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Indiana Utility Regulatory Commission

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April 24, 2018

Secretary of the Commission
Indiana Utility Regulatory Commission
101 W. Washington St.
Suite 1500 East
Indianapolis, IN 46204-3407

Dear Secretary:

Duke Energy Indiana, LLC ("Company") hereby submits, in compliance with the Settlement Agreement and Indiana Utility Regulatory Commission ("Commission") Order in Cause No. 42873, as approved by the Commission on March 15, 2006, its adjustment to rates to remove the amortization of the costs associated with the Cinergy Corporation merger. Attachment A is Standard Contract Rider No. 67 ("Rider 67") – Credits to Remove Annual Amortization of Cinergy Merger Costs. These costs were included in base rates pursuant to the Company's Retail Electric Rate Case – Cause No. 42359.

The Company is submitting this filing under Section 3 of the Thirty-Day Administrative Filing Procedures and Guidelines (170 IAC 1-6). Section 3(5)(B) allows changes to rates and charges so long as the change results in an overall decrease in revenue of the utility and is done for all classes of customers. Rider 67 accomplishes this by reducing the Company's revenue by $11,552,000 each year (adjusted by the "true-up" from the prior year) by Retail Rate Group.

Attachment B contains the workpapers that show the development of the Rider 67 rates, by Retail Rate Group, that are anticipated to go into effect with June 2018 Cycle-1. Legal notices were published in the Indianapolis Star, and the Hamilton County Current, corresponding proofs of publication will be provided immediately upon receipt.

The calculation of Rider 67 rates for June 2018 through May 2019 is done by allocating the annual amortization amount ($11,552,000) by the Operation and Maintenance ("O&M") Expense Excluding Fuel and Purchased Power from Cause No. 42359, by Retail Rate Group. These credits are then adjusted by an annual reconciliation amount to "true-up" the prior year. The reconciliation amounts are calculated by comparing the actual amounts credited in the prior calendar year to the previous year's approved revenue requirement by Retail Rate Group. The difference, by Retail Rate Group, will then be added to, or subtracted from, the current year's annual amortization amount, by Retail Rate Group, to find the total credit amounts. The total credit amounts are divided by the prior calendar year's kWh Sales to determine the per kWh credit rate for each Retail Rate Group.

We are filing this rider, associated worksheets and legal notice via the Commission's electronic filing system and sending via email a copy to the Office of Utility Consumer Counselor.

We would appreciate the return of a file-stamped copy for our files.

If there are any questions concerning this filing, please contact me at 317.838.1423.

Sincerely,

Roger Allan Flick II

Roger Allan Flick II
Attachments

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Attachment A

Standard Contract Rider No. 67
Credits to Remove Annual Amortization of
Cinergy Merger Costs

Availability

The applicable energy charges for service to the Company's retail electric customers shall be decreased monthly to remove the annual amortization of the 1994 Cinergy merger costs as approved by the Commission in Cause No. 42873. The application of this rider shall begin with billing cycle 1 for June 2008 and shall remain in effect until the effective date of the setting of new rates and charges in the Company's next retail base rate case.

Rate

The following are the monthly credit rider rates:

Line No.	Retail Rate Group	Rate per kWh	Line No.
1	Rate RS	($0.000657)	1
2	Rates CS	($0.000694)	2
3	Rate LLF 1/	($0.000310)	3
4	Rate HLF	($0.000354)	4
5	Customer L - Supp	($0.000125)	5
6	Customer O	($0.000070)	6
7	Rate WP	($0.000308)	7
8	Rate SL	($0.001832)	8
9	Rate MHLS	($0.000407)	9
10	Rates MOLS and UOLS 2/	($0.000865)	10
11	Rates FS, TS and MS	($0.000572)	11

1/ Customer D moved to LLF in 2017

2/ Reflects the transition of Rates OL & AL to UOLS effective May 1, 2014 in accordance with Cause No. 42359

These rates will be adjusted annually (billing cycle 1 each June) to reflect changes in energy usage. Also, an annual reconciliation to true-up the credit total will be done on a calendar year basis and included in the annual rate adjustments. The Company plans to file an updated Rider 67 each year in April for implementation by June 1.

