

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE CITY OF RICHMOND,)
INDIANA, BY AND THROUGH ITS)
MUNICIPAL ELECTRIC UTILITY,)
RICHMOND POWER AND LIGHT, FOR)
APPROVAL OF A NEW SCHEDULE OF)
RATES AND CHARGES FOR ELECTRIC)
SERVICE AND FOR APPROVAL TO MODIFY)
ITS ENERGY COST ADJUSTMENT)
PROCEDURES)

CAUSE NO. 45361

PRE-FILED VERIFIED DIRECT TESTIMONY OF
RANDALL W. BAKER
AND ATTACHMENTS RWB-1 THROUGH RWB-5
ON BEHALF OF PETITIONER
RICHMOND POWER & LIGHT

PETITIONER'S EXHIBIT 1

March 25, 2020

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I. INTRODUCTION

Q1. PLEASE STATE YOUR NAME AND ON WHOSE BEHALF YOU ARE TESTIFYING?

A. My name is Randall W. Baker, and I am testifying on behalf of the Petitioner, Richmond Power & Light (“RP&L” or the “Utility”), which is the electric utility owned and operated by the City of Richmond, Indiana (“Richmond”).

Q2. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am the Chief Executive Officer (“CEO”) and General Manager of RP&L. My business address is 2000 U.S. Highway 27 South, Richmond, IN 47374.

Q3. PLEASE DESCRIBE BRIEFLY YOUR DUTIES AS GENERAL MANAGER AND CEO.

A. I am responsible for the planning, execution and review of the operations and other activities of the utility. I oversee all aspects of regulatory compliance, customer relations and RP&L’s financial decisions. I am also responsible for implementing the policies and decisions of the Richmond Common Council, which serves as the board of directors (Utility Service Board) of RP&L.

Q4. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND.

A. I graduated from Florida Beacon College in 1991 with a bachelor's degree in general studies and also received an MBA from Anderson University in 2003. I also have two years of studies in Computer Science at Indiana University East. I have been General Manager and CEO of RP&L since 2015. I came to RP&L in 1999 as an information technology consultant, became the Information Technology Manager in 2000, and then served RP&L as Corporate Services

1 Director beginning in 2008. I also have previously worked as an information technology
2 consultant and programmer for the State of Indiana, as well as for Proctor and Gamble, the
3 National Institutes of Health, and others in the private sector. I have been in the electric utility
4 business for over twenty years.

5 **Q5. PLEASE INDICATE ANY POSITIONS OR AFFILIATIONS YOU HOLD.**

6 A. I am the City of Richmond's Commissioner on the Indiana Municipal Power Agency ("IMPA"
7 or "Agency") Board of Commissioners. I also serve on the Wayne County Area Chamber of
8 Commerce's Issues and Advocacy Committee.

9 **Q6. HAVE YOU TESTIFIED BEFORE THE COMMISSION IN THE PAST?**

10 A. No.

11 **Q7. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12 A. The purpose of my testimony is to provide background and support for RP&L's request to
13 implement a new schedule of rates and charges for electric service, which will be restructured,
14 based on an updated cost-of-service study to better reflect the current cost-of-service by
15 customer class. I also provide background for RP&L's request to change the current method
16 for periodic adjustments to RP&L's rates to track RP&L's incremental cost of purchased power
17 and energy from the Indiana Municipal Power Agency ("IMPA") through RP&L's Energy
18 Charge Adjustment ("ECA"). I am also sponsoring books and records of RP&L, which present
19 the financial condition and results of operations for the test period ending September 30, 2019.

20 **Q8. WHAT EXHIBITS AND ATTACHMENTS ARE YOU SPONSORING IN THIS**
21 **CAUSE?**

22 A. I am sponsoring the following exhibits and attachments:

- 1 • Exhibit 5 – The Minimum Standard Filing Requirements (“MSFR”) as listed under
- 2 my name in Attachment RWB-1.
- 3 • Attachment RWB-1 – Indices of Witnesses and Testimony Topics and Exhibits
- 4 and Attachments by Witness
- 5 • Attachment RWB-2 – Verified Petition
- 6 • Attachment RWB-3 – IMPA and RP&L Power Sales Contract, including 1st and
- 7 2nd Amendments
- 8 • Attachment RWB-4 – RP&L’s 2018 Annual Report
- 9 • Attachment RWB-5 - Richmond’s Utility Service Board Resolution 01-2020 and
- 10 the Common Council’s Ordinance 11-2020
- 11 • Attachment RWB-6 – RP&L’s Seven-Year Capital Plan from 2018-2025
- 12 • Attachment RWB-7 – Customer Bill Insert Notification of Rate Case Filing
- 13 • Attachment RWB-8 – Legal Notice of Rate Case Filing
- 14 • Attachment RWB-9 - Notice of Intent to File a Rate Case in Accordance with
- 15 IURC GAO 2013-5
- 16 • Attachment RWB- 10 – IMPA and RP&L Amended and Restated Capacity
- 17 Purchase Agreement
- 18 • Attachment RWB-11 - GAI Consultants 2019 Plant Closure Estimate Report

19 **Q9. WERE THESE ATTACHMENTS PREPARED BY YOU OR UNDER YOUR**
20 **SUPERVISION?**

21 A. Yes.

22 **Q10. PLEASE PROVIDE AN OVERVIEW OF THE TESTIMONY RP&L IS OFFERING**
23 **IN SUPPORT OF ITS PETITION.**

1 A. Attachment RWB-1 includes an index of RP&L's witnesses, along with the major topic
2 covered in the testimony of each respective witness, and well as an index which cross-
3 references the exhibits and attachments from our case-in-chief.

4 **Q11. WHAT HAS BEEN MARKED AS ATTACHMENT RWB-2?**

5 A. Attachment RWB-2 is a copy of the Verified Petition filed with the Commission in this Cause.

6 **II. CURRENT UTILITY OPERATIONS**

7 **Q12. BRIEFLY DESCRIBE RP&L'S OPERATIONS.**

8 A. RP&L is a municipal electric utility owned and operated by the City of Richmond, Indiana.
9 RP&L's system includes electric sub-transmission, distribution, substation and power
10 production facilities, including coal-fired electric generating plants at the Whitewater Valley
11 Station ("WWVS"). RP&L presently services approximately 21,029 customers in and around
12 Richmond and Wayne County. The Utility purchases all of its power and energy requirements
13 from IMPA pursuant to the terms of a Power Sales Contract (Attachment RWB-3). Since its
14 inception in 1902, RP&L has provided low electric rates, reliable power, and exceptional
15 customer service to its customers and the community. RP&L has received multiple awards,
16 including the American Public Power Association's ("APPA's") Scattergood Award for
17 outstanding system achievement, the Community Service Award and the Golden Tree Award.
18 RP&L has also received an award from the Indian Urban Forest Council and has been certified
19 by the National Arbor Day Foundation as a Tree Line USA utility since 2000. Every year from
20 2006 to present, RP&L has received APPA's Reliability for Public Power ("RP₃") award for
21 its dedication to reliability, safety, workforce development and system improvement.

22 **Q13. WHEN WERE CURRENT BASE RATES ESTABLISHED?**

1 A. RP&L's base rates have not increased since its last rate case order 15 years ago in Cause No.
2 42713. In that 2004 case, RP&L proposed a base rate increase of 7.85%. Subsequently, RP&L
3 entered into a settlement agreement with the Indiana Office of the Utility Consumer Counselor
4 ("OUCC"), upon which the Indiana Utility Regulatory Commission ("Commission") approved
5 a revenue increase of 6.5% in a Final Order issued February 9, 2005. I have noticed that across
6 the industry, many utilities are revising base rates much more frequently than RP&L.

7 **Q14. WHAT IS RP&L'S CURRENT FINANCIAL STATUS?**

8 A. RP&L's 2018 Annual Report (Attachment RWB-4) indicates that the Utility's Net Income has
9 been negative for the last three years, while Total Electric Sales are trending downward.
10 Therefore, higher operational costs are spread over a smaller customer base. Petitioner's
11 Exhibit 5 includes RP&L's Balance Sheet as of September 30, 2019, and RP&L's Statement
12 of Net Income for the twelve (12) month period ended September 30, 2019.

13 **Q15. IN WHAT WAYS HAS THE UTILITY WORKED TO CUT COSTS SINCE THE**
14 **LAST RATE CASE?**

15 A. During that time period RP&L has lowered its employee count from 151 to 95. While 25 of
16 those employees were hired by IMPA,¹ the remaining downsizing took place through attrition
17 and technology changes that automated many of our business, billing, monitoring, testing and
18 information services processes. Also, since 2016 we have been slowly and strategically
19 deploying new advanced metering infrastructure ("AMI") meters, so that the cost of that
20 deployment was spread over a number of years. During that time, we have had two-meter
21 readers/technologists leave the utility. We have no plans to replace those positions.

¹ For a more explanation of operational changes at WWVS since RP&L's last rate case, please see Section VI below.

1 **Q16. WERE THE BALANCE SHEET AND STATEMENT OF NET INCOME DERIVED**
2 **FROM THE BOOKS AND RECORDS OF THE UTILITY, WITHOUT**
3 **ADJUSTMENT?**

4 A. Yes, they were derived directly from RP&L's books and records, without adjustment.

5 **Q17. ARE RP&L'S BOOKS AND RECORDS KEPT IN ACCORDANCE WITH THE**
6 **UNIFORM SYSTEM OF ACCOUNTS AND GENERALLY ACCEPTED**
7 **ACCOUNTING PRINCIPLES?**

8 A. Yes, they are.

9 **Q18. IN YOUR OPINION, DO THE ATTACHMENTS THAT YOU ARE SPONSORING**
10 **REPRESENT, IN ALL MATERIAL RESPECTS, THE FINANCIAL CONDITION OF**
11 **RP&L AS OF SEPTEMBER 30, 2019 AND THE RESULTS OF THE OPERATIONS**
12 **FOR THE PERIOD THEN ENDED?**

13 A. In my opinion, yes they do.

14 **Q19. IN YOUR OPINION, ARE CURRENT RATES ADEQUATE TO PRODUCE AN**
15 **INCOME SUFFICIENT TO MAINTAIN THE UTILITY'S PROPERTY IN SOUND**
16 **PHYSICAL AND FINANCIAL CONDITION SO AS TO RENDER SAFE, ADEQUATE**
17 **AND RELIABLE SERVICE?**

18 A. No, despite the cost savings described above, the Utility is simply not bringing in enough
19 revenues to support its operations. It is my opinion, as well as the opinion of the Common
20 Council, that RP&L's current rates and charges are insufficient, and not "reasonable rates and
21 charges" within the meaning of the law. While RP&L practices routine maintenance on all
22 facilities and equipment, without a base rate increase, RP&L will not be able to continue to
23 render safe, adequate and reliable service to its customers in the long term.

1 **Q20. UPON WHAT INFORMATION DO YOU, THE UTILITY SERVICE BOARD AND**
2 **COMMON COUNCIL BASE THAT OPINION?**

3 A. RP&L engaged the services of NewGen Strategies and Solutions, LLC (“NewGen”), a
4 consulting firm specializing in utility cost of service rates, to perform a financial study of the
5 Utility’s revenue requirements under IC 8-1.5-3 for the test year ending September 30, 2019.
6 NewGen also prepared a cost-of-service study using the Utility’s *pro forma* revenues, expenses
7 and net original cost of plant in service during the test year.

8 **III. NEW RATE PROPOSAL**

9 **Q21. WERE THE FINANCIAL STUDY AND COST-OF-SERVICE STUDY**
10 **COMPLETED AND ACTED UPON?**

11 A. Yes. The results of the financial study and cost-of-service study are described in the direct
12 testimony and attachments of Laurie A. Tomczyk, Joseph A. Mancinelli and Andrew Reger.
13 The results of the studies were presented to the Utility Service Board and Common Council
14 (whose members are one and the same). Based on the results of the studies, and input from
15 RP&L’s management, the Board resolved to seek the Commission’s authority to increase base
16 rates and charges and to restructure the Utility’s rates and charges to more accurately reflect
17 cost-of-service. A certified copy of the Board’s resolution, Resolution 01-2020, and the
18 Common Council’s approval of the Board’s recommendation in Ordinance 11-2020, is
19 included as Attachment RWB-5.

