

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANAPOLIS POWER & LIGHT)
COMPANY ("IPL") FOR AUTHORITY TO INCREASE)
RATES AND CHARGES FOR ELECTRIC UTILITY)
SERVICE AND FOR APPROVAL OF: (1) ACCOUNTING)
RELIEF, INCLUDING IMPLEMENTATION OF MAJOR)
STORM DAMAGE RESTORATION RESERVE)
ACCOUNT; (2) REVISED DEPRECIATION RATES; (3))
THE INCLUSION IN BASIC RATES AND CHARGES OF)
THE COSTS OF CERTAIN PREVIOUSLY APPROVED)
QUALIFIED POLLUTION CONTROL PROPERTY; (4))
IMPLEMENTATION OF NEW OR MODIFIED RATE)
ADJUSTMENT MECHANISMS TO TIMELY RECOGNIZE)
FOR RATEMAKING PURPOSES LOST REVENUES)
FROM DEMAND-SIDE MANAGEMENT PROGRAMS)
AND CHANGES IN (A) CAPACITY PURCHASE COSTS;)
(B) REGIONAL TRANSMISSION ORGANIZATION)
COSTS; AND (C) OFF SYSTEM SALES MARGINS; AND)
(5) NEW SCHEDULES OF RATES, RULES AND)
REGULATIONS FOR SERVICE.)

CAUSE NO. 44576

IN THE MATTER OF THE INDIANA UTILITY)
REGULATORY COMMISSION'S INVESTIGATION INTO)
INDIANAPOLIS POWER & LIGHT COMPANY'S)
ONGOING INVESTMENT IN, AND OPERATION AND)
MAINTENANCE OF, ITS NETWORK FACILITIES)

CAUSE NO. 44602

APPROVED: APR 15 2015



PREHEARING CONFERENCE ORDER OF THE COMMISSION

Presiding Officers:

Carol A. Stephan, Commission Chair
Aaron A. Schmoll, Senior Administrative Law Judge

On December 29, 2014, Indianapolis Power & Light Company ("Petitioner" or "IPL") filed its Verified Petition initiating Cause No. 44576. On January 26, 2015, IPL, the Indiana Office of Utility Consumer Counselor ("OUCC"), the IPL Industrial Group, and Citizens Action Coalition of Indiana, Inc. ("CAC") filed their *Stipulation and Agreement in Lieu of Prehearing Conference* ("Motion") in Cause No. 44576. On January 28, 2015, the Presiding Officers established a procedural schedule for Cause No. 44576.

On March 20, 2015, the Commission, under Cause No. 44602, initiated an investigation into the ongoing investment in, and operation and maintenance of, the network facilities of IPL. This investigation stemmed from two recent incidents in downtown Indianapolis on March 16, 2015, and March 19, 2015, in combination with previous incidents that the Commission has investigated

informally. On March 23, 2015, the OUCC, IPL Industrial Group, and CAC (collectively “Joint Movants”) filed their *Motion for Stay* under Cause No. 44576. On March 24, 2015, the Presiding Officers ordered an expedited response schedule for the *Motion for Stay*, and scheduled an attorneys’ conference for April 2, 2015 in connection with the previously schedule technical conference and prehearing conference in Cause No. 44602. IPL filed its response to the *Motion for Stay* on March 27, 2015, and the Joint Movants replied on March 31, 2015.

On March 31, 2015, the Presiding Officers issued a Docket Entry under Cause No. 44602 directing the parties to be prepared to discuss a consolidated schedule for the two Causes at the April 2, 2015, prehearing conference. In its March 31, 2015 Docket Entry, the Presiding Officers also listed the Commission’s preliminary issues list for the investigation.

The Commission conducted a Technical Conference and Prehearing Conference in Cause No. 44602 in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana at 10:00 a.m., on April 2, 2015. Proof of publication of the notice of the hearing has been incorporated into the record and placed in the official files of the Commission. Petitioner, the OUCC, and the IPL Industrial Group appeared and participated at the Prehearing Conference. Parties to Cause No. 44576 were also present for the informal scheduling discussions. With the consent of all parties in attendance, an informal discussion was held regarding procedural and scheduling matters in both Causes. The agreement of the parties was then read into the record.

Following the prehearing conference, on April 9, 2015, the Presiding Officers issued a Docket Entry establishing the Commission’s final issues list for consideration in Cause No. 44602. On April 10, 2015, the Presiding Officers issued a Docket Entry in each respective Cause formally consolidating Cause Nos. 44576 and 44602.

Based upon the agreement of the parties, the Commission now enters the following Findings and Order which shall become a part of the record in this consolidated proceeding:

1. **Test Year and Accounting Method.** The test year for determining Petitioner’s actual and pro forma operating revenues, expenses and operating income under present and proposed rates shall be the 12 months ended June 30, 2014, adjusted for changes that are fixed, known and measurable for ratemaking purposes and that occur within 12 months following the end of the test year.
2. **Cutoff date.** The rate base cutoff shall reflect used and useful property at the end of the test year.
3. **Petitioner’s Prefiling Date.** The Petitioner prefiling with the Commission its prepared testimony and exhibits constituting its case-in-chief in Cause No. 44576 on December 29, 2014. Copies of same were served upon all parties of record.
4. **Field Hearing.** The Commission conducted a public field hearing under Cause No. 44576 at Crispus Attucks High School on March 16, 2015. Additional written public comments regarding Cause No. 44576 or Cause No. 44602 should be submitted to the OUCC in order to be considered by the Commission.

