Received: July 19, 2018
IURC 30-Day Filing No.: 50212
Indiana Utility Regulatory Commission

DUKE ENERGY.

Diana L. Douglas
Rates & Regulatory Planning, Director

Duke Energy Indiana, LLC
1000 East Main Street
Plainfield, IN 46168
o: 317-838-1108
Diana.Douglas@duke-energy.com

July 19, 2018

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

Re: Duke Energy Indiana, LLC Thirty-Day Filing to Revise Standard Contract Rider No. 67 Pursuant to the Settlement Filed in Cause No. 45032-S2

Dear Ms. Becerra:

Pursuant to the Settlement Agreement reached between Duke Energy Indiana, LLC ("Duke Energy Indiana" or "Company"), the Indiana Office of Utility Consumer Counselor ("OUCC"), the Indiana Industrial Group ("IG"), and Nucor Steel – Indiana, a division of Nucor Corporation ("Nucor"), (collectively, the Settling "Parties") and filed in Cause No. 45032-S2 ("Settlement Agreement"), which is currently pending, Duke Energy Indiana, hereby submits its revised tariff applicable to its Standard Contract Rider No. 67, previously named "Credits to Remove Annual Amortization of Cinergy Merger Costs" and requested to be renamed "Tax and Merger Credits Adjustment" ("Rider 67"), for approval following approval of the Settlement Agreement in Cause No. 45032-S2.

Term D. of the Settlement Agreement requires this 30-Day filing be made to enable the inclusion of an additional $7 million credit in Rider 67 for amortization of the excess unprotected accumulated deferred income taxes ("ADIT amortization") resulting from the 2017 Tax Cut and Jobs Act, which was effective January 1, 2018. The ADIT amortization credit amount is to be allocated using the Retail Original Cost Depreciate Rate Base from 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) ("Thirty-Day Filing Rules"). 170 IAC 1-6-3(8) allows for "any other filing as may be ordered by the [C]ommission to be filed under this rule."

Attached is a red-lined copy of the revised tariff, a clean version of the revised tariff, and supporting workpapers, including explanations of assumptions made, data used, sources of data, and the models or methodologies used to calculate the rates presented in the tariff and a copy of the legal notice used to notify customers of this filing. Note that Duke Energy Indiana will late file its verified statement and proof of publication that the Company has provided notice to our customers as required under Section 6 of the Thirty-Day Filing Rules. Please see the attached Index for further details regarding the organization of the attachments included.

The revised Rider 67 tariffs in this 30-day filing are submitted for Commission approval, concurrent with or following the Commission's order in Cause No. 45032-S2, assuming Commission approval of the Settlement Agreement. In the event the Commission does not approve the Settlement Agreement, the Company will withdraw this 30-day filing. Rates approved in this 30-day filing will be made effective as soon as administratively possible following receipt of the Commission's order.

Contact information for this filing is:

Diana Douglas
Duke Energy Indiana
1000 East Main Street
Plainfield, IN 46168
317.838.1108
Diana.Douglas@duke-energy.com

We are filing the revised tariff, supporting schedules and legal notice via the Commission's electronic filing system and sending a copy on CD-ROM to the Settling Parties.

Should the Commission approve the tariff submitted in this 30 Day Filing, we will send an additional copy of the tariff reflecting the applicable effective date to Commission staff to be file-stamped and returned to us for our files.

Sincerely,

Diana L. Douglas

Diana L. Douglas
Attachments

cc: J. R. Bailey
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K. A. Karn
M. D. Price
J. Steinhauer (IURC)
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Index of Attachments

Attachment A – Assumptions and Methodologies

Attachment A

Assumptions and Methodologies

The calculation of Rider 67 rates consists of three components:

1. A credit to remove the amortization of the costs associated with the Cinergy Corporation merger from revenues as approved by the Commission on March 15, 2006 in Cause No. 42873. This 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.

