Lake under the above-referenced tariffs. *Id.*

Based upon the foregoing, the Commission finds that the REMC's consent to allow I&M to provide electric service on a limited and conditional basis to Meadow Lake located within the REMC's assigned service area in White County, Indiana should be approved. More specifically, we find that the Consent Agreement's terms are reasonable and that the Consent Agreement should be approved. We further find that the terms of I&M's provision of service to Meadow Lake, as described above and in the Verified Joint Petition, are reasonable and should be approved.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. The REMC's consent to allow I&M to provide electric service on a limited and conditional basis to Meadow Lake located within the REMC's assigned service area in White County, Indiana is hereby approved.
2. The Limited and Conditional Consent to Serve Agreement between the REMC, I&M and Meadow Lake is hereby approved.
3. I&M is authorized to provide service to Meadow Lake pursuant to Tariff M.G.S. subtransmission voltage and Tariff I.P. transmission voltage as described above and in the Verified Joint Petition.
4. Within thirty (30) days of the date that service is transferred from the REMC to I&M pursuant to the Limited and Conditional Consent to Serve Agreement, the REMC shall file notice with the Commission that it is no longer providing electric service to the affected Meadow Lake Wind Farm.

5. The REMC and I&M shall file in this cause, at least twelve (12) months prior to the end of the initial five (5) year term and any subsequent renewals, a notice indicating whether the Consent to Serve Agreement referenced above has been renewed or terminated.

6. This Order shall be effective on and after the date of its approval.

HARDY, ATTERHOLT, GOLC, LANDIS AND ZIEGNER CONCUR:

APPROVED:

JAN 20 2010

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



Brenda A. Howe

Secretary to the Commission