

RECEIVED ON: JUNE 11, 2010  
IURC 30-DAY FILING NO.: 2717  
Indiana Utility Regulatory Commission

June 7, 2010

Mr. Brad Borum, Electric Director  
Indiana Utility Regulatory Commission  
101 West Washington Street  
Suite 1500E  
Indianapolis, Indiana 46204

Dear Mr. Borum:

1. The City of Auburn, Indiana, 210 East Ninth Street, Auburn, Indiana, under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's (Commission) Order in Cause No. 40095, hereby files with the Commission for its approval, an average decrease in its schedules of rates for electricity sold in the amount of .008384 per kilowatt-hour (KWH).
2. The accompanying changes in schedules of rates are based solely upon the changes in the cost of power and energy, purchased and generated by this utility computed in accordance with the Commission Order in Cause No. 40095, dated April 5, 1995.
3. All of the matters and facts stated herein and in the attached exhibits are true and correct. If approved, this change of rate shall take effect beginning with the August 2010 billing cycle.

City of Auburn, Indiana

By: Patricia M. Miller

STATE OF INDIANA     )  
  )  
COUNTY OF DEKALB    )

Personally appeared before me, a Notary Public in and for said county and State, this Patricia M. Miller, who, after having been duly sworn according to law, stated that he/she is an officer of the City of Auburn, Indiana, that he/she has read the matters and facts stated above, and in all exhibits attached hereto, and that the same are true; that he/she is duly authorized to execute this instrument for and on behalf of the applicant herein.



Ann Shipe  
NOTARY PUBLIC

My Commission Expires:  
July 25, 2015

My County of Residence  
DeKalb

**AUBURN MUNICIPAL ELECTRIC UTILITY**  
Auburn, Indiana

Appendix A

Rate Adjustments

The Rate adjustments shall be on the basis of a Power Cost Adjustment Tracking Factor occasioned solely by changes in the costs of purchased and generated power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved April 5, 1995 in Cause No. 40095, as follows:

Rate Adjustments applicable to the above listed Rates Schedules:

(\$.004091) per KWH per month (Negative Factor)

June 7, 2010

August and September 2010

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**AUBURN MUNICIPAL  
ELECTRIC UTILITY**  
Auburn, Indiana

**2010  
3<sup>rd</sup> Qtr. FAC Tracker**

May 28, 2010

A stylized, handwritten signature or logo consisting of the letters 'F', 'S', and 'G' in a cursive, overlapping font.

**Financial**

**Solutions**

**Group,**

**Inc.**



Financial  
Solutions  
Group,  
Inc.

3639 N. Raceway Rd.  
Suite 400  
Indianapolis, IN 46234  
Phone: 317.347.0211  
Fax: 317.347.0259

**Email Addresses:**

finance@msn.com

For large documents, please  
send to:

fsg\_documents@yahoo.com

May 28, 2010

Ms. Patricia M. Miller  
Clerk-Treasurer

City of Auburn  
210 East 9<sup>th</sup> Street  
P. O. Box 506  
Auburn, IN 46706

**RE: 3<sup>rd</sup> QUARTER 2010 TRACKER**

Dear Ms. Miller:

Attached is a copy of the tariff sheet and the letter to the Indiana Utility Regulatory Commission, for the 3<sup>rd</sup> Quarter of 2010. The cover letter to the Indiana Utility Regulatory Commission ("IURC") needs to be filled out and sent, along with the copy of the tariff sheet, to the IURC. The tariff sheet will be sent back to you upon approval of the tracking factor by the IURC.

The filing and tariff sheet to be sent to the IURC should be mailed as soon as possible to ensure that the IURC receives it in time to review it and have it approved before you need to begin billing the tracking factor in July 2010.

The factor is a decrease of .008384 per kilowatt-hour, resulting in a tracker of (.004091).

If you have any questions, please feel free to give us a call.