2. A credit to reflect the amortization of the Excess Deferred Income Tax regulatory liability resulting from the Tax Cut and Jobs Act of 2017 as proposed for Commission approval pursuant to Term D of the Settlement Agreement filed in Cause No. 45032-S2. This is done by allocating the total annual amortization amount ($7,000,000) by the Retail Allocated Original Cost Depreciated Rate Base from Cause No. 42359 by Retail Rate Group.

3. 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 amounts (total of items 1 and 2), by Retail Rate Group, to find the total credit amounts.

The total credit amounts (sum of items 1, 2, and 3) are divided by the prior calendar year's kWh Sales to determine the per kWh rate for each Retail Rate Group.

Attachment B – Supporting Schedules

Duke Energy Indiana, LLC

Standard Contract Rider 67 - Tax and Merger Credits Adjustment
Credits to Remove Annual Amortization of 1994 Cinergy Merger Costs Established In Cause No. 42359 (1)
and Reflect the Amortization of the Excess Accumulated Deferred Income Taxes Related to the Tax Cut and Jobs Act of 2017 (2)

		Cinergy Merger Credit (1)			Excess ADIT Credit (2)							
Line No.	Retail Rate Group	Operation & Maintenance Expense Excluding Fuel & Purchased Power (3)	Percentage of Total	Annual Merger Amortization Removal Credits	Allocated Retail Original Cost Depreciated Rate Base (4)	Percentage of Total	Annual Amortization of Excess Accumulated Deferred Income Taxes	Prior Calendar Year True-Up	Total Credits	2017 Sales Billing Cycle Sales	Tax and Merger Credits Adjustment Rider Rate	Line No.
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) (C)+(F)+(G)	(I) (kWH)	(J) ($/KWH)	
1	Rate RS	$ 175,327,000	45.75%	$ (5,285,042)	$ 1,598,957,000	43.66%	$ (3,056,200)	$ (336,685)	$ (8,677,927)	8,550,451,744	$ (0.001015)	1
2	Rate CS	22,572,000	5.89%	(680,413)	201,245,000	5.50%	(385,000)	(35,236)	(1,100,649)	1,031,535,953	(0.001067)	2
3	Rate LLF (5)	49,779,000	12.99%	(1,500,605)	522,264,000	14.26%	(998,200)	(18,665)	(2,517,470)	4,894,460,675	(0.000514)	3
4	Rate HLF	124,628,000	32.52%	(3,756,710)	1,254,843,000	34.26%	(2,398,200)	(103,871)	(6,258,781)	10,906,590,756	(0.000574)	4
5	Customer L	647,000	0.17%	(19,638)	5,960,000	0.16%	(11,200)	5,276	(25,562)	114,806,810	(0.000223)	5
6	Customer O	3,023,000	0.79%	(91,261)	20,396,000	0.56%	(39,200)	7,617	(122,844)	1,190,554,705	(0.000103)	6
7	Rate WP	1,433,000	0.37%	(42,742)	14,001,000	0.38%	(26,600)	(2,492)	(71,834)	147,089,202	(0.000488)	7
8	Rate SL	2,321,000	0.61%	(70,467)	18,432,000	0.50%	(35,000)	(2,168)	(107,635)	39,648,920	(0.002715)	8
9	Rate MHLS	83,000	0.02%	(2,310)	528,000	0.02%	(1,400)	22	(3,688)	5,624,930	(0.000656)	9
10	Rates MOLS and UOLS (6)	3,186,000	0.84%	(97,036)	24,157,000	0.66%	(46,200)	2,193	(141,043)	109,646,194	(0.001286)	10
11	Rates FS, TS and MS	179,000	0.05%	(5,776)	1,567,000	0.04%	(2,800)	278	(8,298)	9,607,314	(0.000864)	11
12	Total Retail	$ 383,178,000	100.00%	$ (11,552,000)	$ 3,662,350,000	100.00%	$ (7,000,000)	$ (483,731)	$ (19,035,731)	27,000,017,203	**$ (0.000705)**	12