20 **Q22. WHAT FINANCIAL POLICIES OF THE UTILITY HAVE IMPACTED THE**
21 **REVENUE REQUIREMENT?**

22 A. Of course, the Utility has several possible sources of capital, including financings, cash
23 generated through rates, cash reserves of the Utility, and capital provided by customers, such

1 as contributions in aid of construction. Richmond's Utility Service Board has advised me that
2 it is not in favor of RP&L entering into any new financing arrangements. While short- and
3 long-term financings have their pros and cons, if the USB and Council will not approve a
4 financial transaction, that source of capital is closed to us. Tapping into cash reserves, such as
5 the depreciation account, is likely insufficient to cover the revenue deficiency and is also not
6 a favored policy option. Contributions in aid of construction are, of course, customer specific
7 and for the benefit of only a subset of customers. That leaves RP&L with only one option—
8 to raise rates.

9 **Q23. HAVE YOU REVIEWED THE TESTIMONY AND ATTACHMENTS PRESENTED**
10 **BY THE WITNESSES FROM NEWGEN?**

11 A. Yes, I have.

12 **Q24. DO YOU HAVE AN OPINION AS TO WHETHER THE PROPOSED RATE**
13 **INCREASE IS REASONABLE?**

14 A. Yes, I believe NewGen's calculation of a Revenue Requirement of \$88,453,205, and proposed
15 9.58% rate increase is reasonable.

16 **Q25. UPON WHAT DO YOU BASE THIS OPINION?**

17 A. First, given that RP&L's last approved rate increase was 6.5% and occurred fifteen years ago,
18 I believe that a revenue increase of this magnitude is prudent and is within the range of
19 reasonableness. As a member of the Richmond community for many years, and as someone
20 who is in constant contact with our residential, commercial and industrial customers, I am well
21 aware that what is justifiable by the Utility from a dollar perspective may simply not be
22 affordable for some customers. Therefore, to mitigate the rate impacts to our customers, I also
23 instructed NewGen to modify its rate design from strict cost of service. As discussed in more

1 detail in NewGen's testimony, the rate design minimizes rate shock and eases the
2 implementation of new rates by spreading rate increases out in fairly consistent increases
3 averaging 2.9%, 3.3%, and 3.1% over the three-year phase-in period.

4 RP&L has also done a "sanity check" and compared its final rates at the end of
5 Phase 3, with the rates of surrounding utilities. Even after the proposed three-phase rate
6 increase is fully implemented (estimated to be in 2023), RP&L's rates will still compare
7 favorably to other utilities. Please see the testimony of Joseph A. Mancinelli (Petitioner's
8 Exhibit 3) for a detailed analysis.

9 **IV. CAPITAL IMPROVEMENT PLAN**

10 **Q26. HAS RP&L PRESENTED A CAPITAL IMPROVEMENT PLAN AS PART OF THIS**
11 **CASE?**

12 A. Yes. RP&L has developed a Seven-Year Capital Plan from 2018-2025 ("Capital Plan"). It is
13 included in my testimony as Attachment RWB-6.

14 **Q27. WHAT ARE THE MAJOR CAPITAL PROJECTS INCLUDED IN THAT PLAN?**

15 A. The Capital Plan includes objectives for each RP&L department, including: environmental
16 compliance, AMI, engineering department rebuilds and replacements for the distribution
17 system, and street lighting upgrades. The plan is a guideline, and will be revised to meet
18 specific needs as they occur during the seven-year period. Of course, RP&L must follow the
19 annual budget recommendations of the Utility Service Board, and thus the Capital Plan will be
20 revised as annual budgets change.

21 **Q28. WHY ARE CAPITAL IMPROVEMENTS AN IMPORTANT PART OF PROVIDING**
22 **RELIABLE ELECTRIC SERVICE?**

1 A. RP&L has aging utility infrastructure that requires refurbishment and replacement. Without
2 additional sources of revenue from rate increases, and a negative net income, the Utility cannot
3 afford to make improvements to its system that are necessary to provide reliable electric
4 service.

5 **Q29. HOW WAS THE CAPITAL PLAN INCLUDED IN THE REVENUE**
6 **REQUIREMENT?**

7 A. NewGen used the 2019 RP&L Budget and the 2020 RP&L Budget (included in Petitioner's
8 Exhibit 5) in developing the Revenue Requirement.

9 **Q30. HAS RP&L CONSIDERED A REQUEST FOR A TRANSMISSION AND**
10 **DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("TDSIC") TO FUND**
11 **SYSTEM IMPROVEMENTS?**

12 A. Yes, however, it is management's opinion that the TDSIC tracker process is not ideal for a
13 small municipal electric utility like RP&L. To our knowledge, no municipal electric utility
14 has ever used it. First, as a municipal utility, we do not have in-house experience developing
15 the seven-year plan that is required under a TDSIC tracker with the same detailed scope and
16 scale that investor-owned utilities provide. In addition, RP&L would have to file a separate
17 proceeding, incurring significant additional legal and consulting fees, and continue that
18 commitment every year in order file the required TDSIC annual updates. The total rate
19 recovery in a TDSIC plan would be much smaller for RP&L than for an investor-owned utility,
20 and simply didn't justify the expense. In addition, since TDSIC trackers and rate cases cannot
21 occur simultaneously, it was clear to RP&L that, given its financial condition, a base rate
22 increase should be its focus. Finally, while the Utility could choose to file a TDSIC petition
23 at some point, we felt that at present, adding an additional TDSIC tracker on top of a base rate

1 increase could significantly increase ratepayer expense over time, which likely would not be
2 well received in our community.

3 **V. CHANGES TO RATE DESIGN**

4 **Q31. PLEASE DESCRIBE RP&L'S REQUEST TO MODIFY ITS CURRENT ENERGY**
5 **COST ADJUSTMENT ("ECA") PROCEDURES.**

6 A. Because RP&L purchases its power exclusively from IMPA, the ECA was originally
7 established by the Commission in Cause No. 36835-S1 in 1983 as a mechanism by which
8 RP&L and other IMPA members could obtain Commission approval of periodic energy cost
9 adjustment and power tracking procedures that would allow IMPA members to track to retail
10 customers increases or decreases in the cost of power and energy they purchase from IMPA
11 outside of a base rate case. As is described in more detail by Ms. Tomczyk, RP&L is requesting
12 Commission approval to modify its ECA procedures because its proposed rate design expands
13 customer class categories, creates new customer classes that initially will not have customers,
14 and establishes new demand charges for the GP and GEH classes. These modifications are
15 reflected in RP&L's proposed ECA procedures included in Ms. Tomczyk's testimony.

16 **Q32. WHAT RATE CLASSES ARE CHANGING?**

17 A. The testimony of Joseph Mancinelli (Petitioner's Exhibit 3) explains in detail which rate
18 classes are being created and eliminated. I am particularly excited to present a new Electric
19 Vehicle ("EV") Rate for RP&L, as I have received feedback from local officials and the
20 community at large that there is an interest in supporting EV deployment. The development
21 of the EV Rate is discussed in detail in the testimony of Andrew Reger (Petitioner's Exhibit
22 4).

1 **Q33. DID RP&L NOTIFY ITS CUSTOMERS OF THE PROPOSED INCREASE IN**
2 **RATES AND CHARGES FOR ELECTRIC SERVICE?**

3 A. Yes, the Utility included an insert with its monthly bill to all customers advising them of the
4 need to increase rates and charges for electric service. A copy of the bill insert is attached to
5 my testimony as Attachment RWB-7. In addition, legal notice (Attachment RWB-8) will be
6 published in the *Palladium-Item*, a newspaper of general circulation in the City of Richmond
7 and Wayne County, Indiana. Proof of publication will be filed with the Commission when
8 obtained from the publisher.

9 **Q34. DID RP&L NOTIFY THE COMMISSION AND THE OUCC OF ITS INTENT TO**
10 **FILE THIS REQUEST FOR A RATE INCREASE?**

11 A. Yes. More than thirty (30) days before filing its Petition, RP&L met with representatives of
12 the Commission and OUCC to provide notice and a high-level overview of RP&L's plan to
13 request a rate increase. Additionally, on January 21, 2020, RP&L submitted to the Secretary
14 of the Commission its Notice of Intent to file a rate case in accordance with IURC GAO 2013-
15 5. I have attached a copy of the Notice as Attachment RWB-9.

16 **VI. CHANGE IN OPERATIONS AT WHITEWATER VALLEY STATION**

17 **Q35. DESCRIBE THE OPERATIONS OF WHITEWATER VALLEY STATION (WWVS).**

18 A. WWVS, while owned by Richmond, is operated by IMPA pursuant to an Amended and
19 Restated Capacity Purchase Agreement ("Capacity Agreement") (Attachment RWB-10).
20 WWVS consists of two sub-critical, pulverized coal-fired units and is equipped with both a
21 dry electrostatic precipitator and a pulse-jet fabric filter. The station's first unit has a nominal
22 generating capacity of 35 megawatts ("MW") and the second unit has a capacity of 65 MW.

23 **Q36. WHY DID IMPA TAKE OPERATIONAL CONTROL OF WWVS?**

1 A. Since IMPA's inception as a joint action agency in 1982 under the provisions of IC 8-1-2.2 *et*
2 *seq.*, the members have pooled their generating resources such that any existing locally-owned
3 generating capacity was dedicated to the benefit of all of the Agency's members via Capacity
4 Purchase Agreements. All members are full-requirements customers of IMPA, meaning that
5 all of the cities and towns that IMPA serves receive all needed energy and capacity from the
6 Agency. In 2014, when RP&L was faced with closing WWVS due to the expense of
7 complying with impending environmental regulations, RP&L chose to transfer control to
8 IMPA. With IMPA assuming control, the plant could continue providing a reliable power
9 supply, extending the life of the generating asset beyond what Richmond itself could afford to
10 provide. In 2015, IMPA invested in a carbon injection and sorbent injection system for
11 compliance with the Mercury Air Toxics Standards ("MATS") rule.

12 Since acquiring operational control, the station has been utilized by IMPA in peak
13 load periods during the hot summer and cold winter months. Thanks to IMPA's operation
14 of and continued investment in the units, WWVS currently complies with all applicable
15 environmental regulations. IMPA's hiring of the WWVS employees also allowed
16 consistency in operations. The removal of this WWVS employee salary expense also
17 allowed RP&L to go longer between rate cases than it otherwise could have.

18 **Q37. DOES RP&L STILL OWN WWVS?**

19 A. Yes, pursuant to Article II of the Capacity Agreement, Richmond retains ownership of the
20 plant.

21 **Q38. DID IMPA ASSUME ANY OBLIGATIONS OR LIABILITIES AS PART OF THE**
22 **CAPACITY AGREEMENT?**

1 A. Yes, the Capacity Agreement sets forth in detail in Article II and Schedule 1.1 the obligations
2 and liabilities that IMPA assumed, which includes, e.g., data services, environmental
3 permitting fees, air quality monitoring, and new ash disposal costs. Article II also required
4 IMPA to reimburse RP&L for existing Inventory, which included fuel, tools, emissions
5 allowances, and various equipment and supplies. Article IV sets forth that IMPA is also
6 responsible for the Operations and Maintenance (“O&M”) and Capital costs for the plant
7 during the term of the agreement. Because these costs are now borne by IMPA, they are
8 excluded from RP&L’s calculation of the Revenue Requirement. Article V also provides that
9 IMPA pays RP&L a monthly Capacity and Energy Payment of five hundred dollars (\$500).

