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Received: October 26, 2018
IURC 30-Day Filing No.: 50229
Indiana Utility Regulatory Commission

INDIANA MICHIGAN POWER
An AEP Company
BOUNDLESS ENERGY

Secretary of the Commission
Indiana Utility Regulatory Commission
PNC Center
101 West Washington Street, Suite 1500 East
Indianapolis, Indiana 46204

October 26, 2018

Dear Secretary:

Pursuant to 170 IAC 1-6, Indiana Michigan Power Company (I&M) submits this thirty-day filing requesting approval of a two-year extension of the date by which application for service under I&M's Economic Development Rider (EDR) can be made from January 1, 2019 to January 1, 2021.

In support of this thirty-day filing, I&M represents that on April 19, 2017 in Cause No. 44913, the Commission approved I&M's EDR which provides discounts for new load of qualifying new or existing customers receiving service under I&M Tariffs GS, LGS, LGS TOD, IP or CS IRP-2.

In particular, I&M's current EDR is available to new customers having a billing demand of 500 kVA or more or, existing customers that are increasing their billing demand by 500 kVA or more over the maximum billing demand during the 12 months prior to the date of the application by the customer for service under this Rider (Base Maximum Billing Demand). Service under Rider EDR requires the customer to receive economic development assistance from State, local government or other public agency. In addition, a new customer, or the expansion by an existing customer, must result in the creation of at least 10 full-time equivalent jobs (FTE) over the contract term at the service location or result in at least one million dollars ($1,000,000) of capital investment at the service location. Revenues from the EDR must be expected to exceed the incremental costs of service to that customer over the term of the contract. Last, a customer must demonstrate to I&M's satisfaction that, absent the availability of the EDR, the qualifying new or increased demand would be located outside of I&M's service territory or would not be placed in service due to poor operating economics.

I&M seeks Commission approval to extend the date by which application for service under the EDR must be made. Currently, I&M's EDR requires that customers make application for service under the EDR prior to January 1, 2019. I&M seeks Commission approval to extend this date to January 1, 2021. The requested date extension does not result in any increase or decrease in any rate applicable under the EDR. In addition, the EDR stipulates that all billing credits offered under the EDR shall terminate no later than December 31, 2025. I&M seeks to extend this date two years as well, to December 31, 2027.

The continuation of I&M's EDR as proposed will further encourage economic development in Indiana by incentivizing businesses to locate new or expanded industry in I&M's service area. In addition, the EDR will continue to be a tool to increase the effectiveness of the economic development process. The EDR is intended to benefit all stakeholders by attracting new or expanded business to the I&M service territory, thereby creating plant and facilities investment and job creation or preservation opportunities. I&M, its customers, the communities I&M serves and the State of Indiana benefit from these investments.

Regional and state economic development efforts will be supplemented by Commission approval of the proposed extension of the EDR. Upon Commission approval, the EDR will continue to be available to the public and accessible by those doing independent research on site location via I&M's website. Further, the EDR will continue to be a valuable tool to those in Indiana who work everyday to attract economic development to the State of Indiana.

In support of this 30-Day filing, I&M is submitting the following information:

1. A clean and redlined version of the First Revised Sheet No. 31 and First Revised Sheet No. 31.1 of the Economic Development Rider incorporating the extension dates being requested.
2. A copy of the required publication notice
3. Verified Statement of Publication - Affidavit

If you have any questions regarding I&M's filing please contact me at (260) 408-3536 or kccooper@aep.com.

Sincerely,

Kurt C. Cooper
Regulatory Consultant Principal

Enclosures

cc: Jane Steinhauer - IURC
Bill Fine - OUCC

## ECONOMIC DEVELOPMENT RIDER

Availability of Service.

In order to encourage economic development in the Company's service area, limited-term credits for incremental billing demands described herein are offered to qualifying new and existing retail customers who make application for service under this Rider prior to January 1, 2021~~19~~.

Service under this Rider is intended for customers whose operations, by their nature, will promote sustained economic development based on plant and facilities investment and job creation that are new to the State of Indiana. This Rider is available to commercial and industrial customers taking service from the Company under Tariffs G.S., L.G.S., L.G.S. – TOD, I.P. or C.S.-IRP-2 who meet the following requirements:

(1) A new customer must have a billing demand of 500 kVA/kW or more. An existing customer must increase billing demand by 500 kVA/kW or more over the maximum billing demand during the 12 months prior to the date of the application by the customer for service under this Rider (Base Maximum Billing Demand). The Base Maximum Billing Demand for new customers is zero (0).

(2) The customer must apply for and receive economic development assistance from State or local government or other public agency.

(3) A new customer, or the expansion by an existing customer, must result in the creation of at least ten (10) full-time equivalent jobs (FTE) maintained over the contract term or exceed one million dollars ($1,000,000) of capital investment at the service location. The Company reserves the right to verify FTE job counts and / or capital investment requirements. Each EDR customer shall comply with reasonable requests for information from the Company for purposes of determining such compliance. Failure to maintain the minimum required FTE jobs or satisfy the capital investment requirement will result in the termination of the contract or agreement addendum for service under this Rider.

