

STATE OF INDIANA

FILED

INDIANA UTILITY REGULATORY COMMISSION

March 22, 2018

PETITION OF INDIANAPOLIS POWER & LIGHT COMPANY )  
("IPL") FOR (1) AUTHORITY TO INCREASE RATES AND )  
CHARGES FOR ELECTRIC UTILITY SERVICE, (2) )  
APPROVAL OF REVISED DEPRECIATION RATES, )  
ACCOUNTING RELIEF, INCLUDING UPDATE OF THE )  
MAJOR STORM DAMAGE RESTORATION RESERVE )  
ACCOUNT, APPROVAL OF A VEGETATION )  
MANAGEMENT RESERVE ACCOUNT, INCLUSION IN )  
BASIC RATES AND CHARGES OF THE COSTS OF CERTAIN )  
PREVIOUSLY APPROVED PROJECTS, INCLUDING THE )  
EAGLE VALLEY COMBINED CYCLE GAS TURBINE, THE )  
NATIONAL POLLUTION DISCHARGE ELIMINATION )  
SYSTEM AND COAL COMBUSTION RESIDUALS )  
COMPLIANCE PROJECTS, RATE ADJUSTMENT )  
MECHANISM PROPOSALS, COST DEFERRALS, )  
AMORTIZATIONS, AND (3) APPROVAL OF NEW )  
SCHEDULES OF RATES, RULES AND REGULATIONS FOR )  
SERVICE. )

INDIANA UTILITY  
REGULATORY COMMISSION

CAUSE NO. 45029

PETITIONER'S THIRD MONTHLY INVESTMENT UPDATE

In accordance with 170 I.A.C. 1-5-5(5)(D) of the Commission's Rules on Minimum Standard Filing Requirements, Petitioner Indianapolis Power & Light Company, submits herewith its third monthly investment update regarding the major projects identified in Petitioner's case-in-chief.

Respectfully submitted,



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Teresa Morton Nyhart (No. 14044-49)

Nicholas K. Kile (No. 15203-53)

Jeffrey M. Peabody (No. 28000-53)

Barnes & Thornburg LLP

11 S. Meridian Street

Indianapolis, IN 46204

Nyhart Phone: (317) 231-7716

Kile Phone: (317) 231-7768

Peabody Phone: (317) 231-6465

Fax: (317) 231-7433

Email: tnyhart@btlaw.com

nicholas.kile@btlaw.com

jpeabody@btlaw.com

Attorneys for Petitioner Indianapolis Power & Light  
Company

## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing has been served, this 22nd day of March, 2018, by electronic mail, hand-delivery, or U.S. Postal Service, First Class mail, to:

Randall C. Helmen  
Jeffrey M. Reed  
Scott Franson  
Indiana Office of Utility Consumer Counselor  
Suite 1500 South, 115 W. Washington St.  
Indianapolis, Indiana 46204  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)  
[rhelmen@oucc.in.gov](mailto:rhelmen@oucc.in.gov)  
[jreed@oucc.in.gov](mailto:jreed@oucc.in.gov)  
[sfranson@oucc.in.gov](mailto:sfranson@oucc.in.gov)

Bette J. Dodd  
Joseph P. Rompala  
Anne E. Becker  
Tabitha L. Balzer  
Lewis & Kappes, P.C.  
One American Square, Suite 2500  
Indianapolis, Indiana 46282  
[bdodd@lewis-kappes.com](mailto:bdodd@lewis-kappes.com)  
[JRompala@lewis-kappes.com](mailto:JRompala@lewis-kappes.com)  
[abecker@lewis-kappes.com](mailto:abecker@lewis-kappes.com)  
[TBalzer@lewis-kappes.com](mailto:TBalzer@lewis-kappes.com)

Courtesy copy to:

[ATyler@lewis-kappes.com](mailto:ATyler@lewis-kappes.com)  
[ETennant@lewis-kappes.com](mailto:ETennant@lewis-kappes.com)

Jennifer A. Washburn  
Margo Tucker  
Citizens Action Coalition of Indiana, Inc.  
1915 W. 18th Street, Suite C  
Indianapolis, Indiana 46202  
[jwashburn@citact.org](mailto:jwashburn@citact.org)  
[mtucker@citact.org](mailto:mtucker@citact.org)

Kurt J. Boehm, Esq.  
Jody Kyler Cohn, Esq.  
Boehm, Kurtz & Lowry  
36 East Seventh Street, Suite 1510  
Cincinnati, Ohio 45202  
[KBoehm@BKLawfirm.com](mailto:KBoehm@BKLawfirm.com)  
[JKylerCohn@BKLawfirm.com](mailto:JKylerCohn@BKLawfirm.com)

John P. Cook, Esq.  
John P. Cook & Associates  
900 W. Jefferson Street  
Franklin, Indiana 46131  
[john.cookassociates@earthlink.net](mailto:john.cookassociates@earthlink.net)

Kevin Higgins  
Energy Strategies, LLC  
Parkside Towers  
215 South State Street, Suite 200  
Salt Lake City, Utah 84111  
[khiggins@energystrat.com](mailto:khiggins@energystrat.com)

Eric E. Kinder  
Lara R. Brandfass  
SPILMAN THOMAS & BATTLE, PLLC  
300 Kanawha Boulevard, East  
P. O. Box 273  
Charleston, WV 25321  
[ekinder@spilmanlaw.com](mailto:ekinder@spilmanlaw.com)  
[lbrandfass@spilmanlaw.com](mailto:lbrandfass@spilmanlaw.com)

