



Indiana Office of Utility
Consumer Counselor

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IPL Infrastructure Case: Consumer Comments Invited on \$1.2 Billion Plan

IURC Public Hearings on Sept. 3 & 10

OUCC Inviting Written Comments through Oct. 1

If you would like to comment on Indianapolis Power & Light Company's (IPL's) proposed \$1.2 billion electric infrastructure improvement plan, with corresponding rate increases, you have the chance to do so.

The Indiana Office of Utility Consumer Counselor (OUCC), the state agency representing consumer interests in cases before the Indiana Utility Regulatory Commission (IURC), is scheduled to file testimony on Oct. 7, 2019.

While using its legal and technical resources to review IPL's proposed plan, the OUCC is inviting written comments from the utility's residential, commercial, and industrial customers through Oct. 1, 2019.

In addition, the IURC will hold two public field hearings in this case in Indianapolis:

- **Tuesday, Sept. 3, 2019:** New Augusta Public Academy North Auditorium, 6450 Rodebaugh Rd.
- **Tuesday, Sept. 10, 2019:** University of Indianapolis, Schwitzer Student Center Hall A, 1400 E. Hanna Ave.

Each IURC public field hearing will start at 6:00 p.m. Consumers are encouraged to arrive no later than 5:45 p.m. for an overview of field hearing procedures and the rate case process.

At each IURC field hearing:

- Consumers will be able to speak directly to the Commission, under oath and on the record, regarding the case.
- Written consumer comments are also invited for the case record.
- Commissioners are not allowed to answer questions about the case. However, OUCC staff will be available before, during, and after the hearing to address questions about the process.

IPL has filed its infrastructure plan with the IURC, as allowed by a state law that received legislative approval in 2013 and was modified earlier this year.

- The law allows an investor-owned electric or natural gas utility to seek IURC approval of a five-to-seven-year infrastructure improvement plan. The IURC must rule on the request within 210 days.
- If the plan is approved, the utility may then adjust rates every six months, subject to OUCC review and IURC approval, to recover project costs as they are incurred. The OUCC and IURC review periods on the rate adjustments are limited to 60 and 120 days, respectively.
- A utility may seek Commission approval to modify the plan each year.
- The rate increases – under a Transmission, Distribution, and Storage System Improvement Charge (TDSIC) mechanism – may not exceed two percent of the utility's total retail revenues annually.
- Recovery of 20 percent of the costs must be deferred until the utility's next base rate case, which must be filed before the end of the plan's term.

(Continued)

IPL's testimony and exhibits state that:

- The proposed projects – aimed at improving system reliability while replacing aging infrastructure – would be built from 2020 through 2026.
- Projects cited in the plan include the deployment of advanced metering infrastructure (AMI) throughout IPL's service territory, circuit rebuilds, replacements of transformers, breakers, and batteries at the utility's substations, upgrading the distribution system's voltage, secondary network upgrades, automation of grid data, and line and pole replacements.
- Annual capital costs would vary, ranging from \$136.8 million to \$211 million each year.
- If the seven-year plan is approved by the IURC, IPL's first TDSIC rate increase of about 0.8 percent would take effect in 2020.
- Estimated TDSIC rate increases from 2020 through 2026 would vary each year, ranging between 0.8 percent and 1.3 percent annually.

Additional parties that have intervened in the case include the Citizens Action Coalition of Indiana and a group of IPL's industrial customers (including Allison Transmission, Eli Lilly and Company, Ingredion, Messer, and Praxair Surface Technologies). Any testimony from intervenors is also due on Oct. 7, 2019.

Under the law's timing requirements, the IURC must issue an order on the plan by Feb. 19, 2020.

The new tracker rate increases requested in this case are in addition to IPL's current base rates, which were approved in October 2018, and in addition to various other trackers through which IPL may currently adjust its rates subject to OUCC review and IURC approval. All Indiana investor-owned electric utilities use trackers, with IPL using them to recover costs for generating fuel, environmental compliance, regional transmission, and energy efficiency programs.

Consumers who wish to submit written comments for the case record may do so via the OUCC's website at www.in.gov/oucc/2361.htm, by email at uccinfo@oucc.IN.gov, or by mail at:

Consumer Services Staff
Indiana Office of Utility Consumer Counselor
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204

The OUCC needs to receive all written consumer comments no later than Oct. 1, 2019 so that it can: 1) Consider them in preparing its testimony and 2) File them with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name, mailing address**, and a reference to "**IURC Cause No. 45264.**" Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

The OUCC is posting case updates online at www.in.gov/oucc/2928.htm, and through its free, monthly newsletter. Consumers can subscribe at www.in.gov/oucc/2877.htm.

IPL provides electric utility service to approximately 500,000 customers in ten central Indiana counties.

Utilities that have received approval to implement infrastructure plans include Duke Energy, Northern Indiana Public Service Company (NIPSCO), Vectren, Community Natural Gas Co., and Midwest Natural Gas Corp.

(IURC Cause No. 45264)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.

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