Sincerely,

*Financial Solutions Group, Inc.*



Gregory T. Guerrettaz

**AUBURN MUNICIPAL ELECTRIC UTILITY**

**DETERMINATION OF RATE ADJUSTMENT FOR THE  
THREE MONTHS OF  
JULY, AUGUST AND SEPTEMBER 2010**

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	INCREMENTAL CHANGE IN BASE RATE PURCHASED POWER COST (a)	0.000000	0.0000000
2	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (b)	<u>0.000000</u>	<u>0.000000</u>
3	ESTIMATED TOTAL CHANGE IN PURCHASED POWER COST (c)	<u>0.000000</u>	<u>0.000000</u>
4	ESTIMATED CHANGE IN PURCHASED POWER COST ADJUSTED FOR LOSSES & UTILITY RECEIPTS TAX (d)	0.000000	0.000000
5	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO AEP'S RATE CHANGE (e)	<u>0.000000</u>	<u>0.000000</u>
6	ESTIMATED TOTAL RATE ADJUSTMENT (f)	0.000000	0.000000
7	ESTIMATED AVERAGE BILLING UNITS (g)	<u>64,856</u>	<u>30,049,930</u>
8	INCREMENTAL CHANGE	<u>0.000000</u>	<u>0.000000</u>
9	PROJECTED PJM COST	<u>                    </u>	<u>                    -</u> (1)
10	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (h)	<u>                    </u>	<u>                    -</u>

(1) This item is contained on Attachment E.

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE  
 THREE MONTHS OF  
 JULY, AUGUST AND SEPTEMBER 2010

LINE NO.	ESTIMATED KW	ESTIMATED KWH	INCREMENTAL CHANGE IN PURCHASED POWER COST ADJUSTED FOR LINE LOSS & UTILITY RECEIPTS		
	<u>PURCHASED</u>	<u>PURCHASED</u>	<u>DEMAND</u>	<u>ENERGY</u>	<u>TOTAL</u>
1	64,856.00 (a)	30,049,930 (b)	- (c)	- (d)	- (e)

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**AUBURN MUNICIPAL ELECTRIC UTILITY**

**DETERMINATION OF RATE ADJUSTMENT FOR THE  
 THREE MONTHS OF  
 JULY, AUGUST AND SEPTEMBER 2010**

LINE NO.	PLUS VARIANCE WITH LINE LOSS & GROSS REC.		TOTAL CHANGE IN PURCHASED POWER COST ADJ. FOR LINE LOSS & GROSS RECEIPTS TAX		RATE ADJUSTMENT FACTOR PER KWH		
	DEMAND	ENERGY	DEMAND	ENERGY	DEMAND	ENERGY	TOTAL
1	-	(a) (122,940.34) (b)	-	(c) (122,940.34) (d)	(122,940.34) (e)	-	(f) (0.004091) (g) (0.004091) (h)

**AUBURN MUNICIPAL ELECTRIC UTILITY**

**DETERMINATION OF RATE ADJUSTMENT FOR THE  
THREE MONTHS OF  
JULY, AUGUST AND SEPTEMBER 2010**

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	BASE RATE EFFECTIVE	\$ 13.060	\$ 0.01252
2	BASE RATE EFFECTIVE	<u>13.060</u>	<u>0.01252</u>
3	INCREMENTAL CHANGE IN BASE RATE	<u>\$ -</u>	<u>\$ -</u>

**NOTE: MARKET RATE STARTING DECEMBER 1, 2009; THEREFORE, THIS PAGE  
WILL BE REPLACED BY A WHOLESALE POWER TRACKER.**

**AUBURN MUNICIPAL ELECTRIC UTILITY**

**DETERMINATION OF RATE ADJUSTMENT FOR THE  
 THREE MONTHS OF  
 JULY, AUGUST AND SEPTEMBER 2010**

**ESTIMATED POWER PURCHASES AND COSTS FROM AEP**

<u>LINE NO.</u>		<u>July 2010</u>	<u>August 2010</u>	<u>September 2010</u>	<u>TOTAL</u>	<u>ESTIMATED 3-MONTH AVERAGE</u>
	<b><u>PURCHASE</u></b>					
1	DEMAND (KW) (a)	64,856	64,856	64,856	194,568	64,856
2	ENERGY (KWH) (b)	30,469,680	29,389,480	30,290,630	90,149,790	30,049,930
	<b><u>COST</u></b>					
3	FACTOR PER KWH (c)	0.0000000	0.0000000	0.0000000		
4	CHARGE (d)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE: NO FUEL IS EXPECTED IN 2010.**

