

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE)
 VERIFIED PETITION OF INDIANA)
 MICHIGAN POWER COMPANY) CAUSE NO. 43953
 FOR APPROVAL OF A REVISED)
 ECONOMIC DEVELOPMENT) INTERIM ORDER
 RIDER TO BE APPLICABLE TO)
 CERTAIN CUSTOMERS IN ITS) APPROVED: DEC 29 2010
 INDUSTRIAL POWER SERVICE)
 RATE CLASS.)

BY THE COMMISSION:

James D. Atterholt, Chairman
Gregory R. Ellis, Administrative Law Judge

On September 23, 2010, Indiana Michigan Power Company (“Petitioner” or “I&M”) filed its Verified Petition and supporting testimony with the Indiana Utility Regulatory Commission (“Commission”) requesting approval of a revised Economic Development Rider (“EDR”) to be applicable to certain customers in its industrial power service rate class.

Pursuant to notice and as provided for in 170 IAC 1-1.1-15, a Prehearing Conference in this Cause was held on October 13, 2010 at 10:00 a.m. in Room 224 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. The Petitioner and the Indiana Office of Utility Consumer Counselor (“OUCC”) appeared and participated at the Prehearing Conference. At the hearing, Petitioner informed the Commission that the parties were discussing an extension of the existing EDR during the pendency of this Cause.

On November 22, 2010, the OUCC and I&M filed a Joint Stipulation and Motion for Interim Order (“Joint Motion”), wherein the parties requested that the Commission issue an interim order extending the date by which customers must apply under I&M’s existing EDR from January 1, 2011 to March 1, 2011 or until such time as the Commission deems appropriate.

Pursuant to notice and as provided for in 170 IAC 1-1.1-15, an Evidentiary Hearing in this Cause was held on December 20, 2010 at 1:00 p.m. in Room 224 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. The Petitioner and the OUCC appeared and participated at the hearing. At the hearing, Petitioner and OUCC requested time to submit a proposed final order on or before January 12, 2011. Petitioner and OUCC also requested that the Commission rule on the Joint Motion prior to December 31, 2010.

The Commission, having reviewed the Verified Petition and Joint Motion and being duly advised in the premises, now finds as follows:

1. **Notice and Jurisdiction.** I&M is a “public utility” within the meaning of Ind. Code § 8-1-2-1. I&M is a public electric generating utility, organized and existing under the laws of the State of Indiana, with its principal office and place of business at One Summit Square, Fort Wayne, Indiana. I&M published notice of the filing of this petition as provided in Ind. Code § 8-1-2.5-6(d). Therefore, the Commission has jurisdiction over Petitioner and the subject matter of this cause in the manner and to the extent provided by the Public Service Commission Act, as amended, and other laws of the State of Indiana.

2. **Joint Motion.** In their Joint Motion, the OUCC and I&M seek an interim order approving the extension of I&M’s existing EDR through March 1, 2011 or such time as the Commission deems appropriate. The Joint Movants state that the limited extension of the existing EDR is reasonable and consistent with the public interest and will allow the Commission more time to fully address the relief requested in this Cause. The parties further state that the requested extension is consistent with the Commission’s findings in Cause No. 41944, wherein the Commission approved I&M’s extension of a previously approved EDR.

3. **Commission Findings.** I&M’s existing EDR was approved by the Commission’s March 4, 2009 Order in Cause No. 43306. Under the terms of the existing EDR, customers must apply for service under the EDR prior to January 1, 2011. The evidentiary hearing in this Cause was held on December 20, 2010. The current EDR will expire before a final order can be issued in this Cause addressing I&M’s requested relief. This Commission has long recognized the value of economic development riders, both for the utility and its customers, as well as for the communities in which the utility serves. *See, e.g., Northern Ind. Pub. Serv. Co.*, Cause No. 42348 (Ind. Util. Regulatory Comm’n, Mar. 26, 2003); *Indiana Michigan Power Co.*, Cause No. 41944 (Ind. Util. Regulatory Comm’n, May 2, 2001). Based on the evidence in this Cause, the Commission finds that the requested extension of the existing EDR will have no adverse effect on I&M’s customers and will be in the public interest. We further note that both parties to this proceeding support the limited extension of the existing EDR pending the final order in this Cause. Accordingly, the Commission finds that the Joint Motion should be granted, and I&M shall be authorized to maintain the current EDR tariff, revised to reflect an application deadline of March 1, 2011 or until a final order is entered in this Cause, whichever comes first.

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

1. The Joint Stipulation and Motion for Interim Order is GRANTED.
2. The Commission grants the Petitioner’s request for authority to extend its existing Economic Development Rider through March 1, 2011, or until a final order is entered in this Cause, whichever comes first.

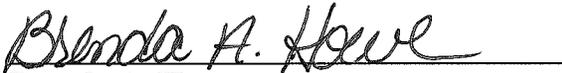
3. I&M is authorized to file any revised tariff sheets necessary to reflect the extension with the Commission's Electricity Division, which shall become effective upon their approval by the Electricity Division.

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

ATTERHOLT, MAYS AND ZIEGNER CONCUR; LANDIS ABSENT:

APPROVED: DEC 29 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**