13	Revenue Requirement for 2017	$ (11,816,573)	13
14	Actual Credits Issued in 2017	(11,332,842)	14
15	Over / (Under) Issued Credits	$ (483,731)	15

(1) An annual credit of $11,552,000 was approved on March 15, 2006 in Cause No. 42873
(2) An annual credit of $7,000,000 is pursuant to the Settlement Agreement in Cause No. 45032-S2.
(3) O&M expense from the last general rate case, Cause No. 42359
(4) Retail Original Cost Depreciated Rate Base from the last general rate case, Cause No. 42359.
(5) Customer D moved to LLF in 2017
(6) Reflects the transition of Rates OL & AL to UOLS effective May 1, 2014, in accordance with Cause No. 42359

Duke Energy Indiana, LLC

Standard Contract Rider 67 - Tax and Merger Credits Adjustment
Credits to Remove Annual Amortization of 1994 Cinergy Merger Costs Established In Cause No. 42359 (1)
and Reflect the Amortization of the Excess Accumulated Deferred Income Taxes Related to the Tax Cut and Jobs Act of 2017 (2)

Line No.	December 2017 YTD 7020 By Rate Class: Description	Billed KWH (A)	Rider 67 (B)	Retail Rate Group	Billed KWH (C)	Credits Issued In 2017 (D)	Credits Approved For 2017 (E)	True-up (F)	Line No.
1	AL (4)	-	$ -	Rate RS	8,550,451,744	$ (5,196,077)	$ (5,532,762)	$ (336,685)	1
2	CS	1,031,535,953	(665,165.41)	Rates CS	1,031,535,953	(665,166)	(700,402)	(35,236)	2
3	FS	484,175	(273.01)	Rate LLF 5/	4,894,460,675	(1,449,688)	(1,468,353)	(18,665)	3
4	HL	14,640	(6.09)	Rate HLF	10,906,590,756	(3,679,952)	(3,783,823)	(103,871)	4
5	HLF	10,314,212,659	(3,480,081.77)	Customer L (2)	114,806,810	(24,914)	(19,638)	5,276	5
6	HLS	1,154,880	(482.90)	Customer O	1,190,554,705	(101,010)	(93,393)	7,617	6
7	LLF	4,860,807,245	(1,437,228.70)	Rate WP	147,089,202	(42,557)	(45,049)	(2,492)	7
8	MHLS	4,455,410	(1,859.40)	Rate SL	39,648,920	(69,565)	(71,733)	(2,168)	8
9	MOLS	2,465,258	(2,162.58)	Rate MHLS	5,624,930	(2,349)	(2,327)	22	9
10	MS	2,704,961	(1,636.96)	Rates MOLS and UOLS (4)	109,646,194	(95,732)	(93,539)	2,193	10
11	OL (4)	-	-	Rates FS, TS and MS	9,607,314	(5,832)	(5,554)	278	11
12	RS	8,550,451,744	(5,196,077.37)	Total Retail	27,000,017,203	$ (11,332,842)	$ (11,816,573)	$ (483,731)	12
13	SL	39,648,920	(69,564.48)						13
14	TS	6,415,286	(3,920.66)						14
15	UOLS	107,180,936	(93,569.78)						15
16	WHTL	2,892	(1.80)						16
17	WP	147,089,202	(42,557.25)						17
18	Customer D (LLF) (5)	33,653,430	(12,459.58)						18
19	Customer O Firm	1,190,554,705	(101,010.21)						19
20	Customer O Inter	-	-						20
21	Customer L Firm	114,806,810	(17,672.85)						21
22	Customer L RTP (2)	47,412,176	(7,240.77)						22
23	Customer C - TOU	110,737,800	-						23
24	Customer C - FIRM (HLF)	408,371,940	(137,784.28)						24
25	Customer J (HLF)	184,006,157	(62,086.06)						25
26	**Total 7020 Report**	27,158,167,179	$ (11,332,841.91)						26
	Less:								
27	Customer L RTP (2)	(47,412,176)							27
28	Customer C TOU (3)	(110,737,800)							28
29	**Total 2017**	27,000,017,203							29

