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INDIANA UTILITY  
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE COMMISSION'S )  
INVESTIGATION INTO ANY AND ALL )  
MATTERS RELATED TO COMMISSION )  
APPROVAL OF PARTICIPATION BY INDIANA )  
END-USE CUSTOMERS IN DEMAND RESPONSE )  
PROGRAMS OFFERED BY THE MIDWEST ISO )  
AND MISO INTERCONNECTION )

CAUSE NO. 43566 MISO 2

RESPONDENT INDIANAPOLIS POWER & LIGHT COMPANY'S  
INITIAL TARIFF COMPLIANCE FILING  
AND REQUEST FOR APPROVAL OF RIDER 23

Indianapolis Power & Light Company ("IPL" or "Company"), by counsel, hereby makes an initial filing and requests Commission approval of Rider 23 in compliance with the Commission's Order in Cause No. 43566 dated July 28, 2010. In support of this request, IPL represents and shows the following:

Petitioner's Corporate and Regulated Status.

1. IPL is a public utility corporation organized and existing under the laws of the State of Indiana with its principal office and place of business at One Monument Circle, Indianapolis, Indiana. Petitioner is engaged in rendering electric utility service in the State of Indiana and owns, operates, manages and controls, among other things, plant and equipment within the State of Indiana used for the generation, transmission, distribution and furnishing of such service to the public. Petitioner is a "public utility" under Ind. Code § 8-1-2-1 and is subject to the jurisdiction of this Commission in the manner and to the extent provided by the Public Service Commission Act, as amended, and other pertinent laws of the State of Indiana.

### **Petitioner's Operations.**

2. IPL renders retail electric utility service to approximately 470,000 retail customers located principally in and near the City of Indianapolis, Indiana, and in portions of the following Indiana counties: Boone, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan, Owen, Putnam and Shelby Counties. IPL owns, operates, manages and controls electric generating, transmission and distribution plant, property and equipment and related facilities, which are used and useful for the convenience of the public in the production, transmission, delivery and furnishing of electric energy, heat, light and power.

### **Petitioner's Authorized Representatives**

3. The name and address of IPL's attorney in this matter who is duly authorized to accept service of papers in this Cause on behalf of IPL is:

P. Jason Stephenson (Atty. No. 21839-49)  
Barnes & Thornburg LLP  
11 South Meridian Street  
Indianapolis, Indiana 46204  
Phone: (317) 231-7749  
Fax: (317) 231-7433  
Email: [jason.stephenson@btlaw.com](mailto:jason.stephenson@btlaw.com)

### **Background**

4. On July 28, 2010, in Cause No. 43566 (the "July 2010 Order") the Commission ordered that "Indiana end-use customers shall not be enrolled or otherwise participate in RTO demand response programs directly or through curtailment service providers or other aggregators." July 2010 Order at 51. The Commission further ordered IPL (and the other Respondent Utilities) to file with the Commission for approval tariffs or riders authorizing the

participation of their respective retail customers in regional transmission organization (“RTO”) demand response programs through their Respondent Utility. These matters were further discussed with the Commission, its staff and interested parties at a technical conference on September 7, 2010. Thereafter, IPL and other utilities participating in the Midwest Independent Transmission System Operator (“MISO”) discussed the development of the compliance filings and a proposed schedule with interested customers, the Indiana Office of Utility Consumer Counselor (“OUCC”) and entities that aggregate demand response loads (“Aggregators”).

**Request for Approval of Rider .**

5. Through this initial filing, IPL requests approval of the Rider 23, attached hereto as Exhibit 1, so that its end use customers may elect to allow IPL to offer a portion of the customer’s load into the MISO Ancillary Services Market (“ASM”) as a demand response resource. Rider 23 enables IPL’s retail customers to participate in MISO’s Emergency Demand Response (“EDR”) and Demand Response Resource (“DRR”) Type I. IPL has also attached copies of proposed standard service agreements for EDR and DRR Type 1 as Exhibits 2 and 3 (respectfully) of which it requests approval.

6. In future filings in this subdocket, IPL will request approval of revisions to this rider which will provide for end-use customer participation in other MISO Demand Response Programs.

7. The proposed Rider 23 enables qualifying, interested customers to participate in the MISO ASM through the EDR and DRR Type I options. Rider 23 mirrors the provisions of the MISO EDR and DRR Type 1 Programs while reflecting the unique needs and requirements applicable to IPL as an Indiana utility. As set forth in Exhibit 1, Rider 23 includes provisions

regarding the term of contract, the customer's options under the rider, the metering requirements, curtailment credits for demand and energy, and the ramifications if a customer chooses not to curtail. Under Rider 23,

8. In accordance with the July 2010 Order, IPL is exploring strategies for administering Rider 23 and exploring modifications to make other demand response options available to its customers at a later date in this Cause. IPL believes it is preferable to gain experience with EDR and DRR Type I before moving to other MISO demand response programs due to the increasing complexity of implementing and monitoring other programs and because these are believed to be the programs of most interest to retail customers.

**Procedural Matters.**

9. IPL proposes the following procedural schedule be used for the review of Rider 23:

January 7, 2011	OUCC and Intervenors file verified objections/comments on Rider 23
January 21, 2011	IPL files verified reply to any objections/comments on Rider 23
January 28, 2011	IPL files proposed order on Rider 23
February 18, 2011	OUCC and Intervenors file exceptions to proposed order
March 4, 2011	IPL files reply brief

10. IPL has discussed the above referenced schedule with the other parties and is working with them on a stipulation regarding the procedural schedule for (a) the review of Rider 23; and (b) the additional compliance filings IPL plans to make in this subdocket. IPL expects to file the stipulation as soon as possible in accordance 170 IAC 1-1.1-15(e). In the absence of

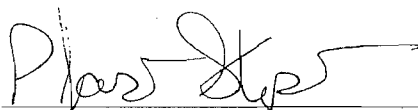
such a stipulation, IPL requests the Commission promptly conduct a prehearing conference for the purpose of establishing a procedural schedule for this subdocket.

WHEREFORE, IPL requests the Commission to make such other investigation as is necessary or advisable in this subdocket and, thereafter, make and enter appropriate orders in this Cause:

- (i) approving the attached Rider 23 and the associated EDR and DRR Type 1 service agreements; and
- (ii) granting to IPL such other and further relief in the premises as may be appropriate and proper.

Dated this 10<sup>th</sup> day of December, 2010.