10 **Q39. HOW LONG DO YOU ANTICIPATE THAT WWVS WILL CONTINUE TO**
11 **OPERATE?**

12 A. The Base Case in IMPA’s 2017 Integrated Resource Plan (“IRP”) called on WWVS to be
13 retired in 2026. Though WWVS is shown as being retired in IMPA’s latest IRP, no definitive
14 retirement studies or decisions have been made. However, this plant is more than 60 years old,
15 and is probably near the end of its useful life. So while WWVS’s retirement date is not
16 definitive at this time, it will likely occur in the next five to ten years.

17 **Q40. DOES RP&L HAVE ANY SAY IN WHEN WWVS IS RETIRED?**

18 A. Yes, as the owner, RP&L has the ultimate say in when WWVS is retired; however, because
19 WWVS has long been a part of IMPA’s generation portfolio, that decision will be made in
20 close consultation with IMPA. Article 9 of the Capacity Agreement provides that IMPA must
21 provide Richmond at least one (1) year’s notice before terminating its agreement to operate the
22 plant. RP&L has not received a termination notice from IMPA, nor do we anticipate receiving
23 one during the pendency of this proceeding.

1 **Q41. WHAT DOES THE AMENDED AND RESTATED CAPACITY PURCHASE**
2 **AGREEMENT PROVIDE WITH REGARD TO DECOMMISSIONING COSTS FOR**
3 **WWVS?**

4 A. The Capacity Purchase Agreement provides that Richmond is responsible for all costs related
5 to decommissioning or retiring WWVS. However, the Capacity Agreement does provide that
6 within 90 days of the termination of that agreement, IMPA will pay Richmond a
7 Decommissioning Payment (Article IX). The Decommissioning Payment equals the number
8 of months comprising the term of the Capacity Agreement, multiplied by five hundred dollars
9 (\$500) per month. I anticipate that regardless of the termination date, this Decommissioning
10 Payment will fall far short of what is needed to cover plant closure costs. IMPA is also
11 responsible for any environmental claims arising during the term of the Capacity Agreement,
12 pursuant to Article XI.

13 **Q42. WHAT DOES RP&L ANTICIPATE THE REMEDIATION COSTS OF THE COAL**
14 **ASH POND AT WWVS WILL BE?**

15 A. After the Coal Combustion Residuals Rule (“CCR Rule”) was passed by the Environmental
16 Protection agency, RP&L took steps to comply with that rule.² The Utility retained GAI
17 Consultants to perform an analysis, which indicated that “cap in place” was the least cost
18 approach, which in 2019 were estimated to be \$18,250,000. (Attachment RWB-11). However,
19 without sufficient funds to begin such remediation, action on that plan stalled, and the CCR
20 Rule has since been tied up in appeals and related proposed regulatory revisions and
21 extensions, some of which are not finalized and certainly will be appealed regardless of their

² Filings related to CCR Rule compliance for WWVS can be found at: <https://www.rp-l.com/RPL-CCR-Rule.php>

1 content. In this changing regulatory landscape, it remains uncertain what specific actions and
2 associated costs will be required to ultimately achieve compliance.

3 **Q43. DOES IMPA HAVE ANY LIABILITY ASSOCIATED WITH THE ASH POND AT**
4 **THE WWVS SITE?**

5 A. No, the creation and use of the open ash pond at WWVS predates IMPA's existence. The open
6 coal ash pond on the WWVS site was used in the 1950s, 60s and early 70s. RP&L monitors
7 groundwater quality at the site regularly because there are residential property owners adjacent
8 to the site, even though the pond is not presently used. WWVS has disposed and transported
9 its CCR to offsite third party facilities since the mid-1970s.

10 **Q44. HOW DOES RP&L'S PROPOSED RATE STRUCTURE ADDRESS THE**
11 **ANTICIPATED CLOSURE OF WWVS AND REMEDIATION OF THE COAL ASH**
12 **POND?**

13 A. Given RP&L has insufficient revenue for normal operations, the Utility has not had enough
14 cash on hand to fund an updated environmental remediation study for the coal ash pond, or to
15 pay a consultant to estimate plant closure costs. We have also been frustrated by the fact that
16 environmental rules have been in a state of flux nationally, and thus it is difficult to determine
17 what standard applies to coal ash remediation. As described in more detail in the testimony of
18 Laurie Tomczyk, RP&L is proposing to establish a dedicated environmental remediation
19 reserve fund and a dedicated plant decommissioning reserve fund so that it can have studies
20 performed to determine what is the most reasonable and cost effective approach, and take steps
21 to remediate the site. While we do not presently know for sure what standard of compliance
22 the WWVS coal ash pond will be held to, the Utility believes it is prudent to begin dedicating
23 funds for that purpose, as many utilities across the country have already done.

1 **Q45. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

2 A. Yes.

VERIFICATION

I affirm under the penalties of perjury that the foregoing Prefiled Verified Direct
Testimony is true to the best of my knowledge, information and belief as of the date here filed.



Randall W. Baker

3815672_4

Index of RP&L Exhibits and Attachments by Witness

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Laurie A. Tomczyk - Petitioner’s Exhibit 2	<p>Revenue Requirement Calculations</p> <p>I. Justification and Development of Utility Method</p> <p>II. Description of Test Year 2019</p> <p>III. Financial Goals and Objectives</p> <p style="padding-left: 40px;">A. Environmental Remediation Reserve</p> <p style="padding-left: 40px;">B. Decommissioning Reserve</p> <p style="padding-left: 40px;">C. Capital Improvement Projects</p> <p style="padding-left: 40px;">D. Working Capital Reserve</p>

**Attachment RWB-1
Direct Testimony of R. Baker**

	<p>IV. Known and Measurable Adjustments</p> <ul style="list-style-type: none"> A. Operation and Maintenance Expense <ul style="list-style-type: none"> 1. IMPA Power Supply 2. Labor Cost 3. Other Expenses 4. Pension Contribution B. Depreciation Expense C. Payment in Lieu of Taxes D. Return on Rate Base E. Other Income F. Rate Revenue <ul style="list-style-type: none"> 1. Blue Buffalo G. Rate Base H. Return <p>V. Revenue Requirement Results and Indicated System Rate Adjustment</p>
Attachment LAT-1	Resume of Laurie A. Tomczyk
Attachment LAT-2	Revenue Requirement and Sources and Uses of Cash Model
Attachment LAT-3	The Commission’s Final Order in Cause No. 36835-S3, December 13, 1989 (establishing process for RP&L’s ECA Tracker)
Attachment LAT-4	New ECA Model
Joseph A. Mancinelli - Petitioner’s Exhibit 3	<p>Cost of Service Study and Overall Rate Design</p> <p>I. Ratemaking Approach</p> <ul style="list-style-type: none"> A. Description of Methodology and Approach B. Description of Recommended Customer Classes <p>II. Cost of Service</p> <ul style="list-style-type: none"> A. Functionalization B. Classification C. Allocation of Cost to Customer Classes <ul style="list-style-type: none"> 1. System Losses 2. CP Allocation 3. NCP Allocation 4. SMD Allocation 5. Energy Allocation 6. Customer Allocation 7. Direct Allocation D. Cost of Service Results <p>III. Overall Rate Design</p> <ul style="list-style-type: none"> A. Rate Design Objectives B. Class Revenue Targets and Associated Phase-In

**Attachment RWB-1
Direct Testimony of R. Baker**

	C. Proposed Rates
Attachment JAM-1	Resume of Joseph A. Mancinelli
Attachment JAM-2	Cost of Service Study Model
Attachment JAM-3	Rate Design Model
Attachment JAM-4	Clean Version of the Proposed New RP&L Tariff
Attachment JAM-5	Redlined Version of the Proposed New RP&L Tariff
Andrew J. Reger - Petitioner’s Exhibit 4	<p>Lighting, Other Services and Miscellaneous/Non-recurring Fees and Charges</p> <p>I. Lighting Service</p> <p>II. Other Services</p> <p style="padding-left: 40px;">A. Electric Vehicles</p> <p style="padding-left: 40px;">B. Electric Heating Schools</p> <p style="padding-left: 40px;">C. General Electric Heating</p> <p>III. Miscellaneous/Non-Recurring Fees and Charges</p>
Attachment AJR-1	Andrew Reger Resume
Attachment AJR-2	Calculations to Develop LED Lighting Rates
Attachment AJR-3	Calculations to Develop an EV Charging Pilot Program – Public Location (“EV-PP”) Rate
Attachment AJR-4	Calculations to Develop Non-Recurring Charges

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE CITY OF RICHMOND,)
INDIANA, BY AND THROUGH ITS)
MUNICIPAL ELECTRIC UTILITY,)
RICHMOND POWER AND LIGHT, FOR) CAUSE NO. _____
APPROVAL OF A NEW SCHEDULE OF)
RATES AND CHARGES FOR ELECTRIC)
SERVICE AND APPROVAL OF AN)
AMENDMENT TO ITS ENERGY COST)
ADJUSTMENT PROCEDURES)

VERIFIED PETITION

Petitioner, the City of Richmond, Indiana (“Richmond”, “Petitioner” or “City”), by its municipal electric utility, Richmond Power and Light (“RP&L” or “Utility”), hereby files this Petition with the Indiana Utility Regulatory Commission (“Commission”) seeking approval of a new schedule of rates and charges. In support of its Petition, RP&L states:

1. Richmond owns and operates a municipal electric utility that serves approximately 21,029 customers. The Utility’s office is located at 2000 U.S. Hwy 27 South, Richmond, Indiana 47374. RP&L’s operations are supervised and controlled by the Common Council of the City of Richmond, which serves as RP&L’s Board of Directors and is its Board within the meaning of IC 8-1.5-3-3(a)(2).

2. RP&L owns and operates an electric system which consists of electric transmission, distribution, substation and power production facilities, including coal-fired electric generating plants of a combined capacity of 93 MW at the Whitewater Valley Generating Station (“WWVS”), which facilities are used and useful in providing adequate and efficient service to its customers.

3. Richmond is a member of the Indiana Municipal Power Agency (“IMPA”) and purchases all of its electric power and energy requirements from IMPA pursuant to the terms of a Power Sales Contract. IMPA also operates WWVS and is entitled to all of its generation output, pursuant to an Amended and Restated Capacity Purchase Agreement with Richmond.

RP&L’s Present Rates

4. RP&L collects rates and charges for the electric services it renders, which are subject to the approval of the Commission and the Common Council of the City of Richmond, by ordinance, pursuant to IC 8-1.5-3-8(f). RP&L is subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana, including IC 8-1.5-3-1 *et seq.* and certain provisions of the Public Service Commission Act, as amended, which are applicable to the relief requested in this Petition.

5. RP&L’s current rates and charges for electric utility service were approved by final order of the Commission in Cause No. 42713, issued on February 9, 2005. Petitioner also files a quarterly Energy Cost Adjustment (“ECA”) in a thirty-day filing in accordance with the Final Order in Cause No. 36835-S3, dated December 13, 1989, to reflect solely the changes in the cost of power and energy purchased by RP&L from its full-requirements wholesale power provider, IMPA. RP&L is requesting revisions to its ECA structure to accommodate new and eliminated rate classes, as well as to separate those classes whose ECA demand charge is based on a per kilowatt (“KW”) charge from those whose ECA demand charge is based on kilovolt-amperes (“kVAR”).

6. Pursuant to IC 8-1.5-3-8, the Utility’s rates and charges “must be nondiscriminatory, reasonable, and just.” RP&L is further obligated by law to maintain rates and charges for services rendered to “produce an income sufficient to maintain the utility property in

a sound physical and financial condition to render adequate and efficient service.” IC 8-1.5-3-8(d).

7. These rates and charges no longer produce revenues sufficient for Richmond to pay all the legal and necessary expenses incident to the operation of the Utility, including maintenance costs, operating charges, upkeep, repairs, depreciation, and interest charges on bonds and other obligations, provide adequate money for working capital, provide adequate money for making extensions and replacements to the extent not provided for through depreciation, and compensate the civil city for taxes that would be due on the Utility’s property if such property were privately owned. The existing rates are, therefore, unlawful.