Attachment B

Duke Energy Indiana, LLC

Credits to Remove Annual Amortization of 1994 Cinergy Merger Costs Established in Cause No. 42359 1/

Line No.	Retail Rate Group	Operation & Maintenance Expense Excluding Fuel & Purchased Power ($ 000's) 2/	Percentage of Total	Annual Amortization Removal Credits (Actual $)	Prior Calendar Year True-Up (Actual $)	Total Credits (Actual $)	2017 Sales (kWh)	2018 / 2019 Removal of Annual Amortization of 1994 Merger Costs Credit Rider Rate ($ / kWh)	
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	
1	Rate RS	$ 175,327	45.75%	$ (5,285,042)	$ (336,685)	$ (5,621,727)	8,550,451,744	$ (0.000657)	
2	Rate CS	22,572	5.89%	(680,413)	(35,236)	(715,649)	1,031,535,953	(0.000694)	
3	Rate LLF 4/	49,779	12.99%	(1,500,605)	(18,665)	(1,519,270)	4,894,460,675	(0.000310)	
4	Rate HLF	124,628	32.52%	(3,756,710)	(103,871)	(3,860,581)	10,906,590,756	(0.000354)	
5	Customer L - Supp	647	0.17%	(19,638)	5,276	(14,362)	114,806,810	(0.000125)	
6	Customer O	3,023	0.79%	(91,261)	7,617	(83,644)	1,190,554,705	(0.000070)	
7	Rate WP	1,433	0.37%	(42,742)	(2,492)	(45,234)	147,089,202	(0.000308)	
8	Rate SL	2,321	0.61%	(70,467)	(2,168)	(72,635)	39,648,920	(0.001832)	
9	Rate MHLS	83	0.02%	(2,310)	22	(2,288)	5,624,930	(0.000407)	
10	Rates MOLS and UOLS 3/	3,186	0.84%	(97,036)	2,193	(94,843)	109,646,194	(0.000865)	
11	Rates FS, TS and MS	179	0.05%	(5,776)	278	(5,498)	9,607,314	(0.000572)	
12	Total Retail	$ 383,178	100.00%	$ (11,552,000)	$ (483,731)	$ (12,035,731)	27,000,017,203	$ (0.000446)	Average

Revenue Requirement for 2017	$ (11,816,573)
Actual Credits Issued in 2017	(11,332,842)
Over / (Under) Issued Credits	$ (483,731)

1/ An annual credit of $11,552,000 was approved on March 15, 2006 in Cause No. 42873
2/ O&M expense from the last general rate case, Cause No. 42359
3/ Reflects the transition of Rates OL & AL to UOLS effective May 1, 2014, in accordance with Cause No. 42359
4/ Customer D moved to LLF in 2017

Duke Energy Indiana, LLC

Credits to Remove Annual Amortization of 1994 Cinergy Merger Costs Established In Cause No. 42359 1/

December 2017
YTD 7020 By Rate Class

Description	Billed KWH	Rider 67
AL 4/	-	$ -
CS	1,031,535,953	(665,165.41)
FS	484,175	(273.01)
HL	14,640	(6.09)
HLF	10,314,212,659	(3,480,081.77)
HLS	1,154,880	(482.90)
LLF	4,860,807,245	(1,437,228.70)
MHLS	4,455,410	(1,859.40)
MOLS	2,465,258	(2,162.58)
MS	2,704,961	(1,636.96)
OL 4/	-	-
RS	8,550,451,744	(5,196,077.37)
SL	39,648,920	(69,564.48)
TS	6,415,286	(3,920.66)
UOLS	107,180,936	(93,569.78)
WHTL	2,892	(1.80)
WP	147,089,202	(42,557.25)
Customer D (LLF) 5/	33,653,430	(12,459.58)
Customer O Firm	1,190,554,705	(101,010.21)
Customer O Inter	-	-
Customer L Firm	114,806,810	(17,672.85)
Customer L RTP 2/	47,412,176	(7,240.77)
Customer C - TOU	110,737,800	-
Customer C - FIRM (HLF)	408,371,940	(137,784.28)
Customer J (HLF)	184,006,157	(62,086.06)
Total 7020 Report	27,158,167,179	$ (11,332,841.91)
Less:		
Customer L RTP 2/	(47,412,176)	
Customer C TOU 3/	(110,737,800)	
Total 2017	27,000,017,203	