INDIANAPOLIS POWER & LIGHT COMPANY



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Indianapolis, Indiana 46204  
Phone: (317) 231-7749  
Fax: (317) 231-7433  
Email: [jason.stephenson@btlaw.com](mailto:jason.stephenson@btlaw.com)

Attorney for Indianapolis Power & Light Company

## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served by email transmission to:

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Dated this 10<sup>th</sup> day of December, 2010.

  
\_\_\_\_\_  
P. Jason Stephenson

STANDARD CONTRACT RIDER NO. 23  
MARKET BASED DEMAND RESPONSE RIDER  
(Applicable to Rates HL, PL, PH and SL)

AVAILABILITY:

Available to the Rates HL, PL, PH, and SL Customers who enter into a written contract, fulfills the load requirement and can demonstrate to the Company's satisfaction the ability to reduce energy in accordance with the MISO requirements. ARCs may also aggregate Customers in accordance with a Standard Agreement and participate under this Rider. Customers and ARCs are hereafter referred to as "Participants." The term of such Standard Agreement shall not exceed one (1) year. The Company reserves the right to deny any application on a non-discriminatory basis based on the criteria identified in this Rider and the Standard Agreement with Participants. Customers desiring this Rider for multiple services will be required to have a contract for each service desired. This Rider is not available to any Customer's service (either directly or through an ARC) that is otherwise participating in the Company's other interruptible or curtailment riders, including Riders 14, 15, 16 or 17. The Company reserves the right to limit megawatt ("MW") participation in this Rider as set forth in the applicable MISO BPM and/or as needed by the Company.

DEFINITIONS:

MISO:	Midwest Independent Transmission System Operator, Inc.
EDR:	Emergency Demand Response, a type of demand response resource as defined by MISO.
BPM:	MISO Business Practices Manual
DRR:	Demand Response Resource as defined in the BPM
ARC:	Aggregator of Retail Customers
Curtailment Energy:	The amount of load the Participant is capable of reducing from its Consumption Baseline.
Curtailment Period:	A period of time chosen by the Participant and included in its offer parameters during which the Participant makes available its load for curtailment under this Rider.
Consumption Baseline:	The Participant's actual usage as defined or accepted by MISO from time-to-time.
Firm Power Level:	The demand in kilowatt ("KW") that Participant agrees not to exceed during each Curtailment Period.

PROGRAM DESCRIPTION:

Participation in this Rider is voluntary and offers Participant the opportunity to authorize the Company to market their Curtailment Energy in the MISO market and to share in any MISO revenues generated. The Participant's Curtailment Energy is not eligible for enrollment in any other demand response program either directly or through a curtailment service provider. Company will enter into a Standard Agreement under this Rider which will specify the terms and conditions under which Participant agrees to reduce usage.



STANDARD CONTRACT RIDER NO. 23 (Continued)

Programs to be offered upon commencement of this Rider include:

1. EDR Program which offers Customers the opportunity to reduce their electric costs and to help preserve reliable electric service by managing their electric usage during MSO declared emergency events.
2. DRR Type 1 Program which offers Customers the opportunity to be compensated for energy use reductions by authorizing the Company to offer such reductions into the MISO market on an economic basis.

Participation will be permitted on any particular day. Participants will be included in the daily offers to MISO unless they specify a desire not to participate on a particular day by the deadline established in the Standard Agreement. Company must be notified pursuant to the Standard Agreement on any day Participant desires to suspend participation.

Company may agree to provide additional programs beyond EDR and DRR Type 1 permitted in the MISO market through a Standard Agreement under this Rider. The availability of any Standard Agreement for a type of demand response program not specifically described in this Rider shall be subject to receipt of approval from the Indiana Utility Regulatory Commission ("Commission"). Program participation requirements will be detailed in the Standard Agreement including the ability to specify certain offer parameters.

CURTAILMENT ENERGY:

Participant must offer at least the minimum MW participation in this Rider as set forth in the applicable BPM for the type of resource offered. Participant will provide at least 100 KW Curtailment Energy (on an aggregate basis in the case of an ARC) for the EDR Program and at least 1 MW Curtailment Energy for the DRR Type 1 Program. Each Participant electing service under this Rider shall contract for a definite amount of DRR, not to exceed the Customer's or aggregated Customers' normal demand capable of being curtailed.

Participant shall elect to participate in this Rider by choosing to:

1. Curtail to the Firm Power Level; or
2. Provide a specific level of demand reduction not to exceed the Participant's normal demand capable of being curtailed.

METERING REQUIREMENTS:

The Company will specify a communication plan in the Standard Agreement, which may include software, to be used to provide the Company with specified offer parameters and participation elections. Participant will be responsible for providing its own internet access if needed. Participant may purchase from either Company or other third-party suppliers any other necessary software, metering or other equipment to facilitate participation in this Rider. It is Participant's responsibility to ensure the compatibility of third-party supplier equipment or software packages with any Company-owned equipment or software packages.

DRR TYPE 1 OFFERS:

When first registered, a default DRR Type 1 offer for economic energy will be established which will remain valid until updated or declared unavailable. All offers are applicable to every day noted in the DRR Type 1 offer. Default offers can only be made after the resource has been certified in compliance with MISO requirements. The initial registration fee shown below must be paid to the Company with submittal of the registration information. If the resource is a Behind the Meter Generation ("BTMG"), the Customer must affirm in writing that: (1) it holds all necessary permits; (2) it possesses the necessary

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STANDARD CONTRACT RIDER NO. 23 (Continued)

rights to operate the unit; (3) the BTMG is not a Network Resource (pursuant to MISO's FERC-approved tariff); and (4) if the resource is historically operated during non-emergency conditions, that the energy available for participation under this Rider is the increase in output that produces the demand reduction.

EDR OFFERS:

When first registered, a default EDR offer will be established which will remain valid until updated or declared unavailable. All offers are applicable to every day noted in the EDR offer. Default offers can only be made after the resource has been certified in compliance with MISO requirements. The initial registration fee shown below must be paid to the Company with submittal of the registration information. If the resource is a BTMG, the Customer must affirm in writing that: (1) it holds all necessary permits; (2) it possesses the necessary rights to operate the unit; (3) the BTMG is not a Network Resource (pursuant to MISO's FERC-approved tariff); and (4) if the resource is historically operated during non-emergency conditions, that the energy available for participation under this Rider is the increase in output that produces the demand reduction.