8. Richmond will propose in this case new electric rates and charges which will be sufficient to pay the Utility’s expenses, including for operation, maintenance, extensions and replacements. Petitioner’s proposed schedule of rates and charges is accompanied by the prepared direct testimony and exhibits of Petitioner’s witnesses.

9. Richmond’s proposed schedule of rates and charges includes a proposed new Electric Vehicle (“EV”) Rate. Given that RP&L has no data on actual EV usage yet, Petitioner is requesting approval for the Utility to use the 30-day Filing Process pursuant to 170 IAC 1-6-3(8) to adjust the EV rate design, if EV adoption were to progress at a pace greater than expected.

10. In accordance with 170 IAC 1-1.1-9(b) of the Commission’s Rules of Practice and Procedure, the City requests that the twelve (12) month period ending September 30, 2019, be used as the test year in this case, with adjustments permitted for changes that are known, fixed, and measurable, and to be in effect within twelve (12) months after the test year, and that

the cut-off date for any required adjustments that are reasonable known, fixed and measurable, be the 12-month period following the end of the test year.

11. On February 18, 2020, the Common Council for Richmond (“Council”) approved Ordinance No. 11-2020, which approves the rates for which Commission approval is requested herein. A copy of Ordinance No. 11-2020 is included as Attachment RWB-5 to the Direct Testimony of Randall W. Baker. Also included in that Attachment is a copy of a Resolution of the Richmond Utility Service Board which recommended the rates and charges to the Council.

12. The Utility does not have any outstanding indebtedness to the federal government.

13. In accordance with the Commission’s General Administrative Order (“GAO”) 2013-5, on January 21, 2020, Richmond provided its Notice of Intent to File a Rate Case to the Commission (Attachment RWB-9 to Mr. Baker’s Direct Testimony). On that same date, a copy thereof was provided to the Indiana Office of Utility Consumer Counselor. Also pursuant to GAO 2013-5, Petitioner hereby provides its Notice of Intent to File Information required under the Minimum Standard Filing Requirements (“MSFRs”), 170 IAC 1-5-1 *et seq.*, as applicable, to provide support for this Petition and to reduce or avoid disputes.

14. Attachment RWB-8 to Mr. Baker’s testimony is a copy of the legal notice announcing the filing of the Petition with the Commission for an increase in RP&L’s rates and charges, and the related proof of publication will be filed with the Commission when obtained from the publisher. Said notice is also available at RP&L’s office at the address above, as well as posted on the Utility’s website at www.rp-l.com. Proof of publication will be filed with the Commission after receipt from the publisher.

15. Richmond considers IC 8-1-2-61, 8-1.5-3-8 and 8-1-2-42.7, IC 8-1-2.2 et seq., as well as other provisions of the Public Service Commission Act to be applicable to the relief requested in this Petition.

16. In order to expedite the proceedings in this Cause and to avoid unnecessary expense to Petitioner and its customers, Richmond respectfully requests the setting of a date for a Prehearing Conference to establish a procedural schedule for the prefiling of testimony and exhibits of the parties, establishing time period for responding to discovery and a date for the evidentiary hearing in this Cause.

17. Richmond's attorneys authorized to represent it in this proceeding, each of whom is authorized to accept service of papers in this proceeding on its behalf are:

Kristina Kern Wheeler, #20957-49A
Nikki Gray Shoultz, #16509-41
Bose McKinney & Evans LLP
111 Monument Circle, Suite 2700
Indianapolis, Indiana 46201
317-684-5152 (Wheeler)
317-684-5242 (Shoultz)
kwheeler@boselaw.com
nshoultz@boselaw.com

WHEREFORE, Petitioner, the City of Richmond, Indiana, requests that the Commission issue a final order approving: (a) a new schedule of rates and charges for electric utility service rendered by Richmond; (b) a change to its ECA tracking mechanism; (c) approval to submit any adjustments to its new EV Rate via the 30-day filing process, if needed; and (d) all other appropriate relief.

Respectfully Submitted,



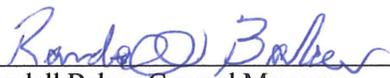
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(317) 684-5000
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kwheeler@boselaw.com

Counsel for Petitioner, City of Richmond, Indiana

VERIFICATION

I, Randall Baker, am the General Manager of Richmond Power & Light. In such capacity, I have instructed legal counsel to file the above and foregoing Verified Petition and have the authority to do so pursuant to authority from the Richmond Common Council. I have read said Petition and know the contents thereof; and the statements and representations therein contained are true to the best of my knowledge and belief.



Randall Baker, General Manager
Richmond Power & Light

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing "Petition" was served upon the following by hand delivery or regular mail this 24th day of March, 2020:

Indiana Office of the Utility Consumer Counselor
PNC Center, Suite 1500 South
115 West Washington Street
Indianapolis, IN 46204
infomgt@oucc.in.gov



Kristina Kern Wheeler

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Indiana Municipal Power Agency

Power Sales Contract

This Contract, entered into as of the first day of April, 1982, between **INDIANA MUNICIPAL POWER AGENCY**, a body corporate and politic and political subdivision of the State of Indiana, organized and existing under the laws of the State of Indiana (the "Agency"), and the **CITY OF RICHMOND** (the "Member").

W I T N E S S E T H:

WHEREAS, the Agency was organized under I.C. 8-1-2.2 (the "Act") to provide a method for those Indiana cities and towns which own facilities for the distribution of electric power and energy to jointly plan, finance, develop, own and operate electric generation and transmission facilities located within the State of Indiana that are appropriate to the present and projected electric energy needs of such cities and towns; and

WHEREAS, the Agency is empowered by the Act (i) to study, plan, finance, construct, reconstruct, acquire, improve, enlarge, better, own, operate and maintain individually or jointly with one or more municipalities, joint agencies or public utilities one or more plants, works, systems or facilities located in the State of Indiana necessary or convenient in the generation, transmission, transformation, purchase, sale, exchange or interchange of electric power and energy by any means whatsoever or to acquire any interest therein or any rights to the use, output or capacity thereof, and (ii) to generate, produce, transmit, deliver, exchange, purchase or sell for resale only, electric power or energy, and (iii) to make and execute contracts and other instruments necessary or convenient in the exercise of the powers and functions of the Agency under the Act, and (iv) to do all acts and things necessary, convenient or desirable to carry out the purposes of, and to exercise the powers granted to, the Agency under the Act; and

WHEREAS, the Member owns and operates a municipal electric utility (and owned and operated the same on January 1, 1980) which furnishes retail electric service to the public and is authorized under the Act and the laws of the State of Indiana to contract to purchase from the Agency power and energy and related services; and

WHEREAS, in order to secure an adequate, reliable and economical supply of electric power and energy for the Member's municipal electric utility, the Agency and the Member have determined that the Agency will sell to the Member, and the Member will purchase from the Agency, power and energy on the terms and conditions set forth herein; and

WHEREAS, the Agency intends to acquire power and energy for sale and delivery to the Member and to other members contracting with the Agency therefor through whatever means it deems advisable,

including, without limitation, the purchase thereof from other public utilities and the ownership of generation and transmission facilities or any interest therein or output therefrom; and

WHEREAS, in order to enable the Agency to issue its revenue bonds to pay the cost of acquiring and constructing such generation, transmission or other facilities as are useful in meeting its obligations hereunder, it is necessary for the Agency to have binding contracts with the Member and each of the other Participating Members (as defined herein) and to pledge the payments required to be made under such contracts as security for the payment of such bonds;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties hereto as follows:

SECTION 1. Definitions

Bond Resolution shall mean any one or more resolutions, trust agreements, loan agreements or other similar instruments providing for the issuance of Bonds.

Bonds shall mean electric utility revenue bonds, notes or other evidences of indebtedness, without regard to the term thereof, whether or not any issue of such Bonds shall be subordinated as to payment to any other issue of Bonds, from time to time issued by the Agency to finance any cost, expense or liability paid or incurred or to be paid or incurred by the Agency in connection with the investigating, studying, planning, engineering, designing, financing, installing, constructing, acquiring, operating, maintaining, retiring, decommissioning or disposing of any part of the System or otherwise paid or incurred or to be paid or incurred by the Agency in connection with the performance of its obligations under the Power Sales Contracts or for any other lawful purpose permitted under the Act for the System.

Contract Rate of Delivery shall have the meaning given to such term in Section 3 hereof.

Participating Members shall mean the Member and those members of the Agency that are, or hereafter become, parties to Power Sales Contracts.

Point of Delivery shall mean any point at which the Agency shall be required to deliver power and energy to the Member as set forth in paragraph 2 of Schedule A hereto, as amended from time to time.

Point of Measurement shall mean any point at which the Agency shall be required to meter power and energy delivered to the Member as set forth in paragraph 3 of Schedule A hereto, as amended

from time to time. It is understood that paragraph 3 of Schedule A shall include as a Point of Measurement the point of interconnection between any generating facility owned by the Member and the Member's distribution system.

Power Sales Contracts shall mean this Contract and other contracts providing for the sale of power and energy by the Agency to other members, as amended from time to time, provided that it shall not include any such contract which expressly provides that it is not to be considered a Power Sales Contract.

Power Supply Resources shall have the meaning given to such term in Section 3 hereof.

Prudent Utility Practice shall mean, at a particular time, any of the practices, methods and acts which, in the exercise of reasonable judgment in the light of the facts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry prior thereto) known at the time the decision was made, would have been expected to accomplish the desired result at a reasonable cost consistent with reliability and safety. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act, to the exclusion of all others, but rather to be a number of possible practices, methods or acts.

Rate Schedule shall mean the rate schedule setting forth the rate for payments by the Member for electric power and energy delivered hereunder attached hereto as Schedule B, which Schedule B may be revised from time to time by a new schedule adopted by the Agency including, without limitation, any amendment, change, deletion or addition to any of the billing components, terms or conditions, or any adjustment set forth therein, including, but not limited to, amending billing demand to provide for minimum demand whether or not based on prior demand measurements.

Revenue Requirements shall mean all costs and expenses paid or incurred or to be paid or incurred by the Agency resulting from the ownership, operation, maintenance, termination, retirement from service and decommissioning of, and repair, renewals, replacements, additions, improvements, betterments and modifications to, the System or otherwise relating to the acquisition and sale of power and energy and transmission services and performance by the Agency of its obligations under the Power Sales Contracts, including, without limitation, the following items of cost:

(1) payments of principal of and premium, if any, and interest on all Bonds issued by the Agency and payments which the Agency is required to make into any debt service reserve fund or account under the terms of any Bond Resolution or other contract with holders of Bonds;

(2) amounts required under any Bond Resolution to be paid or deposited into any fund or account established by such Bond Resolution (other than funds and accounts referred to in clause (1) above), including any amounts required to be paid or deposited by reason of the transfer of moneys from such funds or accounts to the funds or accounts referred to in clause (1) above;

(3) amounts which the Agency may be required to pay for the prevention or correction of any loss or damage or for renewals, replacements, repairs, additions, improvements, betterments, and modifications which are necessary to keep any facility of the System in good operating condition or to prevent a loss of revenues therefrom;

(4) costs of operating and maintaining the System and of producing and delivering power and energy therefrom (including fuel costs, administrative and general expenses and working capital, for fuel or otherwise, and taxes or payments in lieu thereof) not included in the costs specified in the other items of this definition and costs of power supply planning and implementation associated with meeting the Agency's power supply obligations;

(5) the cost of any electric power and energy purchased for resale by the Agency under the Power Sales Contracts and the cost of transmission service for delivery of electric power and energy under the Power Sales Contracts;

(6) all costs incurred or associated with the salvage, discontinuance, decommissioning and disposition or sale of properties;

(7) all costs and expenses relating to injury and damage claims required to be paid by the Agency;

(8) any reserves the Agency shall determine to be necessary for the payment of those items of costs and expenses referred to in clauses (1) through (7) above to the extent not already included in such clauses; and

(9) additional amounts which must be realized by the Agency in order to meet the requirement of any rate covenant with respect to coverage of principal of and interest on Bonds contained in any Bond Resolution or contract with holders of Bonds or which the Agency deems advisable in the marketing of its Bonds.

