

September 17, 2010

via Electronic Filing

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

Re: New LED Lighting Options

Dear Secretary:

Pursuant to 170 IAC 1-6 (“Rule 6”), the Thirty-Day Administrative Filing Procedures and Guidelines Rule, Indianapolis Power & Light Company (IPL) submits herewith for filing two additions to our Tariff No. E-16 (Rate MU-1 3rd Revised No. 92 Superseding 2nd Revised No. 92). The proposed changes include the addition of two LED lighting tariffed rates, labeled as “2-80 watt LED Washington Post Std.” and “80-watt LED Washington Post Std”. These proposed LED options are “New rates” as defined in 170 IAC 1-6-2(6) which are authorized to be submitted as a Thirty Day filing pursuant to 170 IAC 1-6-3(1).

This tariff submission is to accommodate a request by the City of Indianapolis to replace the seventy-nine (79) five globe cluster lights on Monument Circle and the four spokes out of the Circle (Meridian Street North and South & Market Street East and West) with LED high efficiency lighting, in preparation for the 2012 Super Bowl.

This filing also includes supporting documentation. The following documents are attached:

Exhibit A - IPL’s proposed 3rd Revised No. 92 Superseding 2nd Revised No. 92 (CLEAN and MARKED-UP versions)

Exhibit B – Summary of methodology used to develop proposed LED rates

Exhibit C - Spreadsheet with detailed pricing elements for the two proposed LED lights

In addition, this filing contains a Verified Statement by IPL concerning notification of customers regarding the proposed LED lighting rates and a copy of such notification.

IPL appreciates your assistance in processing this request through the Commission’s 30-day filing procedures.

IPL’s contact person for this filing is:

Ken Flora
One Monument Circle
PO Box 1595

Indianapolis, Indiana 46206
(317) 261-6713
Ken.flora@aes.com

Please contact me with any questions regarding this matter.

Sincerely,

A handwritten signature in black ink that reads "Ken Flora". The signature is written in a cursive, flowing style.

Ken Flora
Director of Regulatory Affairs

Attachments

cc: Office of the Utility Consumer Counselor

One Monument Circle
 Indianapolis, Indiana

Superseding

~~2nd~~ Revised No. 92

Deleted: 1st

RATE MU-1 (Continued)

Section (a) (1) (c)

Lamps in enclosed post top type fixtures, mounted on metal or fiberglass ornamental columns and supplied from underground circuits.

<u>Prices for Flat Rate Street Lighting Services:</u>	<u>Price Per Year Per Each Unit</u>
175-watt Mercury Vapor Post Std.	\$186.12
175-watt Mercury Vapor Washington Post Std.	291.84
150-watt High Pressure Sodium Washington Post Std.	327.72
150-watt High Pressure Sodium 18" Ball Globe Post Std.	220.44
100-watt High Pressure Sodium Post Std.	183.12
100-watt High Pressure Sodium Washington Post Std.	286.08
2-80-watt LED Washington Post Std.	781.92
80-watt LED Washington Post Std.	482.16
3-150-watt High Pressure Sodium Single Column	585.96
3-150-watt High Pressure Sodium Twin Column	585.96
5-150-watt High Pressure Sodium Cluster	954.36
1-150-watt High Pressure Sodium &	
4-100-watt High Pressure Sodium Cluster	735.60

"Std." means Ornamental Standard.

Section (a) (1) (d)

Prices below apply to lighting for the City of Indianapolis in the downtown area.

<u>Prices for Flat Rate Street Lighting Service</u>	<u>Price Per Year Per Each Unit</u>
150-watt High Pressure Sodium Pedestrian Lamp	\$787.20

Section (a) (1) (e)

<u>Prices for Flat Rate Street Lighting Services:</u>	<u>Price Per Year Per Each Unit</u>
Lamps in enclosed fixtures mounted to underpasses or tunnels.	
175-watt Mercury Vapor Lamp	\$163.56
150-watt High Pressure Sodium Lamp	167.88
Lamps operated approximately 8760 hours per year.	
175-watt Mercury Vapor Lamp	202.08
400-watt High Pressure Sodium Lamp	349.32
150-watt High Pressure Sodium Lamp	213.72

Section (a) (2)

Lamps operated approximately 4100 hours per year

Section (a) (2) (a)

Prices below apply only to Customer-owned equipment which meets the Company's standards and upon inspection is acceptable to the Company and include only normal operating and maintenance costs which are: group relamping and globe washing on a four year rotating cycle; the replacement of the lamp, ballast, glassware, photocell, and fuses as required; and the repair, but not replacement, of the cable. The Customer is to furnish all other maintenance and repairs.