Nikki G. Shoultz  
Kristina Kern Wheeler  
Bose McKinney & Evans LLP  
111 Monument Circle, Suite 2700  
Indianapolis, Indiana 46204  
[nshoultz@boselaw.com](mailto:nshoultz@boselaw.com)  
[kwheeler@boselaw.com](mailto:kwheeler@boselaw.com)

Barry A. Naum  
SPILMAN THOMAS & BATTLE, PLLC  
1100 Bent Creek Boulevard, Suite 101  
Mechanicsburg, PA 17050  
[bnaum@spilmanlaw.com](mailto:bnaum@spilmanlaw.com)



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Jeffrey M. Peabody

Teresa Morton Nyhart (No. 14044-49)  
Nicholas K. Kile (No. 15203-53)  
Jeffrey M. Peabody (No. 28000-53)  
Barnes & Thornburg LLP  
11 S. Meridian Street  
Indianapolis, IN 46204  
Nyhart Phone: (317) 231-7716  
Kile Phone: (317) 231-7768  
Peabody Phone: (317) 231-6465  
Fax: (317) 231-7433  
Nyhart email: [tnyhart@btlaw.com](mailto:tnyhart@btlaw.com)  
Kile email: [nicholas.kile@btlaw.com](mailto:nicholas.kile@btlaw.com)  
Peabody email: [jpeabody@btlaw.com](mailto:jpeabody@btlaw.com)

Attorneys for Petitioner  
INDIANAPOLIS POWER & LIGHT COMPANY

**INDIANAPOLIS POWER & LIGHT COMPANY**  
**Project Cost Update for Eagle Valley Combined Cycle Gas Turbine (1)**  
**(Thousands of Dollars)**

Line No.	Description	Schedule RB-4 Total Projected Project Costs (Col. 1)	Actual Project Costs (as of 02/28/2018) (Col. 2)	Line No.
<b><u>Construction Costs:</u></b>				
1	Intangible plant	\$ -		1
2	Systems software	-		2
3	Production plant	565,552		3
4	Transmission plant	46,475		4
5	Distribution plant	673		5
6	General plant	-		6
7	Total (2)	612,700	590,868	7
<b><u>Additional Rate Base Items:</u></b>				
8	AFUDC	99,850	98,492	8
9	Capital spare parts (3)	2,012	2,012	9
10	Net projected and actual totals	<u>\$ 714,562</u>	<u>\$ 691,373</u>	10

(1) The IURC issued a CPCN for the CCGT in Cause No. 44339. The Company's Semi-Annual Progress Reports on this Project are filed in Cause No. 44339, report progress through September 30, 2017, and are available via the IURC's electronic docket.

(2) Total projected construction cost of \$612.7 million is consistent with the certificate of public convenience and necessity issued by the IURC in May 2014. Actual cost classification will not be known until the project is unitized after completion. As such, Actual Project Construction costs are reported in total (Column 2).

(3) This equipment was purchased in accordance with the long term service agreement ("LTSA") and was included in construction work in progress at June 30, 2017. In accordance with generally accepted accounting principles, it will be moved to Utility Plant in Service when the CCGT is completed.

**INDIANAPOLIS POWER & LIGHT COMPANY**  
**Project Cost Update for IURC Approved Environmental Compliance Projects**  
**(Thousands of Dollars)**

Line No.	Description	Schedule RB-4 Total Projected Project Costs			Actual Project Costs As of 02/28/2018			Line No.
		NPDES (1) (Col. 1)	CCR (Col. 2)	All Projects (Col. 3)	NPDES (1) (Col. 4)	CCR (Col. 5)	All Projects (Col. 6)	
	<b>Construction Costs:</b>							
1	Intangible plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1
2	Systems software	-	-	-	-	-	-	2
3	Production plant	257,490	46,760	304,250	251,161	46,387	297,548	3
4	Transmission plant	-	-	-	-	-	-	4
5	Distribution plant	-	-	-	-	-	-	5
6	General plant	-	30	30	49	32	81	6
7	Total construction costs	257,490	46,790	304,280	251,210	46,419	297,629	7
8	Less: In-service plant per books as of June 30, 2017 (2)	5,987	-	5,987	5,987	-	5,987	8
9	Net construction costs	251,503	46,790	298,293	245,223	46,419	291,642	9
	<b>Additional Rate Base Item:</b>							
10	AFUDC	10,037	2,795	12,832	9,692	2,716	12,408	10
11	Net additions to plant	<u>\$ 261,540</u>	<u>\$ 49,585</u>		<u>\$ 254,916</u>	<u>\$ 49,135</u>		11
12	Pro forma net addition to plant in service			<u>\$ 311,125</u>			<u>\$ 304,050</u>	12

(1) Excludes the Harding Street Unit 7 refuel project, which is already included in utility plant in service on Schedule RB3.

(2) This plant is in Lines 1 through 7 above, but is already included in utility plant in service on Schedule RB3.

Note: As described in testimony by IPL Witness Scott, the overall NPDES project was completed on September 30, 2017 and the CCR compliance project concerning the bottom ash dewatering system installed at Petersburg Station was completed on September 8, 2017.