(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

Duke Energy Indiana, LLC

Allocation of Retail Excess Accumulated Deferred Income Taxes Using
Original Cost Depreciated Rate Base from IURC Cause No. 42359

Line No.	Rate Schedule	Original Cost Depreciated Rate Base Total	Original Cost Depreciated Rate Base Percentage	Unprotected Years 1-5 (4)	Unprotected Years 6-10 (5)	Protected Allocation (6)	One-Time Credit Allocation (7)	Line No.
		(A)	(B)	(C)	(D)	(E)	(F)	
1	Rate RS	$ 1,598,957,000	43.66%	$ (3,056,200)	$ (15,281,000)	$ (12,964,852)	$ (829,540)	1
2	Rate CS	201,245,000	5.50%	(385,000)	(1,925,000)	(1,633,227)	(104,500)	2
3	Rate LLF (1)	522,264,000	14.26%	(998,200)	(4,991,000)	(4,234,512)	(270,940)	3
4	Rate HLF (2)	1,254,843,000	34.26%	(2,398,200)	(11,991,000)	(10,173,518)	(650,940)	4
5	Customer L	5,960,000	0.16%	(11,200)	(56,000)	(47,512)	(3,040)	5
6	Customer O	20,396,000	0.56%	(39,200)	(196,000)	(166,292)	(10,640)	6
7	Rate WP and FC	14,001,000	0.38%	(26,600)	(133,000)	(112,841)	(7,220)	7
8	Rate SL	18,432,000	0.50%	(35,000)	(175,000)	(148,475)	(9,500)	8
9	Rate MHLS	528,000	0.02%	(1,400)	(7,000)	(5,939)	(380)	9
10	Rates MOLS and UOLS (3)	24,157,000	0.66%	(46,200)	(231,000)	(195,987)	(12,540)	10
11	Rates TS, FS and MS	1,567,000	0.04%	(2,800)	(14,000)	(11,878)	(760)	11
12	Total Retail	$ 3,662,350,000	100.00%	$ (7,000,000)	$ (35,000,000)	$ (29,695,033)	$ (1,900,000)	12

(1) Adjusted to reflect Customer D moving to LLF.
(2) Adjusted to reflect Customers AG and X moving to HLF
(3) As adjusted for migrations of AL and OL rate groups to UOLS rate group.
(4) Effective upon Commission Approval
(5) Effective September 2023 - Billing Cycle 1
(6) Effective January 2020 - Billing Cycle 1
(7) Effective for all January 2020 Billing Cycles

Attachment C – Redline Tariffs

Duke Energy Indiana, LLC
1000 East Main Street
Plainfield, Indiana 46168

IURC NO. 14
Thirteenth ~~Twelfth~~ Revised Sheet No. 67
Cancels and Supersedes
Twelfth ~~Eleventh~~ Revised Sheet No. 67

Standard Contract Rider No. 67 – Tax and Merger Credits Adjustment (Credits to Remove Annual Amortization of Cinergy Merger Costs and to Amortize Excess Accumulated Deferred Income Taxes Resulting from the Tax Cut and Jobs Act of 2017)

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 and to reflect the amortization of the Excess Accumulated Deferred Income Taxes related to the Tax Cut and Jobs Act of 2017 as approved by the Commission in Cause No. 45032-S2. 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 or as otherwise ordered by the commission.