System shall mean all properties, rights and interests in properties of the Agency, including all electric production,

transmission, delivery facilities, general plant and other related facilities and any mine, well, pipeline, plant, structure or other facility for the development, production, manufacture, storage, fabrication or processing of fossil, nuclear or fuel of any kind or any facility or rights with respect to the supply of water, in each case for use, in whole or in major part, in any of the Agency's generating plants, now existing and hereafter acquired by lease, contract, purchase or otherwise or constructed by the Agency, including any interest or participation of the Agency in any such facilities, together with all additions, betterments, extensions and improvements to said system or any part thereof hereafter made and together with all lands, easements and rights of way of the Agency and all other works, property or structures of the Agency and rights to the use of any thereof or the output, products or services therefrom or other contract rights, including, without limitation, rights for the purchase of power and energy, transmission or other services from others, and other tangible and intangible assets of the Agency used or useful in connection with or related to said system.

Notwithstanding the foregoing definition of the term System, such term shall not include any properties or interests in properties of the Agency which the Agency determines shall not constitute a part of the System for the purposes of this Contract.

SECTION 2. Term

This Contract shall become effective upon the issuance of an order by the Public Service Commission of Indiana acceptable to the Agency approving the Agency's acquisition of and financing for an approximate twenty-five percent (25%) undivided ownership interest in the 650 MW coal-fired generating unit (commonly referred to as the Gibson Unit No. 5) being constructed by Public Service Company of Indiana, Inc. This Contract shall remain in effect until April 1, 2032; provided, however, this Contract may be terminated by the Member at such time that all Bonds shall have been paid or provision for such payment shall have been made therefor pursuant to the Bond Resolution and all contractual obligations entered into by the Agency for the generation, purchase, transmission or transformation of power and energy have been terminated and provision has been made for the payment of any residual costs thereof.

SECTION 3. Sale and Purchase of Electricity

(a) The Agency hereby agrees to sell and deliver to the Member, and the Member hereby agrees to purchase and receive from the Agency, commencing January 1, 1983 or such earlier date as shall be determined by the Agency upon thirty days notice to the Member and extending through the term hereof, all electric power and energy which the Member shall require for the operation of its municipal electric system; provided, however, that after December 31, 2002,

the maximum amount of power required to be sold and delivered by the Agency and purchased and received by the Member hereunder shall not exceed the Contract Rate of Delivery determined as follows: the "Contract Rate of Delivery" shall be the peak demand of the Member for power and energy under this Contract during the 60 billing periods preceding December 31, 2002, as determined by the Agency, adjusted up or down by not more than 10% so as to provide optimal utilization of the Agency's Power Supply Resources, such adjustment to be made by the Agency upon the advice of the consulting engineer to the Agency. "Power Supply Resources" shall mean those resources for the production of electric power and energy included in the System to the extent the same are employed by the Agency to supply the electric power and energy sold under the Power Sales Contracts. On or before January 1, 1999, and on or before January 1 of each year thereafter, the Agency shall advise the Member of the Agency's then best estimate of what the Member's Contract Rate of Delivery hereunder will be for the period after December 31, 2002. On or before December 31, 2002, the Agency shall notify the Member of the Member's actual Contract Rate of Delivery for the period after December 31, 2002.

In the event that, pursuant to the Public Utility Regulatory Policies Act of 1978 or other provisions of law, electric power is required to be purchased from a small power production facility, a cogeneration facility or other facility, the Member and the Agency shall use their best efforts to arrange for such purchases to be made by the Agency. If such arrangements cannot be made, then the Member shall make the required purchases and sell the power purchased to the Agency at a price equal to the price paid by the Member. The Member appoints the Agency to act as its agent in all dealings with the owner of any such facility from which power is to be purchased and in connection with all other matters relating to such purchases.

(b) The Member hereby commits itself to take and pay for all of the electric power and energy which it is required to take and receive under paragraph (a) of this Section 3 and which is made available to the Member hereunder at its Points of Measurement, such payments to be made at rates set forth in the Rate Schedule, as revised from time to time by the Agency.

(c) The Agency is hereby authorized by the Member (i) to undertake projects from time to time which, in the sole discretion and exclusive judgment of the Agency, are necessary or desirable to enable the Agency to fulfill satisfactorily its obligations to use its best efforts to

supply power and energy to the Member pursuant to this Contract and (ii) to issue Bonds for the purpose of paying all or any part of the costs of any of the projects or purposes authorized by the Act.

SECTION 4. Electric Characteristics, Points of Delivery and Measurement

Electricity to be furnished hereunder shall be three phase, sixty hertz alternating current. The Member shall make and pay for all connections between the system of the Member and the system of the Agency at the Points of Delivery. The Points of Delivery, the Points of Measurement and the delivery voltage shall be as set forth in Schedule A attached hereto, which Schedule may be amended from time to time to include such other Point or Points of Delivery and Point or Points of Measurement and delivery voltage as may be agreed upon by the Agency and the Member. Other provisions of Schedule A may be amended from time to time by the Agency in accordance with Prudent Utility Practice.

The Member shall install, own and maintain any necessary substation equipment at the Points of Delivery and shall install, own and maintain switching and protective equipment of adequate design and sufficient capacity on the Member's side of such Points of Delivery to enable the Member to take and use the power and energy supplied under this Contract without hazard to the System.

The Agency shall not be responsible for the transmission, control, use or application of power and energy provided under this Contract on the Member's side of the Point of Delivery.

The Member shall not be responsible for the transmission, control, use or application of power and energy provided under this Contract on the Agency's side of the Point of Delivery.

When electricity is measured at more than one Point of Measurement, the maximum total coincident demand of the Member's system shall be determined by combining the recorded demand at each Point of Measurement during the same 60 minute interval.

SECTION 5. Rates

(a) The Member shall pay the Agency for all electric power and energy furnished at the Points of Measurement hereunder at the rates and on the terms and conditions set forth in the Rate Schedule. The Agency may revise and place into effect new Rate Schedules from time to time. The Member agrees to pay the rates and charges set forth in the revised Rate Schedules from the effective date established by the Agency. In the event that, during any portion of any billing period, electric power is made

available to the Member by the Agency in accordance with this Contract which the Member is required to take and receive pursuant to Section 3 hereof but which the Member fails to take and receive, the Member shall pay the Agency for such availability in an amount equal to the product of the demand charge in the Rate Schedule and the billing demand computed as provided in the Rate Schedule except that, for such purpose, the kilowatts of demand for such billing period shall be based upon the kilowatts that would have otherwise been taken as evidenced by the total electric power consumed by the Member's customers during the billing period. Payments made by the Member under the Rate Schedule shall be treated as an operating expense from the revenues of the Member's electric utility system, or other integrated utility system of the Member of which the Member's electric utility system may be a part, to the extent permitted by law, and from other funds of such system legally available therefor and shall be in addition to and not in substitution for any other payments whether on account of dues or otherwise owed by the Member to the Agency. The obligation of the Member to make payments under the Rate Schedule shall not constitute a general obligation of the Member and the Member shall not be required to make such payments from any source other than the revenues and funds referred to in the next preceding sentence. The obligation of the Member to make payments under the Rate Schedule shall not be subject to any reduction, whether by offset, counterclaim, recoupment or otherwise, and shall not be otherwise conditioned upon the performance by the Agency under this or any other agreement or instrument; provided, however, that nothing contained herein shall be construed to prevent or restrict the Member from asserting any rights which it may have against the Agency under this Contract or under any provision of law, including the institution of legal proceedings for specific performance or recovery of damages.

The Member's electric utility system shall be deemed to be a part of an integrated utility system for purposes of Sections 5(a) and 7(a) hereof if the revenues of the electric utility system (i) are commingled with the revenues of one or more other utility systems owned by the Member, or (ii) are utilized to pay operating expenses of the Member's electric utility system and one or more other utility systems owned by the Member, or (iii) are pledged to secure bonds issued to finance one or more other utility systems owned by the Member. For purposes of this paragraph, the term "commingled" shall not be deemed to include the keeping of funds in one bank account so long as such funds are separately accounted for on the books and records of the Member.

(b) The Agency shall establish and maintain rates in the Rate Schedule hereunder and under the other Power Sales Contracts which will provide revenues which are sufficient, but only sufficient, together with other available funds of the Agency, to meet the estimated Revenue Requirements of the Agency. In determining the rates necessary to produce sufficient revenues, the Agency shall take into account any anticipated delinquency or default in payments by Members under the Power Sales Contracts. The ratemaking methods used by the Agency to establish rates shall be consistent with Prudent Utility Practice.

At such intervals as it shall determine appropriate, but in any event not less frequently than once each calendar year, the Board of Commissioners of the Agency shall review and, if necessary, revise the Rate Schedule to insure that the rates thereunder continue to cover its estimate of the Revenue Requirements.

(c) In connection with any revision of the Rate Schedule, the Agency shall cause a notice in writing to be given to all Members which shall set out any proposed revision of the Rate Schedule with the effective date thereof, which shall be not less than sixty days after the date of the mailing of the notice, and which shall be accompanied by an analysis of the estimated Revenue Requirements for which the Rate Schedule is proposed to be revised and the derivation of the proposed rate. The Member agrees to pay for electric power and energy made available by the Agency to it hereunder after the effective date of any revision in the Rate Schedule in accordance with the Rate Schedule as so revised. Revisions of the Energy Cost Adjustment and the Control Area Cost Differential Factors set forth in Schedule B hereto or any substitutes or replacements thereof shall not require submission of the analysis of estimated Revenue Requirements and the derivation of the proposed adjustment to the Members.

SECTION 6. Covenants of the Agency

(a) After satisfying, to the extent provided for herein, the total requirements of all Participating Members, the Agency shall use its best efforts to market and dispose of, under the most economically advantageous terms and conditions obtainable, all its surplus electric power and energy which in the sole judgment of the Agency can be disposed of without adversely affecting performance by the Agency under this Contract so long as it shall not result in the breach of any Agency covenant or contract.

(b) The Agency shall use its best efforts while following Prudent Utility Practice to provide a constant and uninterrupted supply of electric power and energy under this Contract. In the event that the Agency is not able to supply all of the electric power and energy requirements of all of the Participating Members that it is required to supply hereunder, it shall use its best efforts to allocate its electric power and energy available from its Power Supply Resources during any billing period among the Member and the other Participating Members as follows: prior to January 1, 2003 such allocation shall be made pro rata in accordance with their respective electric power and energy requirements supplied hereunder during the corresponding billing period of the preceding calendar year and thereafter such allocation shall be made pro rata in accordance with the Contract Rate of Delivery of each Participating Member. During any period the Agency is unable to supply all of the Member's electric power and energy requirements that it is required to supply hereunder, the Agency shall not in any case be liable to the Member for damages resulting from such interruption of service and the Member shall be permitted to acquire from other sources such amount of electric power and energy which is not supplied by the Agency; provided, however, that at such time as the Agency is thereafter again able to supply all of the Member's electric power and energy requirements that it is required to supply hereunder, the Member shall be required to take and pay for such electric power and energy in accordance with the provisions hereof.

(c) The Agency shall use its best efforts to acquire, by purchase or otherwise, and to deliver or cause to be delivered to the Points of Delivery, power and energy in the manner determined by the Agency to be most economical, dependable and otherwise feasible.

(d) In addition to the delivery of power and energy pursuant to this Contract and the performance of all acts and actions incident thereto, the Agency agrees that it will perform or cause to be performed services, including, but not limited to: (i) coordinating and monitoring the investigating, studying, planning, engineering, designing, financing, installing, constructing, acquiring, operating, maintaining, retiring, decommissioning or disposing of any part of the System; (ii) issuing and selling Bonds; (iii) planning, undertaking, coordinating and monitoring the economic dispatching and scheduling of power and energy to the Members, but only to the extent that the Agency possesses at the time its own load control capability; and (iv) providing such other services as the Agency from time to time shall determine to be appropriate or necessary to

provide an adequate, reliable and economical supply of power and energy to the Members.