DAY AHEAD BID PROCESS:

The Participant shall submit the required information in the prescribed electronic format to the Company designee no later than the time stated in the Standard Agreement. The Participant's bid may be aggregated with other Participants' bids for submission to MISO.

MISO PERFORMANCE REQUIREMENTS:

Performance requirements are stated in the current BPM and Schedule 30 for EDR of the MISO Open Access Transmission Tariff which may be amended from time to time. It is the Participant's responsibility to comply with all of the minimum performance criteria specified by MISO. Participants must be able to accept dispatch instructions via an electronic interface.

PROCEDURES:

Registration requirements, notifications, performance, metering requirements and other operating procedures are contained in the Standard Agreement.

PENALTY FOR FAILURE TO PERFORM:

If the Participant does not reduce load by the bid amount within the prescribed notice time for the prescribed duration and other MISO parameters, the Company will incur penalties and other charges. Such penalties and other charges will be imposed on the Participant plus a \$500 fee for the Company's administrative costs incurred to determine and pay the penalty to MISO. If the Participant fails to comply with the provisions of curtailment under this Rider, the Company and the Participant will discuss methods to comply during future events. The Company may suspend Participant from participation in this Rider if any penalty remains unpaid after becoming due. The Company may terminate the Participant's participation in this Rider if MISO precludes the Participant's load from being offered into the MISO market, Participant refuses to cooperate in registering the Participant's Load with MISO, or if Participant's failure to reduce load adversely impacts reliability. Participant shall also forfeit and return any Settlement paid pursuant to Section 8 above for DRR-1 Load that was not curtailed (i) within the prescribed notice time, (ii) for the prescribed duration or (iii) in accordance with other MISO parameters.

SETTLEMENTS:

The Company will remit to Participant the net proceeds (the "MISO Proceeds") from participating in this Rider as a credit on the Participant's monthly bill within thirty (30) days after the final settlement and payment by MISO to the Company for Participant's participation in the MISO market unless specifically

Indianapolis Power & Light Company  
One Monument Circle  
Indianapolis, Indiana

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

Original No. XXX

provided otherwise in the Standard Agreement. The initial bill credit will reflect settlements between the Company and MISO through the most recent weekly net settlement invoice prior to the regular monthly bill. A true-up shall take place on the bill following any additional settlement from MISO. The Company

STANDARD CONTRACT RIDER NO. 23 (Continued)

will deduct the retail rate for the energy not consumed by the Customer pursuant to this Rider and any applicable administrative fees set forth below from the MISO Proceeds which shall be applied as a billing credit.

AGGREGATORS OF RETAIL CUSTOMERS:

A third-party may aggregate Customers to facilitate participation by Customers in this Rider subject to (a) measurement and verification of customer response in a manner satisfactory to the Company sufficient to allow the Company to comply with any and all MISO requirements and (b) satisfaction of reasonable and appropriate qualifications for any participating ARC. Each individual Customer in such an aggregation of Customers must be identified by the ARC and all information needed for and the requirements for MISO participation and registration must be provided by the ARC. Each individual Customer must be capable of the meeting the minimum Curtailment Energy requirements. The ARC will be subject to the same requirements set forth for Customers as set forth in this Rider and may be subject to additional requirements as specified in the applicable Service Agreement. A Customer may serve as an ARC. No Customer shall be represented by more than one ARC. No Customer may participate through an ARC while simultaneously participating directly in this Rider.

TERMS AND CONDITIONS:

Any interruptions or reductions in electric service caused by outages of Company's facilities, other than as provided under this Rider, will not be deemed a Curtailment Period under this Rider unless MISO reimburses the Company for Curtailment Energy. A Standard Agreement under this Rider will in no way affect Customer's or Company's respective obligations regarding the rendering of and payment for electric service under the applicable electric tariff and its applicable rate schedules. It will be Participant's responsibility to monitor and control their demand and energy usage before, during and after notice period under this Rider.

FEES:

Registration with Company	\$1,000.00
Modification to Registration	\$ 100.00
Additional day-ahead bid entry (per entry)	\$ 50.00

For bids cleared by MISO: Ten percent (10%) of the MISO Proceeds less any previously collected registration, modification, or additional day-ahead Bid Entry Fees not previously credited back to the Participant.

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## EMERGENCY DEMAND RESPONSE AGGREGATION AGREEMENT

**THIS EMERGENCY DEMAND RESPONSE AGREEMENT** ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ ("Effective Date"), by and between Indianapolis Power & Light Company, an Indiana corporation with its principal office located at One Monument Circle, Indianapolis, Indiana 46204 ("Company"), and, \_\_\_\_\_ ("Participant"). Company and Participant are hereinafter sometimes referred to individually as "Party" or collectively as "Parties".

### WITNESSETH:

**WHEREAS**, Participant has or will contract with certain of Company customers (the "Aggregated Customers") capable of reducing load or providing energy during periods when the Midwest Independent Transmission System Operator, Inc. ("MISO") declares an emergency as defined by its Federal Energy Regulatory Commission ("FERC") approved tariffs; and

**WHEREAS**, the Aggregated Customers are willing to commit, in advance, to reduce their load when MISO instructs; and

**WHEREAS**, Participant will aggregate the Aggregated Customers' reduced load into a single offered load reduction; and

**WHEREAS**, Company is willing to offer the Aggregated Customers' load reduction into MISO as an Emergency Demand Response ("EDR") resource into the MISO market and return to Participant a portion of MISO's payments for the EDR resource in accordance with the terms of this Agreement

**NOW, THEREFORE**, in consideration thereof, Participant and Company agree as follows:

**1. Definitions.** For purposes of this Agreement, the following terms shall have the meaning set forth:

Behind the Meter Generation ("BTMG"):

A generator operated by an Aggregated Customer that is capable of reducing the load the Aggregated Customer requires from Company during an EDR Event. A Participant must certify, in writing, that: (1) the Aggregated Customer holds all necessary permits; (2) the Aggregated Customer possesses the necessary rights to operate the unit; (3) the BTMG is not a Network Resource pursuant to MISO's FERC approved tariff; and (4) if the resource is historically operated during non-emergency conditions, that the EDR Load is the increase in output that produces the demand reduction.

Curtailment:

A reduction of the Aggregated Customers' Consumption Baseline equal to the EDR Load as instructed by MISO during an EDR Event.

Consumption Baseline

The Aggregated Customers' actual usage in the hour prior to the start of the instructed curtailment or as otherwise defined by MISO from time-to-time.

