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INDIANA UTILITY
REGULATORY COMMISSION

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Bette J. Dodd
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March 2, 2018

VIA EMAIL AND HAND DELIVERY

Indiana Utility Regulatory Commission
Attn: Ms. Mary Becerra
101 W. Washington Street, Suite 1500E
Indianapolis, IN 46204
mbecerra@urc.IN.gov

Re: MTA's Notice of Objection to City of Auburn Wholesale Power Tracker and Fuel Cost Adjustment (30-Day Filing No. 50118)

Dear Ms. Becerra:

Metal Technologies Auburn, LLC. ("MTA") hereby objects to the 30-Day Filing No. 50118 submitted by the City of Auburn ("City") on February 20, 2018.

MTA, a large industrial customer served by the City, objects to the City's proposal to flow back a credit in excess of \$1.6 million over the course of two tracker proceedings instead of one. The City's proposal violates the terms of its tariff, which was approved in its last rate case in Cause No. 44472 pursuant to the Commission's Order of December 17, 2014 and amended in Cause No. 44774, pursuant to the Commission's Order of July 18, 2016.¹

Auburn is a wholesale purchaser from Indiana Michigan Power Company, a subsidiary of American Electric Power ("AEP"). Auburn gets a yearly true-up from AEP in May, reflecting what Auburn actually paid for power versus what had been projected. In May 2017, Auburn received a credit in excess of \$1.6 million from AEP. Auburn unilaterally determined not to flow the credit back to customers in its next tracker filing but agreed to have AEP hold the credit, which is earning interest at the FERC prescribed rate. Auburn is now proposing to refund half of the credit in its current tracker filing and plans to refund the remainder of the credit, off-set by any charges from AEP, in the subsequent tracker filing. Auburn's rate tariff, Appendix A, Part I (B) specifically states that both charges and (credits) will be applied in addition to IURC approved rates." Appendix A, Part I (C) states "all projected wholesale power costs will be reconciled with actual wholesale power cost and revenues collected in the next tracker filing." (emphasis added). Therefore, according to the tariff, the City's plan to flow back the credit over two trackers instead

¹ The City's compliance filing was filed July 26, 2016. References to Appendix A, Part I refer to the Appendix A that was made in that compliance filing.

of one tracker violates the tariff's requirement that the Wholesale Tracker flow through charges and credits and reconcile "actual wholesale power cost and revenues" in the next tracker filing. MTA therefore submits this objection pursuant to 170 IAC 1-6-7(b)(2)(A)(ii) on the grounds that the 30-Day Filing is a violation of a prior Commission order.

In addition, the City's unilateral decision to delay repayment of such a large over-collection is inappropriate, and is the sort of substantive issue that is contrary to the spirit and purpose of the Commission's 30-day filing rules. According to 170 IAC 1-6-1(e), "The regulatory framework contained in this rule is intended to facilitate expedited consideration of administrative filings that do not require a hearing." Yet the City's proposal is neither purely an administrative filing, nor is it the type of filing that does not require a hearing. Therefore, the Commission should exercise its discretion not to process the City's 30-day filing pursuant to 170 IAC 1-6-4(9). Accordingly, MTA also objects pursuant to 170 IAC 1-6-7(b)(2)(C)(ii).

Pursuant to 170 IAC 1-6-1(b), only noncontroversial filings may be approved via a 30-day filing. If an objection is filed and is not withdrawn and not resolved to the satisfaction of the objector, the utility, the OUCC, and the Commission's technical division for electricity, then the filing shall not be presented to the Commission for consideration. 170 IAC 1-6-7(d).

In conclusion, MTA respectfully requests that the Commission reject the City's 30-day filing because MTA's objection renders the City's submission controversial. MTA objects to the City's filing as a violation of a prior Commission order and as a filing that is inconsistent with the spirit and purpose of the Commission's 30-day filing rules.

Sincerely,

A handwritten signature in black ink, appearing to read "Bette J. Dodd". The signature is fluid and cursive, with the first name "Bette" being more prominent.

Bette J. Dodd

cc: Nicholas Kile (via email)