SECTION 7. Covenants of the Member

(a) The Member agrees to maintain rates for electric power and energy to its consumers subject to the approval of the Public Service Commission of Indiana under and pursuant to the provisions of I.C. 8-1-2 and 8-1-2.2, to the extent the Member is subject thereto, which shall provide to the Member revenues sufficient to meet its obligations to the Agency under this Contract; to pay all other operating expenses; to pay all obligations, whether now outstanding or incurred in the future, payable from, or constituting a charge or lien on, the net revenues of its electric system; and to make any other payments required by Indiana law; and, at the option of the Member, to provide any additional revenues permitted under Indiana law. The Member agrees to use its best efforts to take all actions necessary or convenient to fulfill its obligations under this Section 7(a), including, but not limited to, making timely applications for rate increases and processing such applications with diligence.

The Member further covenants and agrees that if it maintains or establishes an integrated utility system of which its electric system is a part for its electric, water, gas, cable television, telephone and sanitary sewer systems (or any combination of two or more thereof which includes its electric system), it will establish, maintain and collect rates and charges for the services provided by its integrated utility system which shall produce revenues at least sufficient to enable the Member to pay all expenses attributable to the integrated utility system, including the expenses incurred in the operation and maintenance of the integrated utility system (including the obligations under this Contract), to pay the debt service requirements on any bonds, notes or other evidences of indebtedness, whether now outstanding or incurred in the future, secured by such revenues and issued to finance improvements to the integrated utility system and to make any other payments required by Indiana law.

The Member shall not be required to make payments under this Contract except from the revenues of the Member's electric utility system, or other integrated utility system of the Member of which the electric utility system is a part, and from other funds of such system legally available therefor. In no event shall the Member be required to make payments under this Contract from tax revenues.

(b) The Member shall not sell at wholesale any of the electric power and energy delivered to it hereunder to any customer of the Member or any other entity for resale by that customer or entity, unless it has first given the Agency 60 days written notice of its intent to sell such power and energy. The Agency, after receipt of such notice, shall have 30 days in which to impose limits on the amount of power and energy to be sold or to veto such sale if the sale will jeopardize the Agency's availability of resources to serve its Members or increase the cost of power and energy to the Agency.

(c) The Member shall not sell, lease or otherwise dispose of all or substantially all of its electric system except on 90 days' prior written notice to the Agency and, in any event, shall not so sell, lease or otherwise dispose of the same unless the following conditions are met: (i) the Member shall assign this Contract and its rights and interest hereunder to the purchaser or lessee of the electric system and such purchaser or lessee shall assume all obligations of the Member under this Contract; (ii) if and to the extent necessary to reflect such assignment and assumption, the Agency and such purchaser or lessee shall enter into an agreement supplemental to this Contract to clarify the terms on which power and energy are to be sold hereunder by the Agency to such purchaser or lessee; (iii) the senior debt of such purchaser or lessee shall be rated in one of the four highest whole rating categories by at least one nationally-recognized bond rating agency; (iv) the Agency shall have received an opinion of counsel of recognized standing in the field of law relating to municipal bonds selected by the Agency stating that such sale, lease or other disposition will not adversely affect the value of this Contract as security for the payment of Bonds and the interest thereon or jeopardize the tax-exempt status of the interest on any Bond or Bonds issued by the Agency as that status is governed by Section 103(a) of the Internal Revenue Code of 1954, as amended, and the Treasury Regulations or any ruling as promulgated thereunder or as affected by a decision of any court of competent jurisdiction; (v) an opinion shall be obtained from counsel of assignee and the Agency that the assignment is lawfully permitted under I.C. 8-1-2.2; and (vi) the rates to be paid by the assignee, if a public utility, have been approved by the Public Service Commission of Indiana.

(d) The Member covenants and agrees that it shall take no action the effect of which would be to prevent, hinder or delay the Agency from the timely fulfillment of its obligations under this Contract, any outstanding Bonds or any Bond Resolution of the Agency.

(e) The Member covenants and agrees that it shall not use or permit to be used any of the power and energy acquired under this Contract in any manner or for any purpose or take any other action or omit to take any action which would result in the loss of the tax-exempt status of the interest on any Bond or Bonds issued by the Agency as that status is governed by Section 103(a) of the Internal Revenue Code of 1954, as amended, and the Treasury Regulations or any rulings promulgated thereunder or as affected by a decision of any court of competent jurisdiction. The Member covenants that, prior to entering into any contract whereby a person agrees to take, or to take or pay for, power and energy provided to the Member under this Contract, the Member shall notify the Agency of its intent to enter into such contract. As soon as practicable after receipt of such notice, the Agency shall advise the Member as to whether, in the opinion of counsel of recognized standing in the field of law relating to municipal bonds selected by the Agency, the entering into of such contract would result in a violation of the covenant contained in this subsection. The Member agrees that if the Agency advises the Member that such a violation will or might result, the Member will not enter into such contract.

(f) The Member covenants and agrees that it shall, in accordance with Prudent Utility Practice, (1) at all times operate the properties of its electric system and the business in connection therewith in an efficient manner, (2) maintain its electric system in good repair, working order and condition and (3) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to its electric system so that all times the business carried on in connection therewith shall be properly and advantageously conducted; provided, however, this covenant shall not be construed as requiring the Member to expend any funds which are derived from sources other than the operation of its electric system and provided further that nothing herein shall be construed as preventing the Member from doing so.

(g) The Member covenants and agrees that it shall not issue bonds, notes or other evidences of indebtedness or incur lease obligations which are payable from the revenues derived from its electric system superior to the payment of the operating expenses of its electric system; provided, however, that nothing herein shall limit the Member's present or future right to issue bonds, notes or other evidences of indebtedness or incur lease obligations which are payable on a parity with operating expenses or payable from revenues after payment of operating expenses.

SECTION 8. Meter Readings and Payment of Bills

(a) The Agency shall read meters or cause meters to be read at monthly intervals which coincide with the billing period established by the Agency in accordance with the Rate Schedule.

The Member shall pay for electric power and energy furnished hereunder at the office of the Agency, 5920 Castleway West Drive, Indianapolis, Indiana 46250 within 30 days of the bill; provided, however, that if said 30th day is a Sunday or legal holiday in the State of Indiana, the next following business day shall be the day on which such payment shall be due. In the event that the Member fails to make payment when due of any amount owing hereunder, the Agency may impose a late payment charge as provided in the Rate Schedule. The Agency shall bill the Member on a prompt and timely basis in accordance with a schedule to be determined by the Agency. The Agency may, whenever any amount due remains unpaid after the due date, take all steps available to it under applicable law to collect such amount and, after giving 15 days' advance notice in writing of its intention to do so, discontinue service hereunder if permitted by law. The Agency may, whenever any amount due remains unpaid for 120 or more days after the due date and after giving 30 days' advance notice in writing of its intention to do so, terminate this Contract. No such discontinuance or termination shall relieve the Member from liability for payment for electric power and energy furnished hereunder.

(b) In the event the Member desires to dispute all or any part of a bill, the Member shall nevertheless pay the full amount of the bill when due and notify the Agency in writing of the grounds on which any charges in the bill are disputed and the amount in dispute. The Member will not be entitled to any adjustment on account of any disputed charges which are not brought to the attention of the Agency in the manner herein specified. Such adjustment shall be for the time period for which it can be established a billing error took place but in no event shall the adjustment period extend past 365 days or, in the event of meter errors, the date of the last meter test.

SECTION 9. Metering

(a) The Agency shall furnish or cause to be furnished, install and maintain the necessary metering equipment required at each Point of Measurement of the Member to measure and record the electric power and energy furnished hereunder at such Point of Measurement. Such metering

equipment shall provide a continuous record of the 60 minute integrated total demand of the Member at such Point of Measurement during each billing period throughout the term of this Contract. Such records shall be available at all reasonable times to authorized agents of the Member. The Member may, at its own cost, install additional metering equipment to provide a check on the Agency's metering equipment, as long as the Member's additional metering equipment does not interfere with the functioning, operation, or maintenance of the Agency's metering.

(b) The Agency shall test and calibrate meters or cause meters to be tested and calibrated by comparison with accurate standards at intervals of not less than twelve months. The Agency shall also make or cause to be made special meter tests at any time at the Member's request. The cost of all tests shall be borne by the Agency except that if any special meter test made at the Member's request shall disclose that the meters are recording accurately, the Member shall reimburse the Agency for the cost of such test. Meters registering not more than two percent above or below normal shall be deemed to be accurate. The readings for any meter which shall have been disclosed by test to be inaccurate shall be corrected in accordance with the percentage of inaccuracy found by such test from the beginning of the first billing period which began after the next preceding meter test but in any case for no period longer than 365 days. Should any meter fail to register, the electric power and energy delivered during such period of failure shall for billing purposes be estimated by the Agency after consultation with the Member from the best information available. The Agency shall notify the Member or cause the Member to be notified in advance of the time of any meter reading or test so that the Member's representative may be present at such meter reading or test.

(c) For a fractional part of a billing period at the beginning or end of service, demand charges under the Rate Schedule shall be proportionately adjusted by the Agency in the ratio that the number of hours that electric service is furnished to the Member (in such fractional billing period) bears to the total number of hours in the billing period involved. Except as provided in this paragraph (c) of this Section 9 with respect to fractional billing periods at the beginning and end of service, there shall be no proration of demand charges under the Rate Schedule for any billing period during any part of which power is made available to the Member.

(d) Neither the Agency nor the Member shall be responsible for the transmission, control, use or

application of electric power provided under this Contract on the other side of the Point of Delivery therefor and shall not, in any event, be liable for damage or injury to any person or property whatsoever arising, accruing, or resulting from, in any manner, the receiving, transmission, control, use, application, or distribution by the Agency or the Member of said electric power.

SECTION 10. Right of Access

Duly authorized representatives of the Agency and Member shall be permitted to enter the other's premises at all reasonable times in order to carry out the provisions of this Contract.

SECTION 11. Uncontrollable Forces

Neither the Agency nor the Member shall be considered to be in default in respect to any obligation hereunder (other than the obligation of the Member to pay for electric power and energy made available hereunder to the extent payment is required by Section 5(a) hereof) if prevented from fulfilling such obligations by reason of uncontrollable forces, the term uncontrollable forces being deemed for the purposes of this Contract to mean any cause beyond the control of the party affected, including, but not limited to, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, pestilence, war, riot, civil disturbance, labor disturbance, sabotage, and restraint by court or public authority, which by due diligence and foresight such party could not reasonably have been expected to avoid. Either party rendered unable to fulfill any obligation by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch.

SECTION 12. Power Factor

The Member shall maintain its system power factor in accordance with paragraph 4 of Schedule A hereto.

SECTION 13. Cooperation

If it becomes necessary by reason of any emergency or extraordinary condition for either the Agency or the Member to request the other party to furnish personnel, materials, tools, or equipment for the accomplishment of its obligations hereunder, the party so requested shall cooperate with the requesting party and render such assistance as the party so requested may determine to be available. The party making such request, upon receipt of properly itemized bills from the other party, shall promptly reimburse the other party for all costs properly and reasonably incurred by it in providing such assistance. The cost shall include an amount not to exceed ten percent (10%) for administrative and general expenses; such costs are to be determined on the basis of current charges or

rates used in its own operations by the party rendering the assistance.

SECTION 14. Construction, Operation and Maintenance Standards

The Member shall own, install and maintain electrical protective relaying equipment at each point of interconnection with the Agency's transmission system. The design and operating characteristics of such equipment shall be coordinated with the Agency and subject to the Agency's approval, which approval shall not be unreasonably withheld.