Curtailment Period

A period of time chosen by the Participant and included in its offer parameters during which the Participant makes available the Aggregated Customers' load for curtailment.

Firm Power Level:

The demand in KW that Participant agrees not to exceed during each Curtailment Period.

Guaranteed Load Drop:

A commitment by the Aggregated Customers' to curtail their load each hour during an event by a fixed amount equal to the amount of load reduction from the Consumption Baseline.

EDR Event

A load curtailment event as dispatched by MISO during a MISO declared emergency.

EDR Load

The quantity of the Aggregated Customers' load provided by the Company that the the Aggregated Customers commits to reduce during an EDR Event.

IURC

The Indiana Utility Regulatory Commission.

MISO

The Midwest Independent Transmission System Operator, Inc.

**2. Application.** It is understood and agreed that this Agreement applies only to the operation of Participant's location at \_\_\_\_\_ (the "Participant's Location").

**3. Load Reduction.** Participant shall designate an EDR Load to be achieved through (i) a Firm Power Level, (ii) a Guaranteed Load Drop, or (iii) BTMG identified in Exhibit 1. Under either election, the Participant shall authorize Company to offer the EDR Load into the MISO in accordance with Section 4 below. The EDR Load shall be identified in Exhibit 1. Participant's EDR Load shall not be committed to any other load curtailment program offered by Company, MISO or any other entity. The Participant assumes all responsibility for ensuring the EDR Load complies with all of the minimum performance criteria specified by MISO in its Business Practices Manual ("BPM"), Schedule 30 of the MISO Open Access Transmission Tariff, or successor MISO criteria. The Parties shall cooperate as necessary to ensure the EDR Load complies with MISO performance criteria. If Customer desires only one Curtailment per day, then Customer should set offer parameters including Minimum Interruption Duration, Maximum Interruption Duration and Minimum Non-Interruption Interval to appropriate values. Customer shall be subject to testing and metering requirements of the MISO for EDR resources, as this term is defined by MISO and as specified in the applicable BPM.

**4. EDR Load Offer.** The Company will offer the EDR Load into the MISO market during an EDR Event at the price set forth in Exhibit 1 (hereafter the "Offer") upon Participant's submission of Exhibit 1 in accordance with Section 5 below. Participant will not be contacted prior to Company making the Offer to the MISO market. Participant may limit the number of events per day in Exhibit 1 and Company will limit offers to that number. Company is not responsible for MISO's decision to accept or reject an offer made in accordance with this Agreement. When first registered, a default offer will be established by the Participant in Exhibit 1 which will remain valid until updated or declared unavailable by the Participant by providing notice in accordance with Section 5 below. Participant may update its Offer with the Company

daily, provided that such updates are provided in accordance with Section 5 below by 9:00 A.M. Eastern Standard Time the day prior to the day the status is to be effective. All Offers are applicable to every day noted in Exhibit 1. Default offers will not be made by the Company until the Participant's BTMG has been certified by MISO.

**5. EDR Load Status.** Customer may update its participation status ("Participating" or "Not Participating") daily through notice to Company. Status updates must be received by 8:30 A.M. Eastern Standard Time. Customers must specify a "Not Participating" status if load reduction is unavailable due to a forced or planned outage/shutdown or other physical operating restriction. Other offer parameters, including the Offer, may be updated daily through notice to Company pursuant to Exhibit 1. Status updates must be received by 8:30 A.M. Eastern Standard Time the day prior to the day the status or parameter change will be effective. Customer shall pay \$100 for each additional change, which shall be included on the Customer's monthly bill and will first be netted against any Settlement. All changes are subject to MISO limitations and will not permanently update the Customer's default offer unless specified by Customer. Customer is responsible for meeting all offer obligations when the offer is cleared.

**6. Customer Offer Parameters.** Customer may specify temporary or permanent changes to its default offer parameters for each hour as specified in the relevant BPM. All costs are subject to MISO specified limits and MISO independent market monitor review. Company reserves the right to review daily offers and reject Customer proposed changes if offers contain errors or may create reliability concerns. All updates must be received by 8:30 A.M. Eastern Standard Time the day prior to the day the status or parameter change will be effective.

**7. Curtailment.** If MISO accepts the Offer, the Company will inform Participant's designated representatives in accordance with the order and method of communicating in Exhibit 2 within 30 minutes of receiving the dispatch instructions from MISO. Company will utilize email as the primary means to notify Customer of events and to process Customer participation updates. In the event email is not effective or Company receives a notice of failure of its email to the Customer, Company shall fax notice to the Customer. Customers will be responsible for providing their own Internet access. Participant assumes all responsibility for monitoring the methods of communication outlined in Exhibit 2 and Company shall have no responsibility for MISO penalties incurred due to Participant's failure to implement a Curtailment provided the Company has provided notice to Participant of acceptance of the Offer in accordance with Exhibit 2.

**8. Settlements.** The Company will remit to Participant the net proceeds from participating in this Agreement (the "Settlement") within 30 days after the final settlement and payment by MISO as a result of MISO's acceptance of the Offer less (i) 10%, which amount shall be retained by Company, and (ii) the retail rate for the energy not consumed by the Participant due to the Curtailment. The 10% retained by the Company shall be reduced by the amount of any Registration, Modification or Additional day-ahead bid entry fees paid by Participant to Company. The initial bill credit will reflect settlements between the Company and MISO through the most recent weekly net settlement invoice prior to the regular monthly bill. A true-up shall take place on the bill following any additional settlement from MISO. The Settlement will appear as a credit on Participant's bill from Company.

**9. Penalties.** Participant shall reimburse Company for any MISO penalties incurred by Company plus \$500 resulting from Participant's failure to curtail its EDR Load (i) within the prescribed notice time, (ii) for the prescribed duration or (iii) in accordance with other MISO parameters. Participant shall also forfeit and return any Settlement paid pursuant to Section 8 above for EDR Load that was not curtailed (i) within the prescribed notice time, (ii) for the prescribed duration or (iii) in accordance with other MISO parameters.

**10. Tariff.** This Agreement is entered into subject to the terms of Company's Rates, Rules and Regulations for Electric Service, I.U.R.C. No. E-16, and any successor electric tariff, as filed with the IURC and as amended from time to time ("Tariff"), including without limitation Standard Contract Rider No. 23.

**11. Registration Requirements.** Participant shall provide any information required by MISO in addition to the information included in Exhibits 1 and 2.