5. **Supplemental Testimony Prefiling Date.** The Petitioner shall prefile with the Commission its supplemental testimony addressing the issues identified in the Commission's April 9, 2015 Docket Entry in Cause No. 44602 on or before June 1, 2015. Copies of same shall be served upon all parties of record.

6. **Testimonial Staff Report Prefiling Date.** Testimonial Staff shall file the report of O'Neill Consulting Group, LLC on or before June 22, 2015.

7. **OUCC's and Intervenors' Prefiling Date.** The OUCC, Testimonial Staff, and all Intervenors shall prefile with the Commission the prepared testimony and exhibits constituting their respective cases-in-chief on or before July 27, 2015. Copies of same shall be served upon all parties of record.

8. **Petitioner's Rebuttal Prefiling and Cross-Answer Prefiling Date.** The Petitioner shall prefile with the Commission its prepared rebuttal testimony on or before September 4, 2015. The OUCC, Testimonial Staff, and all Intervenors shall prefile with the Commission any cross-answer testimony on or before September 4, 2015. Copies of same shall be served upon all parties of record.

9. **Evidentiary Hearing on the Parties' Cases-In-Chief.** In the event this Cause is not settled, the cases-in-chief of the Petitioner, the OUCC and any Intervenors shall be presented in an evidentiary hearing to commence at 9:30 a.m. on Monday, September 21, 2015, in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana, continuing through Friday, October 2, 2015, as necessary. At such time, the direct evidence of the respective parties should be presented and their respective witnesses examined. Thereafter, Petitioner should present its prefiled rebuttal evidence as well as any additional evidence rebutting evidence adduced on cross-examination of the OUCC's or Intervenors' witnesses. If the parties reach settlement, the agreement and supporting testimony and exhibits shall be submitted to the Commission ten business days prior to the Evidentiary Hearing.

10. **Sworn Testimony.** Any witness testimony to be offered into the record of this proceeding shall be made under oath or affirmation. In accordance with 170 IAC 1-1.1-18(h), if the prefiled testimony of a witness is to be offered into evidence at the Evidentiary Hearing, and the witness sponsoring the prefiled testimony is not required to, and does not, attend the Evidentiary Hearing, the prefiled testimony shall be accompanied by the witness's sworn affidavit or written verification at the time the evidence is offered into the record.

11. **Discovery.** Discovery is available for all parties and shall be conducted on an informal basis. Prior to September 4, 2015, any response or objection to a discovery request shall be made within ten calendar days of the receipt of such request. On and after September 4, 2015, any response or objection to a discovery request shall be made within five calendar days of the receipt of such request, with discovery served after noon on a Friday or after 3:00 p.m. on any other business day deemed to have been received on the next business day. The due date for discovery responses shall be no later than two business days before the evidentiary hearing.

12. **Prefiling of Workpapers.** When prefilng technical evidence with the Commission, each party shall file copies of the work papers used to produce that evidence within two business days after the prefilng of the technical evidence. Copies of same shall also be provided to any

other party requesting such in writing. When submitting workpapers to the Commission, two copies of each document shall be filed with the Secretary of the Commission.

13. Number of Copies/Corrections. With the exception of work papers, the parties shall file with the Commission an original and five copies of all prefiled testimony and exhibits. Any corrections to prefiled testimony shall be made in writing as soon as possible after discovery of the need to make such corrections. Although the Commission's rules require that original copies be one-sided, it is the Commission's preference that duplicate copies use both sides of the paper.

Parties may also elect to file documents with the Commission using the Commission's Electronic Filing System in lieu of filing paper documents. Pursuant to the terms and conditions of the Electronic Filing System, documents filed electronically are deemed filed the date they are submitted, subject to verification and acceptance by the Commission, and will receive an electronic file stamp. For filings greater than 50 pages in length, a party shall file with the Commission an original and one paper copy within two business days of the electronic filing. When supplying such copies, the party must provide a copy of the email reflecting the electronic filing was accepted by the Commission.

14. Objections to Prefiled Testimony and Exhibits. Any objections to the admissibility of prefiled testimony or exhibits shall be filed with the Commission and served on all parties of record no less than five business days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record.

15. Intervenors. Any party permitted to become an Intervenor in this Cause shall be bound by the record as it stands at the time its Petition to Intervene is granted, pursuant to 170 IAC 1-1.1-11.

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

1. The determinations of the Prehearing Conference set forth in this Order are made a part of the record in this Cause and shall be binding on all present and future parties of record during the proceedings of this Cause.

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

STEPHAN, MAYS-MEDLEY, HUSTON, WEBER, AND ZIEGNER CONCUR:

APPROVED: APR 15 2015

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



**Shala M. Coe
Acting Secretary to the Commission**