SECTION 15. Assignment of Power Sales Contract

(a) This Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties to this Contract; provided, however, that, except for the assignment by the Agency authorized by clause (b) of this Section 15 and except for any assignment in connection with the sale, lease or other disposition of all or substantially all of the Member's electric system as provided in Section 7(c) hereof, neither this Contract nor any interest herein shall be transferred or assigned by either party hereto except with the consent in writing of the other party hereto, which consent shall not be unreasonably withheld. No assignment or transfer of this Contract shall relieve the parties of any obligation hereunder.

(b) The Member acknowledges and agrees that the Agency may assign and pledge to any trustee or similar fiduciary designated in any Bond Resolution all of, or any interest in, its right, title, and interest in and to all payments to be made to the Agency under the provisions of this Contract as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on any Bonds and may deliver possession of this Contract to such trustee in connection therewith, and, upon such assignment, pledge and delivery, the Agency may grant to such trustee any rights and remedies herein provided to the Agency and thereupon any reference herein to the Agency shall be deemed, with the necessary changes in detail, to include such trustee which shall be a third party beneficiary of the covenants and agreements of the Member herein contained. Upon any such assignment, pledge and delivery, such trustee shall fulfill all of the obligations with respect to the Member that the Agency was required to fulfill prior to such assignment, pledge and delivery.

SECTION 16. Records and Accounts

The Agency shall keep accurate records and accounts of its properties and its operations in accordance with or so as to permit conversion to the Federal Energy Regulatory Commission Uniform System of Accounts prescribed for Class A and Class B Public Utilities and Licensees as in effect from time to time. Should the Federal Energy Regulatory Commission be modified or cease to exist, the records shall be maintained under the Uniform System of Accounts as adopted or used by whatever agency succeeds or takes over the duties of the Federal Energy Regulatory Commission. The Member shall have the right at any reasonable time to examine such accounts. The Agency shall cause such accounts to be audited annually by a firm of independent public accountants of national reputation and shall supply copies of such audits to the Member.

SECTION 17. Information

The Agency and the Member will promptly furnish to each other such information as may be reasonably requested from time to time in order to carry out more effectively the intent and purpose of this Contract or as may be reasonably necessary and convenient in the conduct of the operations of the party requesting such information. Without limiting the generality of the foregoing, the Member shall, upon request, furnish to the Agency all such information, certificates, engineering reports, feasibility reports, information relating to load forecasts and generation and transmission expansion plans, financial statements, opinions of counsel (including the opinion required by Section 19 hereof), official statements and other documents as shall be reasonably necessary in connection with financings of the Agency. The Agency shall furnish the Member with those reports required to be furnished pursuant to I.C. 8-1-2.2-25 and such other information reasonably available to it which may be requested by the Member.

SECTION 18. Amendment

Except as provided for expressly herein, neither this Contract nor any terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing executed by each party to this Contract.

SECTION 19. Opinions as to Validity

Upon request by the Agency after the execution and delivery of this Contract, the Member shall furnish the Agency, in form and substance satisfactory to the Agency, with (i) an opinion of its city or town attorney or attorney employed by the Member or certificates from the Member and (ii) an opinion of Ice Miller Donadio & Ryan to the effect that:

(a) The Member is a municipal corporation duly created and validly existing pursuant to the Constitution and statutes of the State of Indiana and its "governing body" (as defined in Section 2(d) of the Act) is the Common Council of the City of Richmond.

(b) The Member has full legal right and authority to enter into this Contract and to carry out its obligations hereunder.

(c) The city council or town board duly approved this Contract and its execution and delivery on behalf of the Member by ordinance duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice.

(d) This Contract has been duly authorized, executed and delivered by the appropriate officers of the Member; and, assuming that the Agency has all the requisite power and authority to execute and deliver, and has duly authorized, executed and delivered, this Contract, this Contract constitutes the legal, valid and binding obligation of the Member in accordance with its terms subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion need be rendered as to the availability of any particular remedy.

(e) The execution and delivery of this Contract by the Member, the performance by the Member of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not contravene any existing law or any existing order, injunction, judgment, decree, rule or regulation of any court or administrative agency having jurisdiction over the Member or its property or result in a breach or violation of any of the terms and provisions of, or constitute a default under, any existing bond ordinance, trust agreement, indenture, mortgage, deed of trust or other agreement to which the Member is a party or by which it or its property is bound.

(f) All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required on the part of the Member in connection with the execution, delivery and performance of this Contract have been obtained or made.

(g) To the knowledge of such attorney or firm of attorneys after due inquiry, there is no litigation or

other proceedings pending or threatened in any court or other tribunal of competent jurisdiction (either State or Federal) questioning the creation, organization or existence of the Member or the validity, legality or enforceability of this Contract.

SECTION 20. Relationship to and Compliance with Other Instruments

It is recognized by the parties hereto that, in undertaking, or causing to be undertaken, the planning, financing, construction, acquisition, operation and maintenance of the System, the Agency must comply with the requirements of any Bond Resolution, any agreement with any owner or co-owner of or participant or co-participant in any facility included in the System relating to the construction, operation or maintenance thereof and all licenses, permits and regulatory approvals necessary for such planning, financing, construction, acquisition, operation and maintenance, and it is therefore agreed that this Contract is made subject to the terms and provisions of any Bond Resolution, any such agreement and all such licenses, permits, and regulatory approvals.

SECTION 21. Notices

Any notice, demand or request required or authorized by this Contract shall be properly given if mailed, postage prepaid, to the Agency at 5920 Castleway West Drive, Indianapolis, Indiana 46250, Attention: General Manager, and to the Member at:

Richmond Power and Light
P.O.Box 908
Richmond, Indiana 47374
Att: Mr. Irving A. Huffman
General Manager

The foregoing addresses may be changed by similar notice at any time.

SECTION 22. Waivers

(a) Any waiver at any time by either party hereto of its rights with respect to a default or any matter arising in connection with this Contract shall not be deemed to be a waiver with respect to any subsequent default or matter.

(b) The failure of either party hereto to enforce at any time any of the provisions of this Contract or to require at any time performance by the other party hereto of any of the provisions hereof shall in no way be construed to be a waiver of such provisions nor in any way to affect the validity of this Contract or the right of such party thereafter to enforce each and every provision hereof.

SECTION 23. Severability

In the event that any of the terms, covenants or conditions of this Contract, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction under the circumstances, the remainder of this Contract and the application of its terms, covenants or conditions to such persons or circumstances shall not be affected thereby.

SECTION 24. Applicable Law

This Contract shall be governed by and construed in accordance with the laws of the State of Indiana.

SECTION 25. Termination

In addition to any ground for termination provided in this Contract, this Contract shall terminate on January 1, 1983 in the event the Agency does not prior thereto (i) enter into contracts with Public Service Company of Indiana, Inc. to acquire an undivided ownership interest of approximately twenty-five percent (25%) of Gibson Unit No. 5 or (ii) issue Bonds to finance the purchase thereof. If prior to September 1, 1982, the Member shall not have obtained an agreement in writing of its wholesale power supplier to cancel or assign to the Agency on or before January 1, 1983 the Member's current wholesale power supply contracts, interconnection agreements or any other wholesale power supply agreements currently in effect, this Contract shall terminate. The Member hereby agrees to cooperate with the Agency and to take all reasonable and necessary actions to obtain such agreement.

SECTION 26. Survivorship of Obligations

The termination of this Contract shall not discharge either party hereto from any obligation it owes to the other party under this Contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur arise (or the circumstances, events, or basis of which shall occur or arise) prior to such termination. It is the intent of the parties hereby that any such obligation owed (whether the same shall be known or unknown at the termination of this Contract or whether the circumstances, events, or basis of the same shall be known or unknown at the termination of this Contract) shall survive the termination of this Contract.

SECTION 27. No Adverse Distinction

The Agency agrees that there shall be no pattern of adverse distinction and no pattern of undue discrimination in carrying out its obligations under this Agreement relating to the Member as compared to other Members; provided, however, that differences in

treatment between Members under Schedule A and Schedule B of this Contract based upon variances in cost of service shall not be considered a pattern of adverse distinction or a pattern of undue discrimination for purposes of this Section.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their proper officers, respectively, being thereunto duly authorized, and their respective corporate seals to be hereto affixed, as of the day, month and year first above written.

INDIANA MUNICIPAL POWER AGENCY

By Frank P. Rudolph
Chairman

Attest:

By Dwight D. Langer
Secretary
(SEAL)

CITY OF RICHMOND, INDIANA

By Clifford J. Beckman
Mayor

Attest:

By Jo Ellen Frankle
Clerk
(SEAL)

501,457

Exhibit "A"

FIRST AMENDATORY AGREEMENT TO
POWER SALES CONTRACT BETWEEN
INDIANA MUNICIPAL POWER AGENCY
AND
THE CITY OF RICHMOND

This Agreement, made as of the 1st day of July, 2002, by and between INDIANA MUNICIPAL POWER AGENCY, a body corporate and politic and political subdivision of the State of Indiana, organized and existing under the laws of the State of Indiana (hereinafter the "Agency"), and THE CITY OF RICHMOND (hereinafter the "Member").

WITNESSETH:

WHEREAS, the Agency and the Member entered into a Power Sales Contract dated April 1, 1982 by which the Agency agreed to sell and deliver to the Member, and the Member agreed to purchase and receive from the Agency, all electric power and energy which the Member required for the operation of its municipal electric system; provided, however, Section 3(a) of the Power Sales Contract provides in pertinent part that after December 31, 2002, the maximum amount of power required to be sold and delivered by the Agency and purchased and received by the Member, shall not exceed the Contract Rate of Delivery, which shall be the peak demand of the Member for power and energy under this Contract during the 60 billing periods preceding December 31, 2002, as determined by the Agency, adjusted up or down by not more than 10% so as to provide optimal utilization of the Agency's Power Supply Resources, such adjustment to be made by the Agency upon the advice of the consulting engineer to the Agency; and

WHEREAS, the Member desires to change the definition of and date for determining the Contract Rate of Delivery in Section 3(a) of the Power Sales Contract and the Agency is willing to make such changes; and

WHEREAS, the Agency has periodically advised the Member of its estimated Contract Rate of Delivery and the Member desires to continue purchasing and receiving from the Agency, all electric power and energy required for the operation of its municipal electric system, including that necessary to serve load growth through December 31, 2008 and thereafter, unless the Member elects by December 31, 2006 the Contract Rate of Delivery as provided herein; and

WHEREAS, the Agency is willing to plan for and invest in Power Supply Resources necessary to sell and deliver all electric power and energy required for the operation of the Member's municipal electric system, including that necessary to serve the Member's load growth; and

WHEREAS, the Agency and the Member desire to amend the Power Sales Contract to reflect their intentions.

Exhibit "A"

NOW, THEREFORE, in consideration of the premises and the covenants, terms and conditions hereinafter provided, the parties hereto mutually agree as follows:

1. The reference to "Power Supply Resources" in Section 1, "Definitions," of the Power Sales Contract is deleted in its entirety and the following is substituted:

Power Supply Resources shall mean those resources for the production of electric power and energy included in the System to the extent the same are employed by the Agency to supply electric power and energy sold under the Power Sales Contracts.

2. Subsection (a) of Section 3, "Sale and Purchase of Electricity," of the Power Sales Contract is deleted in its entirety and the following is substituted:

SECTION 3. Sale and Purchase of Electricity

(a) The Agency hereby agrees to sell and deliver to the Member, and the Member hereby agrees to purchase and receive from the Agency, commencing on the date of the First Amendatory Agreement and extending through the term hereof, all electric power and energy which the Member shall require for the operation of its municipal electric system, provided, however, the Member may give written notice to the Agency no later than December 31, 2006 that after December 31, 2008, the maximum amount of power required to be sold and delivered by the Agency and purchased and received by the Member hereunder shall not exceed the "Contract Rate of Delivery" as hereinafter defined. The "Contract Rate of Delivery" shall be the peak demand of the Member for power and energy under this Contract during the 60 billing periods preceding December 31, 2008, as determined by the Agency.