(4) The customer must demonstrate to the Company's satisfaction that, absent the availability of this Rider, the qualifying new or increased demand would be located outside of the Company's service territory or would not be placed in service due to poor operating economics.

(5) Revenues expected to be derived from the EDR customer must be expected to exceed the incremental costs of serving that customer over the term of the contract.

Availability is limited to customers on a first-come, first-served basis for loads aggregating 250 MVA.

Terms and Conditions.

(1) To receive service under this Rider, the customer shall make written application to the Company with sufficient information contained therein to determine the customer's eligibility for service.

(2) For new customers, billing demands for which credits will be applicable under this Rider shall be for service at a new service location and not merely the result of a change of ownership. However, if a change in ownership occurs after the customer enters into a Contract for service under this Rider, the successor customer may be allowed to fulfill the balance of the Contract under this Rider. Relocation of the delivery point of the Company's service does not qualify as a new service location.

(Cont'd on Sheet No. 31.1)

**ECONOMIC DEVELOPMENT RIDER**

(Cont'd from Sheet No. 31)

(3) For existing customers, billing demands for which credits will be applicable under this Rider shall be the result of an increase in business activity and not merely the result of resumption of normal operations following a force majeure, strike, equipment failure, renovation or refurbishment, or other such abnormal operating condition. In the event that such an occurrence has taken place during the 12-month period prior to the date of the application by the customer for service under this Rider, the monthly billing demands during the 12-month period shall be adjusted as appropriate to eliminate the effects of such occurrence in the determination of the Base Maximum Billing Demand.

(4) All billing credits offered under this Rider shall terminate no later than December 31, 2027~~5~~.

(5) The existing local facilities of the Company must be deemed adequate, in the judgment of the Company, to supply the new or expanded electrical capacity requirements of the customer. If construction of new or expanded local facilities by the Company is required, the customer may be required to make a contribution-in-aid of construction for the installed cost of such facilities pursuant to the provisions of Item No. 14 of the Company's Terms and Conditions of Service.

Determination of Monthly Billing Credit.

The qualifying incremental billing demand shall be determined as the amount by which the billing demand, as determined according to the applicable tariff for the current billing period, exceeds the Base Maximum Billing Demand, adjusted by the current billing period load factor. Such adjusted incremental billing demand shall be considered to be zero, however, unless it is at least 500 kVA/kW.

The monthly billing credit under this Rider shall be the product of the qualifying incremental billing demand and the applicable Credit Factor.

The monthly billing credit shall not reduce the customer's bill below the monthly minimum charge as specified in the applicable tariff.

Selection of Credit Option.

Customers meeting all availability and terms and conditions above shall contract for service for a period of eight (8) years under one of the three Credit Options shown below. The Credit Option chosen by the customer shall be specified in the contract for service under this Rider.

(Cont'd on Sheet No. 31.2)

## ECONOMIC DEVELOPMENT RIDER

Availability of Service.

In order to encourage economic development in the Company's service area, limited-term credits for incremental billing demands described herein are offered to qualifying new and existing retail customers who make application for service under this Rider prior to January 1, 2021.

Service under this Rider is intended for customers whose operations, by their nature, will promote sustained economic development based on plant and facilities investment and job creation that are new to the State of Indiana. This Rider is available to commercial and industrial customers taking service from the Company under Tariffs G.S., L.G.S., L.G.S. – TOD, I.P. or C.S.-IRP-2 who meet the following requirements:

(1) A new customer must have a billing demand of 500 kVA/kW or more. An existing customer must increase billing demand by 500 kVA/kW or more over the maximum billing demand during the 12 months prior to the date of the application by the customer for service under this Rider (Base Maximum Billing Demand). The Base Maximum Billing Demand for new customers is zero (0).

(2) The customer must apply for and receive economic development assistance from State or local government or other public agency.

(3) A new customer, or the expansion by an existing customer, must result in the creation of at least ten (10) full-time equivalent jobs (FTE) maintained over the contract term or exceed one million dollars ($1,000,000) of capital investment at the service location. The Company reserves the right to verify FTE job counts and / or capital investment requirements. Each EDR customer shall comply with reasonable requests for information from the Company for purposes of determining such compliance. Failure to maintain the minimum required FTE jobs or satisfy the capital investment requirement will result in the termination of the contract or agreement addendum for service under this Rider.

(4) The customer must demonstrate to the Company’s satisfaction that, absent the availability of this Rider, the qualifying new or increased demand would be located outside of the Company’s service territory or would not be placed in service due to poor operating economics.

(5) Revenues expected to be derived from the EDR customer must be expected to exceed the incremental costs of serving that customer over the term of the contract.

Availability is limited to customers on a first-come, first-served basis for loads aggregating 250 MVA.

Terms and Conditions.

(1) To receive service under this Rider, the customer shall make written application to the Company with sufficient information contained therein to determine the customer's eligibility for service.

(2) For new customers, billing demands for which credits will be applicable under this Rider shall be for service at a new service location and not merely the result of a change of ownership. However, if a change in ownership occurs after the customer enters into a Contract for service under this Rider, the successor customer may be allowed to fulfill the balance of the Contract under this Rider. Relocation of the delivery point of the Company’s service does not qualify as a new service location.