Retail Rate Group	Billed KWH	Credits Issued In 2017	Credits Approved For 2017	True-up
Rate RS	8,550,451,744	$ (5,196,077)	$ (5,532,762)	$ (336,685)
Rates CS	1,031,535,953	(665,166)	(700,402)	(35,236)
Rate LLF 5/	4,894,460,675	(1,449,688)	(1,468,353)	(18,665)
Rate HLF	10,906,590,756	(3,679,952)	(3,783,823)	(103,871)
Customer L - Supp 2/	114,806,810	(24,914)	(19,638)	5,276
Customer O	1,190,554,705	(101,010)	(93,393)	7,617
Rate WP	147,089,202	(42,557)	(45,049)	(2,492)
Rate SL	39,648,920	(69,565)	(71,733)	(2,168)
Rate MHLS	5,624,930	(2,349)	(2,327)	22
Rates MOLS and UOLS 4/	109,646,194	(95,732)	(93,539)	2,193
Rates FS, TS and MS	9,607,314	(5,832)	(5,554)	278
Total Retail	27,000,017,203	$ (11,332,842)	$ (11,816,573)	$ (483,731)

1/ An annual credit of $11,552,000 was approved on March 15, 2006 in Cause No. 42873
2/ Customer L RTP kWh is not included in the calculation of the Rider Factor, but it does receive the credit (per contract)
3/ Customer C RTP kWh is not used in the calculation of the Rider Factor and does not receive this credit
4/ Reflects the transition of Rates OL & AL to UOLS effective May 1, 2014 in accordance with Cause No. 42359
5/ Customer D moved to LLF in 2017

Attachment C

LEGAL NOTICE OF
DUKE ENERGY INDIANA, LLC'S
STANDARD CONTRACT RIDER NO 67
CREDITS TO REMOVE ANNUAL
AMORTIZATION OF CINERGY MERGER COSTS

DUKE ENERGY INDIANA, LLC ("Duke Energy Indiana") hereby provides notice that on or about April 24, 2018, Duke Energy Indiana will submit its Standard Contract Rider No. 67, Credits to Remove Annual Amortization of Cinergy Merger Costs ("Standard Contract Rider 67") to the Indiana Utility Regulatory Commission ("Commission") for approval under the Commission's thirty-day administrative filing procedures and guidelines. Standard Contract Rider 67 provides the adjustment to rates to remove the amortization of the costs associated with the Cinergy Corp. merger.

Standard Contract Rider 67 is applicable to all Duke Energy Indiana retail electric customers. This submission is expected to be approved approximately thirty days after filing, unless an objection is made. Any objections may be made by contacting the Secretary of the Commission, or Mary M. Becerra or Barbara A. Smith or Randall C. Helmen of the Indiana Office of Utility Consumer Counselor at the following addresses or phone numbers:

Indiana Utility Regulatory Commission
101 W. Washington St.
Suite 1500 East
Indianapolis, IN 46204-3407
317-232-2703

Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington St.
Suite 1500 South
Indianapolis, IN 46204
317-232-2494.

Duke Energy Indiana, LLC
By: Melody Birmingham-Byrd, President

In accordance with 170 IAC 1-6 *et seq.*, I hereby verify under the penalties of perjury that all affected customers have been notified as required under section 6 of the above-referenced rule and pursuant to the attached legal notice, which was published in a newspaper of general circulation in Hamilton County, Indiana to the best of my knowledge, information and belief.

Melody Birmingham-Byrd

Duke Energy Indiana, LLC
Melody Birmingham-Byrd, President