**AUBURN MUNICIPAL ELECTRIC UTILITY**  
RECONCILIATION OF VARIANCES FOR THE  
THREE MONTHS OF  
JANUARY, FEBRUARY AND MARCH 2010

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	ACTUAL PURCHASED POWER ENERGY COST ADJUSTMENT (a)	0.000000	0.0000000
2	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO (b)	<u>0.000000</u>	<u>0.000000</u>
3	TOTAL RATE ADJUSTMENT (c)	0.000000	0.0000000
4	ACTUAL AVERAGE BILLING UNITS (d)	<u>61,131</u>	<u>34,848,317</u>
5	ACTUAL INCREMENTAL CHANGE IN PURCHASED POWER COST (e)	<u>0.000000</u>	<u>\$ -</u>

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**AUBURN MUNICIPAL ELECTRIC UTILITY**

**RECONCILIATION OF VARIANCES FOR THE  
THREE MONTHS OF  
JANUARY, FEBRUARY AND MARCH 2010**

LINE NO.	ACTUAL KW PURCHASED	ACTUAL KWH PURCHASED	INCREMENTAL CHANGE IN PURCHASED POWER COST	
			DEMAND	ENERGY
1	61,131 (a)	34,848,317 (b)	- (c)	- (d)
				TOTAL - (e)

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**AUBURN MUNICIPAL ELECTRIC UTILITY**  
**RECONCILIATION OF VARIANCES FOR THE**  
**THREE MONTHS OF**  
**JANUARY, FEBRUARY AND MARCH 2010**

LINE NO.	ACTUAL AVERAGE KWH SALES		DEMAND ADJUSTMENT FACTOR PER KWH		ENERGY ADJUSTMENT FACTOR PER KWH		INCREMENTAL KW DEMAND COST BILLED BY UTILITY		INCREMENTAL KWH ENERGY COST BILLED BY UTILITY		LESS PREVIOUS VARIANCE DEMAND ENERGY		
1		31,946,172 (a)	-	(b)	0.0074370	(1)	-	(d)	234,257.17	(1)	-	(f)	114,165.33 (g)
						(c)				(e)			

(1) See Attachment B for detail.

**AUBURN MUNICIPAL ELECTRIC UTILITY**  
RECONCILIATION OF VARIANCES FOR THE  
THREE MONTHS OF  
JANUARY, FEBRUARY AND MARCH 2010

LINE NO.	NET INCREMENTAL COST BILLED BY UTILITY			VARIANCE		
	DEMAND	ENERGY	TOTAL	DEMAND	ENERGY	TOTAL
1	- (a)	120,091.84 (b)	120,091.84 (c)	- (d)	(120,091.84) (e)	(120,091.84) (f)

**AUBURN MUNICIPAL ELECTRIC UTILITY**

**RECONCILIATION OF RATE ADJUSTMENT FOR THE  
 THREE MONTHS OF  
 JANUARY, FEBRUARY AND MARCH 2010**

**ACTUAL POWER PURCHASES AND COSTS FROM AEP**

<u>LINE NO.</u>			<u>True Up Only January 2010</u>	<u>True Up Only February 2010</u>	<u>True Up Only March 2010</u>	<u>TOTAL</u>	<u>ESTIMATED 3-MONTH AVERAGE</u>
	<b><u>PURCHASE</u></b>						
1	DEMAND (KW)	(a)	60,858	61,404	-	122,262	61,131
2	ENERGY (KWH)	(b)	32,176,478	37,520,156	-	69,696,634	34,848,317
	<b><u>COST</u></b>						
3	BASE RATE ADJUSTMENT	(c)	-	-	-	-	-
4	CHARGE	(d)	\$ -	\$ -	\$ -	\$ -	\$ -
5	FACTOR PER KWH	(e)	-	-	-	-	-
6	CHARGE	(f)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Average Factor	(g)					<u>-</u>