Rate

The following are the monthly credit rider rates:

Line No.	Income Taxes	Rate per kWh	Line No.
1	Rate RS	~~($0.000657)~~ ($0.001015)	1
2	Rate CS	~~($0.000694)~~ ($0.001067)	2
3	Rate LLF (1)	~~($0.000310)~~ ($0.000514)	3
4	Rate HLF	~~($0.000354)~~ ($0.000574)	4
5	Customer L	~~($0.000125)~~ ($0.000223)	5
6	Customer O	~~($0.000070)~~ ($0.000103)	6
7	Rate WP	~~($0.000308)~~ ($0.000488)	7
8	Rate SL	~~($0.001832)~~ ($0.002715)	8
9	Rate MHLS	~~($0.000407)~~ ($0.000656)	9
10	Rates MOLS and UOLS (2)	~~($0.000865)~~ ($0.001286)	10
11	Rates FS, TS and MS	~~($0.000572)~~ ($0.000864)	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. In addition, the Company will file updates to the Excess Accumulated Deferred Income Tax amortization credit to reflect the change in the level of Excess Accumulated Deferred Income Tax amortization and any other items approved per the Commission order in Cause No. 45032-S2.

ISSUED: **EFFECTIVE:**

Attachment D –   Clean Tariffs

Standard Contract Rider No. 67 – Tax and Merger Credits Adjustment (Credits to Remove Annual Amortization of Cinergy Merger Costs and to Amortize Excess Accumulated Deferred Income Taxes Resulting from the Tax Cut and Jobs Act of 2017)

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 and to reflect the amortization of the Excess Accumulated Deferred Income Taxes related to the Tax Cut and Jobs Act of 2017 as approved by the Commission in Cause No. 45032-S2. 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 or as otherwise ordered by the commission.

Rate

The following are the monthly credit rider rates:

Line No.	Retail Rate Group	Rate per kWh	Line No.
1	Rate RS	($0.001015)	1
2	Rate CS	($0.001067)	2
3	Rate LLF (1)	($0.000514)	3
4	Rate HLF	($0.000574)	4
5	Customer L	($0.000223)	5
6	Customer O	($0.000103)	6
7	Rate WP	($0.000488)	7
8	Rate SL	($0.002715)	8
9	Rate MHLS	($0.000656)	9
10	Rates MOLS and UOLS (2)	($0.001286)	10
11	Rates FS, TS and MS	($0.000864)	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. In addition, the Company will file updates to the Excess Accumulated Deferred Income Tax amortization credit to reflect the change in the level of Excess Accumulated Deferred Income Tax amortization and any other items approved per the Commission order in Cause No. 45032-S2.

Attachment E – Verification of Proof of Publication of Legal Notice of 30-Day Filing

LEGAL NOTICE OF
DUKE ENERGY INDIANA, LLC'S
REVISED TARIFF SHEETS FOR
STANDARD CONTRACT RIDER NO. 67 TO
BE RENAMED THE TAX AND MERGER
CREDITS ADJUSTMENT AND TO
REFLECT THE ADDITION OF A $7
MILLION ANNUAL CREDIT AS A RESULT
OF THE
TAX CUTS AND JOBS ACT OF 2017

Notice is hereby given that Duke Energy Indiana, LLC ("Duke Energy Indiana") will submit as a thirty-day filing on or about July 20, 2018, in accordance with a Settlement Agreement filed in Cause No. 45032-S2 and pending approval by the Indiana Utility Regulatory Commission ("Commission"), revised tariff sheets for its Standard Contract Rider No. 67 reflecting a name change to the "Tax and Merger Credits Adjustment" and the inclusion of an additional $7 million annual credit as a result of the Tax Cuts and Jobs Act of 2017 for approval under the Commission's thirty-day administrative filing procedures and guidelines.

The revised tariff sheets are available to all qualifying Duke Energy Indiana customers and would be approved contemporaneously with Commission approval of the Settlement Agreement in Cause No. 43032-S2 to be implemented thirty-days from the date of filing, contingent upon the Commission approval of the Settlement Agreement, unless an objection is made. Objections to the thirty-day filing, questions or inquiries may be made by contacting the Secretary of the Commission, Mary M. Becerra, or Barbara A. Smith or Randall C. Helmen with the Indiana Office of the 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
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Duke Energy Indiana, LLC
By: Melody Birmingham-Byrd, President