(Cont’d on Sheet No. 31.1)

**ECONOMIC DEVELOPMENT RIDER**
(Cont'd from Sheet No. 31)

(3) For existing customers, billing demands for which credits will be applicable under this Rider shall be the result of an increase in business activity and not merely the result of resumption of normal operations following a force majeure, strike, equipment failure, renovation or refurbishment, or other such abnormal operating condition. In the event that such an occurrence has taken place during the 12-month period prior to the date of the application by the customer for service under this Rider, the monthly billing demands during the 12-month period shall be adjusted as appropriate to eliminate the effects of such occurrence in the determination of the Base Maximum Billing Demand.

(4) All billing credits offered under this Rider shall terminate no later than December 31, 2027.

(5) The existing local facilities of the Company must be deemed adequate, in the judgment of the Company, to supply the new or expanded electrical capacity requirements of the customer. If construction of new or expanded local facilities by the Company is required, the customer may be required to make a contribution-in-aid of construction for the installed cost of such facilities pursuant to the provisions of Item No. 14 of the Company's Terms and Conditions of Service.

Determination of Monthly Billing Credit.

The qualifying incremental billing demand shall be determined as the amount by which the billing demand, as determined according to the applicable tariff for the current billing period, exceeds the Base Maximum Billing Demand, adjusted by the current billing period load factor. Such adjusted incremental billing demand shall be considered to be zero, however, unless it is at least 500 kVA/kW.

The monthly billing credit under this Rider shall be the product of the qualifying incremental billing demand and the applicable Credit Factor.

The monthly billing credit shall not reduce the customer's bill below the monthly minimum charge as specified in the applicable tariff.

Selection of Credit Option.

Customers meeting all availability and terms and conditions above shall contract for service for a period of eight (8) years under one of the three Credit Options shown below. The Credit Option chosen by the customer shall be specified in the contract for service under this Rider.

(Cont'd on Sheet No. 31.2)

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

VERIFIED STATEMENT OF PUBLICATION

Kurt C. Cooper, being duly sworn upon oath, deposes and says that:

1. I am a Regulatory Consultant Principal for Indiana Michigan Power Company (I&M).

2. Pursuant to 170 IAC 1-6-5(a), I affirm that affected customers have been notified of I&M's thirty-day filing of a request to extend the date by which application for service under I&M's Economic Development Rider must be made from January 1, 2019 to January 1, 2021 and to extend the date in which all billing credits shall terminate from December 31, 2025 to December 31, 2027 as required under 170 IAC 1-6-6.

3. Notification of the thirty-day filing of a request to extend the dates as stated above was made by publication of a Legal Notice in a newspaper of general circulation that has a circulation encompassing the highest number of I&M's customers affected by the filing, and posting the notice on I&M's website.

4. A true and correct copy of I&M's Legal Notice is attached hereto as Exhibit "A".

Date: October 26, 2018

Kurt C. Cooper
Regulatory Consultant Principal
Indiana Michigan Power Company

STATE OF INDIANA )
) ss:
COUNTY OF ALLEN )

Subscribed and sworn to before me, a Notary Public, in and for said County and State this 26 day of October 2018.

Regiana M. Sistevaris, Notary Public

I am a resident of Allen County, Indiana.
My commission expires: January 7, 2023

Exhibit A

Legal Notice - Journal Gazette – October 23, 2018

**Legals - 905**

LEGAL NOTICE STATE OF INDIANA INDIANA UTILITY REGULATORY COMMISSION Indiana Michigan Power Company (I&M), an Indiana corporation, gives notice that on or before October 26, 2018, it will submit for approval under the Indiana Utility Regulatory Commission's thirty-day filing process a request to extend the date by which application for service under I&M's Economic Development Rider must be made from January 1, 2019 to January 1, 2021. In addition, a request to extend the date in which all billing credits under this Rider shall terminate from December 31, 2025 to December 31, 2027 is being requested. The referenced filing will consist of Indiana Michigan Power Company's revised Economic Development Rider tariff sheets, including First Revised Sheet No. 31 and First Revised Sheet No. 31.1. Customers potentially affected by this filing include qualified commercial and industrial customers of I&M served under Tariffs GS, LGS, LGS TOD, IP or CS IRP-2 that meet the eligibility requirements. A decision on the revised Economic Development Rider should be received from the Indiana Utility Regulatory Commission on or before December 6, 2018. Please direct inquiries to: Indiana Michigan Power Company Attn: Director of Regulatory Services P.O. Box 60 Fort Wayne, IN 46801 Objections to this filing can be made to the following: Indiana Utility Regulatory Commission Attn: Commission Secretary PNC Center 101 West Washington Street Suite 1500 East Indianapolis, Indiana 46204 Indiana Office of Utility Consumer Counselor PNC Center 115 W. Washington Street Suite 1500 South Indianapolis, Indiana 46204 10--23 1342566 hspaxlp

Ad Id: 7490016 (0001342566-01) originally listed in Fort Wayne Newspapers on 10/23/2018