Second step of two step increase.

Effective ~~Pending~~

Deleted: December 16, 1998

Indianapolis Power & Light Company
 One Monument Circle
 Indianapolis, Indiana

I.U.R.C. No. E-16

3rd Revised No. 92
 Superseding
 2nd Revised No. 92

RATE MU-1 (Continued)

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Changes to Rate MU-1

IPL proposes to make the following two (2) LED lights available on the menu of options under Rate MU-1:

	Proposed Rate:	
	Annual	Monthly
2-80-watt LED Washington Post Std.	\$781.92	\$65.16
80-watt LED Washington Post Std.	\$482.16	\$40.18

IPL currently offers a 150 W HPS Washington Post Std. option under Rate MU-1. The rates for the 150 W HPS light were used as a starting point for developing the new offerings. Line 1 of Exhibit C (Single LED Column) shows the \$750 incremental capital expenditure required for an LED fixture instead of an HPS fixture. The capital expenditure for the Twin LED option on Line 1 of \$2,467.10 is the incremental cost of a Twin HPS over the cost of a Single HPS plus \$1,500, which is the incremental cost of 2 LED fixtures. Adjustments were also made for the differences in demand and energy costs associated with the new lamps. The total difference was added to the current annual rate for the existing, similar lamp type. The remainder of Exhibit C illustrates, in detail, the method used to develop the proposed rates.

Note: HPS = High Pressure Sodium and LED = Light Emitting Diode

Pricing Elements for Twin LED and Single LED

	Twin LED	Single LED
	Washington Post Std.	Washington Post Std.
1 Capital Expenditure	\$2,467.10	\$750.00
2 Return	\$185.77	\$56.48
3 Revenue Conversion Factor - Capital	1.38540	1.38540
4 Revenue Requirement - Capital	\$257.37	\$78.24
5 Depreciation Expense	\$102.80	\$31.25
6 Demand Allocation	-\$6.12	-\$3.06
7 Energy Allocation	-\$6.97	-\$3.48
8 Distribution Allocation	\$6.25	\$6.25
9 O&M Expense	\$26.73	\$21.73
10 Property Tax	\$69.08	\$21.00
11 Insurance	\$1.17	\$1.08
12 Total Expense	\$192.94	\$74.77
13 Revenue Conversion Factor - Expense	1.01985	1.01985
14 Revenue Requirement - Expense	\$196.77	\$76.25
15 Total Revenue Requirement	\$454.14	\$154.49
16 150-watt HPS Wash Post Std. tariff price	327.72	327.72
17 Tariff price plus adders for LED and Twin Post	\$781.86	\$482.21
18 Monthly Price for LED's	\$65.16	\$40.18
19 Tariff Price	\$781.92	\$482.16

Notes:

Line 1. **Twin LED:** The capital expenditure for the Twin LED option on Line 1 of \$2,467.10 is the incremental cost of a Twin HPS over the cost of a Single HPS plus \$1,500, which is the incremental cost of 2 LED fixtures.

Single LED: The \$750 incremental capital expenditure on Line 1 is the amount required for an LED fixture instead of an HPS fixture

Line 2. Line 1 times the weighted avg cost of capital (7.53%) based upon a 12/31/09 capital structure

Line 3. Conversion factor for capital from ECR 15

Line 4. Line 2 times line 3

Line 5. Capital Expenditure divided by 24 years

Line 6. The demand allocation is \$5.0974/kw/mo from Cause No. 39938 (electric rate case).

The demand adjustment for LED using 50 w less than HPS is $((((100-150)/1000)*5.0974)*12)$.

The above calculation is for a single LED, which is multiplied by 2 for a Twin LED.

Line 7. The energy allocation is \$0.016992/kwh from Cause No. 39938 (electric rate case).

The energy adj. calc for LED using 205 kwh less than HPS is $((((100-150)/1000)*4100)*0.016992)$.