**12. Participant Required Equipment.** Participant shall be solely responsible for the cost of purchasing and installing any additional software, metering or other equipment necessary to enable participation in this Agreement. Company may, upon request of Participant and at Participant's expense, install any software, meter or equipment necessary. The software, metering and equipment the Parties have agreed the Company will install at the Participant's expense are set forth in Exhibit 2.

**13. Interruption in Participant's Service.** Any interruptions or reductions in electric service caused by outages of Company's facilities, other than as provided under this Agreement will not be deemed a Curtailment under this Agreement unless MISO pays Company for the Curtailment. This Agreement shall not be construed as any promise or warranty by Company to provide continuous or uninterrupted power to Participant.

**14. Participant Maintenance.** Participant must inform Company of any plant maintenance that will significantly change the Consumption Baseline. EDR offers are not permitted for curtailments planned or unplanned for any reason other than notification by Company of an accepted EDR offer.

**15. Failure to Perform.** Company may terminate this Agreement with Participant if (i) MISO refuses to accept the EDR Load for failure to perform or otherwise comply with applicable MISO requirements; (ii) Participant refuses to cooperate in registering the EDR Load with MISO; or (iii) Participant's failure to perform causes a reliability concern on Company's distribution or transmission system. The Company may suspend performance during a period in which Participant fails to pay penalties in accordance with Section 9 above.

**Effective Term and Termination Rights.** This Agreement shall become effective after execution by both Parties and receipt of a fully completed Exhibits 1 and 2. The term of this Agreement shall be 1 year.

**17. Assignment.** Neither Party shall assign this Agreement or any portion thereof without the prior written consent of the other Party, and any attempted assignment or transfer without such written consent shall be of no force or effect. As to any permitted assignment: (a) reasonable prior notice of any such assignment shall be given to the other Party; and (b) any assignee shall expressly assume the assignor's obligations hereunder, unless otherwise agreed to by the other Party in writing.

**18. Termination of Any Applicable Existing Agreement.** From and after the date when service commences under this Agreement, this Agreement shall supersede any oral and/or written agreement or understanding between Company and Participant concerning the service covered by this Agreement and any such agreement or understanding shall be deemed to be terminated as of the date service commences under this Agreement.

**19. Force Majeure.** For purposes of this Agreement, the term "Force Majeure" means any cause or event not reasonably within the control of the Party claiming Force Majeure, including, but not limited to, the following: acts of God, strikes, lockouts, or other industrial disturbances; acts of public enemies; orders or permits or the absence of the necessary orders or permits of any kind which have been properly applied for from the government of the United States, the State of Indiana, any political subdivision or municipal subdivision or any of their departments, agencies or officials, or any civil or military authority; unavailability of a fuel or resource used in connection with the generation of electricity; extraordinary delay in transportation; unforeseen soil conditions; equipment, material, supplies, labor or machinery shortages; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; drought; arrest; war; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; breach of contract by any supplier, contractor, subcontractor, laborer or materialman; sabotage; injunction; blight; famine; blockade; or quarantine.

If either Party is rendered wholly or partly unable to perform its obligations under this Agreement because of Force Majeure, both Parties shall be excused from whatever obligations under this Agreement are affected by the Force Majeure (other than the obligation to pay money) and shall not be liable or responsible for any delay in the performance of, or the inability to perform, any such obligations for so long as the Force Majeure continues. The Party suffering an occurrence of Force Majeure shall, as soon as is reasonably possible after such occurrence, give the other Party written notice describing the particulars of the occurrence and shall use commercially reasonable efforts to remedy its inability to perform; provided, however, that the settlement of any strike, walkout, lockout or other labor dispute shall be entirely within the discretion of the Party involved in such labor dispute.

**20. Disputes.** In the event of a dispute between the Parties arising out of or relating to this Agreement, such dispute shall be submitted within twenty (20) days of written notice, to a management panel composed of representatives of the respective Parties for informal dispute resolution or settlement prior to the institution of any other dispute resolution process. Should the informal dispute resolution process described herein be unsuccessful, the Parties agree that no written or oral representations made during the course of the attempted dispute resolution shall constitute a Party's admission or waiver and that each Party may pursue any other legal or equitable remedy it may have available to it. The Parties agree that the existence of any dispute or the institution of any dispute resolution process (either formal or informal) shall not delay the performance of each Party's undisputed responsibilities under this Agreement.

**21. Notices.** Except for notices required by Section 7 and as otherwise provided in this Agreement, any notice, request, consent, demand, or statement which is contemplated to be made upon either Party hereto by the other Party hereto under any of the provisions of this Agreement, shall be in writing and sent by certified mail with a return receipt requested or via overnight courier with tracking capability to the address set forth below:

If notice or other transmittal (other than payment of invoices) is to Company:

Indianapolis Power & Light Company  
One Monument Circle  
Indianapolis, IN 46204  
Attention: Director, Regulatory Affairs

With a copy to:

Indianapolis Power & Light Company  
One Monument Circle  
Indianapolis, IN 46204  
Attention: Office of the General Counsel

If notice or other transmittal is to Participant:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_



IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the Effective Date first above written.

**Indianapolis Power & Light Company**  
**("Company")**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Execution Date: \_\_\_\_\_

\_\_\_\_\_  
**("Participant")**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Execution Date: \_\_\_\_\_

**EXHIBIT 1**

**EMERGENCY DEMAND RESPONSE AGREEMENT**

Participant Information:

<b>Participant Name:</b>		
<b>Participant Location</b> Street Address	City	State/Zip
<b>Account Number:</b>		

Effective Date

The first day of the month for which this monthly offer is valid is \_\_\_\_\_.