AUBURN MUNICIPAL ELECTRIC UTILITY  
RECONCILIATION OF VARIANCES FOR THE  
THREE MONTHS OF  
JANUARY, FEBRUARY AND MARCH 2010

ACTUAL AVERAGE KWH SALES

<u>LINE NO.</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>Total</u>	<u>Average</u>
1	32,705,711 (a)	31,441,468 (b)	31,691,338 (c)	95,838,517 (d)	31,946,172 (e)

**AUBURN MUNICIPAL ELECTRIC UTILITY**

**DETERMINATION OF RATE ADJUSTMENT FOR THE  
THREE MONTHS OF  
JULY, AUGUST AND SEPTEMBER 2010**

**CALCULATION OF INCREMENTAL ENERGY RELATED  
PURCHASED POWER COST FACTOR**

		<u>July</u>	<u>August</u>	<u>September</u>
FUEL COST ESTIMATE BY I&M PER KWH	(a)	0.0000000	0.0000000	0.0000000

**A separate charge will no longer show on the bill after December 1, 2009.**

**AUBURN MUNICIPAL ELECTRIC UTILITY**

**DETERMINATION OF RATE ADJUSTMENT FOR THE  
THREE MONTHS OF  
JULY, AUGUST AND SEPTEMBER 2010**

**CALCULATION OF INCREMENTAL ENERGY COST  
BILLED BY AUBURN**

<u>MONTHS</u>	<u>KWH</u>		<u>DOLLAR</u>
2010	<u>SALES</u>	(a) <u>FACTOR</u> (b)	<u>AMOUNT</u> (c)
January	32,705,711	0.0074370	\$ 243,232.00
February	31,441,468	0.0074370	233,830.00
March	31,691,338	0.0074370	235,688.00
Total	<u>95,838,517</u>		<u>\$ 712,750.00</u>
Average	<u>31,946,172</u>		<u>\$ 237,583.33</u>
Utility Receipts Tax			<u>\$ 0.986</u>
Monthly Amount without Utility Receipts			<u>\$ 234,257.17</u>

**AUBURN MUNICIPAL ELECTRIC UTILITY**  
 DETERMINATION OF RATE ADJUSTMENT FOR THE  
 THREE MONTHS OF  
 JULY, AUGUST AND SEPTEMBER 2010

**Impact of Tracker**

	Average Usage (a)	Current Tracker (b)	Proposed Tracker (c)	Difference (d)
		0.004293 (e)	(0.004091) (f)	(0.008384)
Residential	2,000	\$ 8.59	\$ (8.18)	\$ (16.77)
Commercial	8,500	36.49	(34.77)	(71.26)
Industrial (Small)	88,300	379.07	(361.24)	(740.31)
Industrial (Large)	15,025,000	64,502.33	(61,467.28)	(125,969.60)

**AUBURN MUNICIPAL ELECTRIC UTILITY**  
**DETERMINATION OF RATE ADJUSTMENT FOR THE**  
**MONTHS OF JANUARY 2010 TO JULY 2011**

ATTACHMENT D

RECEIVED ON: JUNE 11, 2010 IURC 30-DAY FILING NO.: 2717 Indiana Utility Regulatory Commission
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Billing Date Month	KWH (a)	KW (b)	Capacity Charge	Fixed Energy Charge	PJM Settlement Charge	PJM Settlement Credit	Total Bill (g)	Cost per KWH (h)
January 2010	38,320,000	2,456	\$ 257,460.96	\$ 1,542,380.00	\$ 1,550,489.00	\$ (1,691,406.02)	\$ 1,658,923.94	0.04329
February 2010	29,460,000	2,219	232,545.38	1,191,951.60	1,375,040.89	(1,200,810.23)	1,598,727.64	0.05427
March 2010	-	-	-	-	-	-	-	-
April 2010	-	-	-	-	-	-	-	-
May 2010	-	-	-	-	-	-	-	-
June 2010	-	-	-	-	-	-	-	-
July 2010	-	-	-	-	-	-	-	-
August 2010	-	-	-	-	-	-	-	-
September 2010	-	-	-	-	-	-	-	-
October 2010	-	-	-	-	-	-	-	-
November 2010	-	-	-	-	-	-	-	-
December 2010	-	-	-	-	-	-	-	-
January 2011	-	-	-	-	-	-	-	-
February 2011	-	-	-	-	-	-	-	-
March 2011	-	-	-	-	-	-	-	-
April 2011	-	-	-	-	-	-	-	-
May 2011	-	-	-	-	-	-	-	-
June 2011	-	-	-	-	-	-	-	-
July 2011	-	-	-	-	-	-	-	-
<b>Total</b>	<b>67,780,000</b>	<b>4,675</b>	<b>\$ 490,006.34</b>	<b>\$ 2,925,529.89</b>	<b>\$ (2,892,216.25)</b>	<b>\$ 3,257,651.58</b>		