The above calculation is for a single LED, which is multiplied by 2 for a Twin LED.

Line 8. The distribution system allocation is from Cause No. 39938 (electric rate case)

Line 9. The O&M expense is from Cause No. 39938

Line 10. Capital Expenditure times 2.8% (\$2.80 per \$100 of assessed value)

Line 11. Insurance per light

Line 12. Total Expense (lines 5-11)

Line 13. Conversion factor for expense from ECR 15

Line 14. Line 12 times line 13

Line 18. Annual calculated price from Line 17 divided by 12 and rounded to two decimal places

Line 19. Monthly Price times 12

Notes:

Burn Hours	4100
Demand Allocation	5.0974
Energy Allocation	0.016992
HPS	150 w per fixture
LED	100 w per fixture
Weighted Avg Cost of Capital	7.530%
Property Tax	2.800%

**Verified Statement of Indianapolis Power & Light Company (IPL)
Concerning Notification of Customers Affected by the Proposed Addition of LED
Lighting Options**

Indianapolis Power & Light Company complied with the Notice Requirements under 170 IAC 1-6-6 in the following manner:

- beginning on September 10, 2010 and continuing through the filing date, the attached notice was posted in the Customer Service Office at 2102 N. Illinois Street
- beginning on September 10, 2010 and continuing through the filing date, the same notice was posted on IPL's website under the Pending section of the Rates, Rules and Regulations area
- a legal notice placed in the Indianapolis Star on September 10, 2010 as evidenced by the attached Publishers Affidavit; and
- beginning on the filing date, a copy of the LED 30 day filing will be included on IPL's website under the Pending section of the Rates, Rules and Regulations area

I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Dated this 17th day of September, 2010.



Ken Flora
Director, Regulatory Affairs

LEGAL NOTICE

Notice is hereby given that on or about September 17, 2010, Indianapolis Power & Light Company expects to submit a revised Rate MU-1 Lighting Tariff to the IURC for approval. The revised Tariff will include the addition of two (2) LED lighting options, entitled “2-80-watt LED Washington Post Std.” and “80-watt LED Washington Post Std.” The additional lighting options will affect only those customers who select one of these options. IPL anticipates approval of the filing on or about October 20, 2010.

This notice is provided to the public pursuant to 170 IAC 1-6-6. The contact information, to which an objection should be made, is as follows:

Secretary
Indiana Utility Regulatory Commission
101 W. Washington Street, Suite 1500 East
Indianapolis, Indiana 46204
Telephone:(317) 232-2700
Fax: (317) 232-6758
Email: info@urc.in.gov

Office of Utility Consumer Counselor
115 W. Washington Street, Suite 1500 South
Indianapolis, Indiana 46204
Telephone:(317) 232-2484
Toll Free: 1-888-441-2494
Fax: (317) 232-5923
Email: uccinfo@oucc.in.gov

Dated September 10, 2010

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(317) 232-2700
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Email: info@urc.in.gov

Office of Utility
Consumer Counselor
115 W. Washington
Street, Suite 1500 South
Indianapolis, Indiana 46204
Telephone:
(317) 232-2484
Toll Free: 1-888-441-2494
Fax: (317) 232-5923
Email:
uccinfo@oucc.in.gov
Dated September 10, 2010
(S - 9/10/10 - 5707489)

Form 65-REV 1-88

PUBLISHER'S AFFIDAVIT

State of Indiana SS:
MARION County

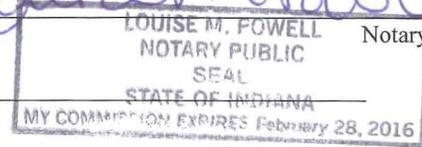
Personally appeared before me, a notary public in and for said county and state,
the undersigned **Kerry Dodson** who, being duly sworn, says that SHE is clerk
of the INDIANAPOLIS NEWSPAPERS a DAILY STAR newspaper of general circulation
printed and published in the English language in the city of INDIANAPOLIS in state
and county aforesaid, and that the printed matter attached hereto is a true copy,
which was duly published in said paper for **1** time(s), between the dates of:

09/10/2010 and 09/10/2010

Kerry Dodson Clerk
Title

Subscribed and sworn to before me on **09/10/2010**

Louise M. Powell Notary Public



My commission expires: _____