EDR Load

Participant's EDR Load shall be as follows:

Source	Quantity	
	Prior	Prospective
Firm Power Level		
Guaranteed Load Drop		
BTMG		

If using a BTMG, please identify the primary fuel source of the BTMG: \_\_\_\_\_

Day-Ahead Schedule Default Hourly Offer Parameters:

Hour (EST)	Energy Offer (\$/MWH)	Hourly Curtailment Offer (\$/Hr)	Targeted Demand Reduction Level (MW)	Energy Commitment Status
1				
2				
3				
4				
5				
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	Current	New
Number of Events Permitted per Day (Number/day)		
Specify Shutdown Amount (\$/shutdown)		
Specify Notification Time Required (Hours) (time must include 30 minutes for Company to provide notice to Participant from MISO)		
Minimum Reduction Megawatt value		
Maximum Reduction Megawatt value		
Minimum Reduction Time in Hours		
Maximum Reduction Time in Hours		
Reduction Notification Time in Hours		
Ending date of the offer		
Days of the week available		

Real-Time Schedule Default Hourly Offer Parameters:

Hour (EST)	Energy Offer (\$/MWH)	Hourly Curtailment Offer (\$/Hr)	Targeted Demand Reduction Level (MW)	Energy Commitment Status
1				
2				
3				
4				
5				
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	Current	New
Number of Events Permitted per Day (Number/day)		
Specify Shutdown Amount (\$/shutdown)		
Specify Notification Time Required (Hours) (time must include 30 minutes for Company to provide notice to Participant from MISO)		
Minimum Reduction Megawatt value		
Maximum Reduction Megawatt value		
Minimum Reduction Time in		

Hours		
Maximum Reduction Time in Hours		
Reduction Notification Time in Hours		
Ending date of the offer		
Days of the week available		

Submitted to Company this \_\_ day of \_\_\_\_\_ 20\_\_,

**("Participant")**

By:\_\_\_\_\_

Printed:\_\_\_\_\_

Title:\_\_\_\_\_

**EXHIBIT 2**

**EMERGENCY DEMAND RESPONSE AGREEMENT**

Participant Information:

<b><i>Participant Name:</i></b>		
<b><i>Participant Location</i></b> Street Address	City	State/Zip
<b><i>Account Number:</i></b>		

Participant Contact Information

If MISO accepts an Offer requiring a Participant Curtailment or BTMG operation, Participant identifies the following contact personnel with whom Company will communicate a Curtailment.

<b><i>Primary Contact</i></b> Name:	
Email:	Fax No.:
<b><i>Secondary Contact</i></b> Name:	
Email:	Fax No.:

Baseline Load

Participant's Baseline Load is as follows: \_\_\_\_\_

Company Installed Equipment:

The following additional software, metering or other equipment will be installed by the Company. Participant shall reimburse Company for all actual costs, which may vary from the estimated cost set forth below:

<i>Equipment</i>	<i>Estimated Cost</i>

Accepted:

**Indianapolis Power & Light Company**  
**("Company")**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
**("Participant")**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

## DEMAND RESPONSE RESOURCE TYPE 1 AGREEMENT

**THIS DEMAND RESPONSE RESOURCE TYPE 1 ("DRR-1") AGREEMENT** ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ ("Effective Date"), by and between Indianapolis Power & Light Company, an Indiana corporation with its principal office located at One Monument Circle, Indianapolis, Indiana 46204 ("Company"), and, \_\_\_\_\_ ("Participant"). Company and Participant are hereinafter sometimes referred to individually as "Party" or collectively as "Parties".

### WITNESSETH:

**WHEREAS**, Participant is capable of supplying a fixed, pre-specified quantity of energy through physical load reduction when instructed by the Midwest Independent Transmission System Operator, Inc. ("MISO"); and

**WHEREAS**, Participant is willing to commit, in advance, to reduce its load when MISO instructs; and

**WHEREAS**, Company is willing to offer Participant's load reduction into MISO as a Demand Response Resource Type 1 ("DRR-1") into the MISO market and return to Participant a portion of MISO's payments for the DRR-1 in accordance with the terms of this Agreement.

**NOW, THEREFORE**, in consideration thereof, Participant and Company agree as follows:

**1. Definitions.** For purposes of this Agreement, the following terms shall have the meaning set forth:

Behind the Meter Generation ("BTMG")

A generator operated by the Participant that is capable of reducing the load Participant requires from Company. A Participant must certify, in writing, that (1) it holds all necessary permits; (2) it possesses the necessary rights to operate the unit; (3) the BTMG is not a Network Resource pursuant to MISO's FERC approved tariff; and (4) if the resource is historically operated during non-emergency conditions, that the DRR-1 Load is the increase in output that produces the demand reduction.

Curtailment:

A reduction of Participant's Consumption Baseline equal to the DRR-1 Load as instructed by MISO.

Consumption Baseline

The Participant's actual usage as defined or accepted by MISO from time-to-time.

Curtailment Period

A period of time chosen by the Participant and included in its offer parameters during which the Participant makes available its load for curtailment.

DRR-1 Load

Exhibit 3



The quantity of Participant's load provided by the Company that the Participant commits to reduce if instructed by MISO.

IURC

The Indiana Utility Regulatory Commission.

MISO

The Midwest Independent Transmission System Operator, Inc.

**2. Application.** It is understood and agreed that this Agreement applies only to the operation of Participant's location at \_\_\_\_\_ (the "Participant's Location").

**3. Load Reduction.** Participant shall designate a fixed DRR-1 Load to be achieved through (i) a Firm Power Level, (ii) a Guaranteed Load Drop, or (iii) BTMG identified in Exhibit 1. Under either election, the Participant shall authorize Company to offer the DRR-1 Load into the MISO in accordance with Section 4 below. The DRR-1 Load shall be identified in Exhibit 1. Participant's DRR-1 Load shall not be committed to any other load curtailment program offered by Company, MISO or any other entity. The Participant assumes all responsibility for ensuring the DRR-1 Load complies with all of the minimum performance criteria specified by MISO in its Business Practices Manual ("BPM"), Schedule 30 of the MISO Open Access Transmission Tariff, or successor MISO criteria. The Parties shall cooperate as necessary to ensure the DRR-1 Load complies with MISO performance criteria. If Customer desires only one Curtailment per day then Customer should set offer parameters including Minimum Interruption Duration, Maximum Interruption Duration, and Minimum Non-Interruption Interval to appropriate values. Customer shall be subject to testing and metering requirements of the MISO for DRR Type 1 resources, as this term is defined by MISO, as specified in the applicable BPM.

**4. DRR-1 Load Offer.** The Company will offer the DRR-1 Load into the MISO market at the price set forth in Exhibit 1 (hereafter the "Offer") upon Participant's submission of Exhibit 1 in accordance with Section 5 below. Participant will not be contacted prior to Company making the Offer to the MISO market. Participant may limit the number of events per day in Exhibit 1 and Company will limit offers to that number. Company is not responsible for MISO's decision to accept or reject an offer made in accordance with this Agreement. When first registered, a default offer will be established by the Participant in Exhibit 1 which will remain valid until updated or declared unavailable by the Participant by providing notice in accordance with Section 5 below. Participant may update its Offer with the Company daily, provided that such updates are provided in accordance with Section 5 below by 9:00 A.M. Eastern Standard Time the day prior to the day the status is to be effective. All Offers are applicable to every day noted in Exhibit 1. Default offers will not be made by the Company until the Participant's BTMG has been certified by MISO.