AUBURN MUNICIPAL ELECTRIC UTILITY  
Auburn, Indiana

PJM Cost (Estimated)  
THREE MONTHS OF  
JULY, AUGUST AND SEPTEMBER 2010

<u>LINE NO.</u>			
1	July 2010	\$	-
2	August 2010		-
3	September 2010		-
4	Estimated Monthly Average PJM Cost	\$	-

**AUBURN MUNICIPAL ELECTRIC UTILITY**  
**TRACKER HISTORY**

1st Quarter 2003	0.000169
2nd Quarter 2003	0.000162
3rd Quarter 2003	0.000177
4th Quarter 2003	0.000169
1st Quarter 2004	(0.001488)
2nd Quarter 2004	0.000262
3rd Quarter 2004	(0.000674)
4th Quarter 2004	(0.001028)
1st Quarter 2005	(0.001488)
2nd Quarter 2005	0.0019890
3rd Quarter 2005	0.0029530
4th Quarter 2005	0.001989
1st Quarter 2006	0.001000
2nd Quarter 2006	0.001140
3rd Quarter 2006	0.002795
4th Quarter 2006	0.002028
1st Quarter 2007	0.002937
2nd Quarter 2007	0.003170
3rd Quarter 2007	0.003575
4th Quarter 2007	0.002373
1st Quarter 2008	0.002881
2nd Quarter 2008	0.004876
3rd Quarter 2008	0.004916
4th Quarter 2008	0.005896
1st Quarter 2009	0.006200
2nd Quarter 2009	0.009698
3rd Quarter 2009	0.009732
4th Quarter 2009	0.010095
1st Quarter 2010	0.007437
2nd Quarter 2010	0.004293
3rd Quarter 2010	(0.004091)

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Tina Shipe

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**From:** Tina Shipe  
**Sent:** Tuesday, June 08, 2010 3:33 PM  
**To:** 'legals@kpcnews.net'  
**Subject:** Legal Notices  
**Attachments:** Ad for 3rd Qtr 2010 FAC Tracker.doc; Ad for 3rd Qtr 2010 WPF Tracker.doc

Please advertise these two notices on June 15, 2010. If there is a problem with this, please let me know. Thank you!

*Tina M. Shipe  
Deputy Clerk-Treasurer  
City of Auburn, IN  
260.925.6450 x 1102 (phone)  
260.920.3358 (fax)  
[tmshipe@ci.auburn.in.us](mailto:tmshipe@ci.auburn.in.us)*

## NOTICE OF PROPOSED RATE CHANGE BY AUBURN CITY ELECTRIC UTILITY

Notice is hereby given to rate payers of the municipally owned electric utility and other interested persons of the following Rate Adjustment Factor change for August 1 – September 30, 2010. The City of Auburn, Indiana under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's Order in Cause No 40095, hereby files with the Commission for its approval and average decrease in its schedule of rates for the Rate Adjustment Factor for electricity sold in the amount of .008384 per kilowatt hours (KWH) for a new rate of (.004091) per KWH.

The utility has made a filing with the Indiana Utility Regulatory Commission for approval of the Rate Change. If approved, the rate change will take effect for bills to be rendered beginning with August 1, 2010 billing.

Patricia M. Miller  
Clerk-Treasurer  
City of Auburn, IN