**5. DRR-1 Load Status.** Customer may update its participation status ("Participating" or "Not Participating") daily through notice to Company. Status updates must be received by 8:30 A.M. Eastern Standard Time. Customers must specify a "Not Participating" status if load reduction is unavailable due to a forced or planned outage/shutdown or other physical operating restriction. Other offer parameters, including the Offer, may be updated daily through notice to Company pursuant to Exhibit 1. Status updates must be received by 8:30 A.M. Eastern Standard Time the day prior to the day the status or parameter change will be effective. Customer shall pay \$100 for each additional change, which shall be included on the Customer's monthly bill and will first be netted against any Settlement. All changes are subject to MISO limitations and will not permanently update the Customer's default offer unless specified by Customer. Customer is responsible for meeting all offer obligations when the offer is cleared.

**6. Customer Offer Parameters.** Customer may specify temporary or permanent changes to its default offer parameters for each hour as specified in the relevant BPM. All costs are subject to MISO specified limits and MISO independent market monitor review. Company reserves the right to review daily offers and reject Customer proposed changes if offers contain errors or may create reliability

concerns. All updates must be received by 8:30 A.M. Eastern Standard Time the day prior to the day the status or parameter change will be effective.

**7. Curtailment.** If MISO accepts the Offer, the Company will inform Participant's designated representatives in accordance with the order and method of communicating in Exhibit 2 within 30 minutes of receiving the dispatch instructions from MISO. Company will utilize email as the primary means to notify Customer of events and to process Customer participation updates. In the event email is not effective or Company receives a notice of failure of its email to the Customer, Company shall fax notice to the Customer. Customers will be responsible for providing their own Internet access. Participant assumes all responsibility for monitoring the methods of communication outlined in Exhibit 2 and Company shall have no responsibility for MISO penalties incurred due to Participant's failure to implement a Curtailment provided the Company has provided notice to Participant of acceptance of the Offer in accordance with Exhibit 2.

**8. Settlements.** The Company will remit to Participant the net proceeds from participating in this Agreement (the "Settlement") within 30 days after the final settlement and payment by MISO as a result of MISO's acceptance of the Offer less (i) 10%, which amount shall be retained by Company, and (ii) the retail rate for the energy not consumed by the Participant due to the Curtailment. The 10% retained by the Company shall be reduced by the amount of any Registration, Modification or Additional day-ahead bid entry fees paid by Participant to Company. The initial bill credit will reflect settlements between the Company and MISO through the most recent weekly net settlement invoice prior to the regular monthly bill. A true-up shall take place on the bill following any additional settlement from MISO. The Settlement will appear as a credit on Participant's bill from Company.

**9. Penalties.** Participant shall reimburse Company for any MISO penalties incurred by Company plus \$500 resulting from Participant's failure to curtail its DRR-1 Load (i) within the prescribed notice time, (ii) for the prescribed duration or (iii) in accordance with other MISO parameters. Participant shall also forfeit and return any Settlement paid pursuant to Section 8 above for DRR-1 Load that was not curtailed (i) within the prescribed notice time, (ii) for the prescribed duration or (iii) in accordance with other MISO parameters.

**10. Tariff.** This Agreement is entered into subject to the terms of Company's Rates, Rules and Regulations for Electric Service, I.U.R.C. No. E-16, and any successor electric tariff, as filed with the IURC and as amended from time to time ("Tariff"), including without limitation Standard Contract Rider No. 23.

**11. Registration Requirements.** Participant shall provide any information required by MISO in addition to the information included in Exhibits 1 and 2.

**12. Participant Required Equipment.** Participant shall be solely responsible for the cost of purchasing and installing any additional software, metering or other equipment necessary to enable participation in this Agreement. Company may, upon request of Participant and at Participant's expense, install any software, meter or equipment necessary. The software, metering and equipment the Parties have agreed the Company will install at the Participant's expense is set forth in Exhibit 2.

**13. Interruption in Participant's Service.** Any interruptions or reductions in electric service caused by outages of Company's facilities, other than as provided under this Agreement will not be deemed a Curtailment under this Agreement unless MISO pays Company for the Curtailment. This Agreement shall not be construed as any promise or warranty by Company to provide continuous or uninterrupted power to Participant.

**14. Participant Maintenance.** Participant must inform Company of any plant maintenance that will significantly change the Consumption Baseline. DRR-1 offers are not permitted for curtailments planned or unplanned for any reason other than notification by Company of a cleared DRR-1 offer.

**15. Failure to Perform.** Company may terminate this Agreement with Participant if (i) MISO refuses to accept the DRR-1 Load for failure to perform or otherwise comply with applicable MISO requirements; (ii) Participant refuses to cooperate in registering the DRR-1 Load with MISO; or (iii) Participant's failure to perform causes a reliability concern on Company's distribution or transmission system. The Company may suspend performance during a period in which Participant fails to pay penalties in accordance with Section 9 above.

**Effective Term and Termination Rights.** This Agreement shall become effective after execution by both Parties and receipt of a fully completed Exhibits 1 and 2. The term of this Agreement shall be 1 year.

**17. Assignment.** Neither Party shall assign this Agreement or any portion thereof without the prior written consent of the other Party, and any attempted assignment or transfer without such written consent shall be of no force or effect. As to any permitted assignment: (a) reasonable prior notice of any such assignment shall be given to the other Party; and (b) any assignee shall expressly assume the assignor's obligations hereunder, unless otherwise agreed to by the other Party in writing.

**18. Termination of Any Applicable Existing Agreement.** From and after the date when service commences under this Agreement, this Agreement shall supersede any oral and/or written agreement or understanding between Company and Participant concerning the service covered by this Agreement and any such agreement or understanding shall be deemed to be terminated as of the date service commences under this Agreement.

**19. Force Majeure.** For purposes of this Agreement, the term "Force Majeure" means any cause or event not reasonably within the control of the Party claiming Force Majeure, including, but not limited to, the following: acts of God, strikes, lockouts, or other industrial disturbances; acts of public enemies; orders or permits or the absence of the necessary orders or permits of any kind which have been properly applied for from the government of the United States, the State of Indiana, any political subdivision or municipal subdivision or any of their departments, agencies or officials, or any civil or military authority; unavailability of a fuel or resource used in connection with the generation of electricity; extraordinary delay in transportation; unforeseen soil conditions; equipment, material, supplies, labor or machinery shortages; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; drought; arrest; war; civil disturbances; explosions; breakage or accident to machinery, transmission lines, pipes or canals; partial or entire failure of utilities; breach of contract by any supplier, contractor, subcontractor, laborer or materialman; sabotage; injunction; blight; famine; blockade; or quarantine.

If either Party is rendered wholly or partly unable to perform its obligations under this Agreement because of Force Majeure, both Parties shall be excused from whatever obligations under this Agreement are affected by the Force Majeure (other than the obligation to pay money) and shall not be liable or responsible for any delay in the performance of, or the inability to perform, any such obligations for so long as the Force Majeure continues. The Party suffering an occurrence of Force Majeure shall, as soon as is reasonably possible after such occurrence, give the other Party written notice describing the particulars of the occurrence and shall use commercially reasonable efforts to remedy its inability to perform; provided, however, that the settlement of any strike, walkout, lockout or other labor dispute shall be entirely within the discretion of the Party involved in such labor dispute.

**20. Disputes.** In the event of a dispute between the Parties arising out of or relating to this Agreement, such dispute shall be submitted within twenty (20) days of written notice, to a management panel composed of representatives of the respective Parties for informal dispute resolution or settlement prior to the institution of any other dispute resolution process. Should the informal dispute resolution process described herein be unsuccessful, the Parties agree that no written or oral representations made during the course of the attempted dispute resolution shall constitute a Party's admission or waiver and that each Party may pursue any other legal or equitable remedy it may have available to it. The Parties agree that the existence of any dispute or the institution of any dispute resolution process (either formal or informal) shall not delay the performance of each Party's undisputed responsibilities under this Agreement.

**21. Notices.** Except for notices required by Section 7 and as otherwise provided in this Agreement, any notice, request, consent, demand, or statement which is contemplated to be made upon either Party hereto by the other Party hereto under any of the provisions of this Agreement, shall be in writing and sent by certified mail with a return receipt requested or via overnight courier with tracking capability to the address set forth below:

If notice or other transmittal (other than payment of invoices) is to Company:

Indianapolis Power & Light Company  
One Monument Circle  
Indianapolis, IN 46204  
Attention: Director, Regulatory Affairs

With a copy to:

Indianapolis Power & Light Company  
One Monument Circle  
Indianapolis, IN 46204  
Attention: Office of the General Counsel

If notice or other transmittal is to Participant:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

**IN WITNESS WHEREOF**, the Parties have executed this Agreement, effective as of the Effective Date first above written.

**Indianapolis Power & Light Company**  
**("Company")**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Execution Date: \_\_\_\_\_

\_\_\_\_\_  
**("Participant")**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Execution Date: \_\_\_\_\_

## EXHIBIT 1

### DEMAND RESPONSE RESOURCE TYPE 1 AGREEMENT

#### Participant Information:

<b>Participant Name:</b>		
<b>Participant Location</b> Street Address	City	State/Zip
<b>Account Number:</b>		

#### Effective Date

The first day of the month for which this monthly offer is valid is \_\_\_\_\_.

#### DRR-1 Load

Participant's DRR Type 1 Load shall be as follows:

Source	Quantity	
	Prior	Prospective
Firm Power Level		
Guaranteed Load Drop		
BTMG		

If using a BTMG, please identify the primary fuel source of the BTMG: \_\_\_\_\_

#### Day-Ahead Schedule Default Hourly Offer Parameters:

Hour (EST)	Energy Offer (\$/MWH)	Hourly Curtailment Offer (\$/Hr)	Targeted Demand Reduction Level (MW)	Energy Commitment Status
1				
2				
3				
4				
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23				
24				

	Current	New
Number of Events Permitted per Day (Number/day)		
Specify Shutdown Amount (\$/shutdown)		
Specify Notification Time Required (Hours) (time must include 30 minutes for Company to provide notice to Participant from MISO)		
Minimum Reduction Megawatt value		
Maximum Reduction Megawatt value		
Minimum Reduction Time in Hours		
Maximum Reduction Time in Hours		
Reduction Notification Time in Hours		
Ending date of the offer		
Days of the week available		

Real-Time Schedule Default Hourly Offer Parameters:

Hour (EST)	Energy Offer (\$/MWH)	Hourly Curtailment Offer (\$/Hr)	Targeted Demand Reduction Level (MW)	Energy Commitment Status
1				
2				
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23				
24				

	Current	New
Number of Events Permitted per Day (Number/day)		
Specify Shutdown Amount (\$/shutdown)		
Specify Notification Time Required (Hours) (time must include 30 minutes for Company to provide notice to Participant from MISO)		
Minimum Reduction Megawatt value		
Maximum Reduction Megawatt value		

Minimum Reduction Time in Hours		
Maximum Reduction Time in Hours		
Reduction Notification Time in Hours		
Ending date of the offer		
Days of the week available		

Submitted to Company this \_\_ day of \_\_\_\_\_ 20\_\_,

**("Participant")**

By:\_\_\_\_\_

Printed:\_\_\_\_\_

Title:\_\_\_\_\_



**EXHIBIT 2**

**DEMAND RESPONSE RESOURCE TYPE 1 AGREEMENT**

Participant Information:

<b>Participant Name:</b>		
<b>Participant Location</b> Street Address	City	State/Zip
<b>Account Number:</b>		

Participant Contact Information

If MISO accepts an Offer requiring a Participant Curtailment, Participant identifies the following contact personnel with whom Company will communicate a Curtailment.

<b>Primary Contact</b> Name:	
Email:	Fax No.:
<b>Secondary Contact</b> Name:	
Email:	Fax No.:

Baseline Load

Participant's Baseline Load is as follows: \_\_\_\_\_

Company Installed Equipment:

The following additional software, metering or other equipment will be installed by the Company. Participant shall reimburse Company for all actual costs, which may vary from the estimated cost set forth below:

<i>Equipment</i>	<i>Estimated Cost</i>

Accepted:

**Indianapolis Power & Light Company**  
**("Company")**

By:\_\_\_\_\_

Printed:\_\_\_\_\_

Title:\_\_\_\_\_

\_\_\_\_\_  
**("Participant")**

By:\_\_\_\_\_

Printed:\_\_\_\_\_

Title:\_\_\_\_\_