In the event that, pursuant to the Public Utility Regulatory Policies Act of 1978 or other provisions of law, electric power is required to be purchased from a small power production facility, a cogeneration facility or other facility, the Member and the Agency shall use their best efforts to arrange for such purchases to be made by the Agency. If such arrangements can not be made, then the Member shall make the required purchases and sell the power purchased to the Agency at a price equal to the price paid by the Member. The Member appoints the Agency to act as its agent in all dealings with the owner of any such facility from which power is to be purchased and in connection with all other matters relating to such purchases.

- D. Subsection (b) of Section 6, "Covenants of the Agency," of the Power Sales Contract is deleted in its entirety and the following is substituted:

(b) The Agency shall use its best efforts while following Prudent Utility Practice to provide a constant and uninterrupted supply of electric power and energy under this

Exhibit "A"

Contract. In the event that the Agency is not able to supply all of the electric power and energy requirements of all of the Participating Members that it is required to supply hereunder, it shall use its best efforts to allocate its electric power and energy available from its Power Supply Resources during any billing period among the Member and the other Participating Members as follows: Such allocation shall be made pro rata in accordance with their respective electric power and energy requirements supplied hereunder during the corresponding billing period of the preceding calendar year. During any period the Agency is unable to supply all of the Member's electric power and energy requirements that it is required to supply hereunder, the Agency shall not in any case be liable to the Member for damages resulting from such interruption of service and the Member shall be permitted to acquire from other sources such amount of electric power and energy which is not supplied by the Agency; provided, however, that at such time as the Agency is thereafter again able to supply all of the Member's electric power and energy requirements that it is required to supply hereunder, the Member shall be required to take and pay for such electric power and energy in accordance with the provisions hereof.

IN WITNESS WHEREOF, Indiana Municipal Power Agency and the City of Richmond have caused this First Amendatory Agreement to be executed by their respective duly authorized officers as of the day, month and year first above written.

INDIANA MUNICIPAL POWER AGENCY

By: *Thomas S. Winkler*

Title: *Chairman*

ATTEST:

Brendy Stout
Secretary
(Seal)

THE CITY OF RICHMOND, INDIANA

By: *David W. Osburn*
David Osburn

Title: General Manager of RP&L

ATTEST:

Norma Schroeder
Norma Schroeder, City Clerk
(Seal)

APPROVED BY: *Shelley D. Miller*
Shelley D. Miller, Mayor



September 5, 2007

Richmond Light & Power
Steve Saum
2000 U.S. 27 South PO Box 908
Richmond, IN 47374

Dear Mr. Saum:

I am enclosing one set of fully executed original copies of the following documents related to the amendment of your Power Sales Contract:

- (1) the ordinance;
- (2) the Amendment;
- (3) the certificate authenticating the local ordinance; and
- (4) the attorney opinion letter from your local counsel.

I am also sending a copy of these documents to your local counsel for his or her reference. I appreciate your assistance in getting these documents completed in a timely fashion. Should you have any questions or need further information, please do not hesitate to contact me at 317-575-3870.

Sincerely,

INDIANA MUNICIPAL POWER AGENCY

Kristina Kern Wheeler
Vice President & Staff Counsel

Enclosures

cc: Local counsel

KKW/skb

SECOND AMENDATORY AGREEMENT TO
POWER SALES CONTRACT BETWEEN
INDIANA MUNICIPAL POWER AGENCY
AND
CITY OF RICHMOND

This Agreement, made as of the 16th day of July, 2007, by and between INDIANA MUNICIPAL POWER AGENCY (hereinafter the "Agency"), a body corporate and politic and political subdivision of the State of Indiana, organized and existing under the laws of the State of Indiana, and THE CITY OF RICHMOND (hereinafter the "Member").

WITNESSETH:

WHEREAS, the Agency and the Member entered into a Power Sales Contract as heretofore amended and supplemented (collectively the "Contract"), attached hereto and made a part hereof, by which the Agency agreed to sell and deliver to the Member, and the Member agreed to purchase and receive from the Agency, all electric power and energy which the Member required for the operation of its municipal electric system for a term expiring April 1, 2032; and

WHEREAS, the Agency is acquiring ownership of new power supply resources that will require the issuance of debt with a long-term (at least 30-years) amortization of debt service and associated costs to provide the most economic and reliable power supply to Member and other members of the Agency; and

WHEREAS, it is in the best interests of the Agency and the Member to amend the Contract, as well as the Power Sales Contracts the Agency has entered into with other members of the Agency, to establish a term beginning July 16, 2007 through April 1, 2042 to allow the Agency to issue new debt with a long-term amortization that would extend beyond the current term of the Contract; and

WHEREAS, Member is willing to amend its Contract to extend the term in the manner sought by the Agency.

NOW, THEREFORE, in consideration of the premises and the covenants, terms and conditions hereinafter provided, the parties hereto mutually agree as follows:

Section I. Section 2 of the Contract is amended in its entirety and hereafter reads as follows:

The term of this Contract shall become effective on July 16, 2007. The Contract shall remain in effect until April 1, 2042. On April 1, 2032, and on each April 1st thereafter, the Contract term shall be extended automatically for an additional one year period (i.e., on April 1, 2032, the Contract term shall extend until April 1, 2043). Notwithstanding the foregoing, this Contract may be terminated by the

Member on April 1, 2042, or on any subsequent April 1st thereafter, upon the Member having given prior written notice to the Agency pursuant to Section 21 of the Contract at least ten (10) years prior to the then current date of termination. In addition, this Contract may be terminated by the Member at such time that all Bonds shall have been paid or provision for such payment shall have been made therefore pursuant to the Bond Resolution and all contractual obligations entered into by the Agency for the generation, purchase, transmission or transformation of power and energy have been terminated and provision has been made for the payment of any residual costs thereof. In no event shall the term of this Contract exceed the maximum term permitted by law.

Section II. A new Section 28 is added to the Contract to read as follows:

SECTION 28. Indemnification.

Agency and Member shall defend and hold each other harmless from any and all claims, liability and expense, including attorneys' fees, litigation expenses and any judgment arising out of any bodily injury, death or damage to property (other than bodily injury, death or damage to property proximately caused by the other party or its servants or employees), occurring on their respective sides of the Point of delivery, including such injury, death or damage as may be suffered by Agency or Member or by third parties, except that Agency and Member shall each be responsible for all claims of its respective employees, agents and servants under workmen's compensation laws or any similar statutes. In no event shall either Agency or Member be liable to each other for any indirect, special, incidental or consequential damages with respect to any claim arising out of this Contract whether based on contract, tort, strict liability or otherwise.

Section III. Notwithstanding anything to the contrary set forth in the Contract or this Second Amendatory Agreement, the Agency may set the rates charged to the Member from time to time pursuant to the provisions of Section 5 of the Contract so as to amortize the Member's proportionate share of the debt service and associated costs incurred subsequent to the effective date of this Second Amendatory Agreement over the term of the Contract, as extended by this Second Amendatory Agreement. The modification to the Contract made by this Section II shall not be considered a pattern of adverse distinction or a pattern of undue discrimination for purposes of Section 27 of the Contract.

Section IV. The Second Amendatory Agreement to this Contract shall become effective upon execution by the Chairman or Vice Chairman of the Agency's Board of Commissioners, which shall follow the execution thereof by the Member and the delivery and acceptance of opinions and certificates required pursuant to Section 19 of the Contract. Except as expressly provided for above, the terms and conditions of the Contract herein incorporated by reference remain unchanged and unmodified.

IN WITNESS WHEREOF, Indiana Municipal Power Agency and the City of

Richmond have caused this Second Amendatory Agreement to be executed by their respective duly authorized officers as of the day, month and year first above written.

INDIANA MUNICIPAL POWER AGENCY

By: William H. Hill

Title: Chairman

ATTEST:

Deann Stout
Secretary
(Seal)

CITY OF RICHMOND

By: Sarah L. Hutton
Mayor

ATTEST:

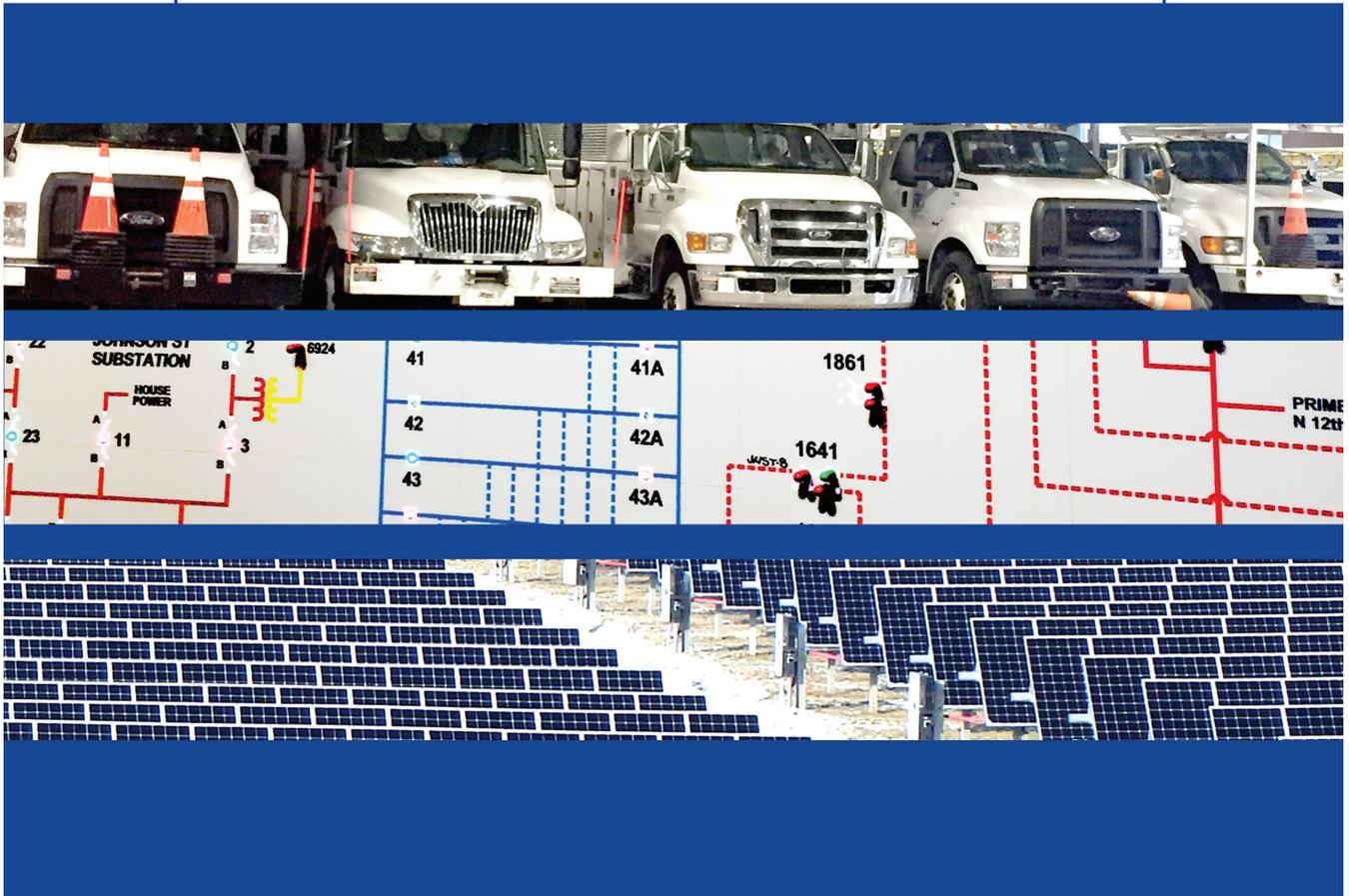
Karen Chastler
City Clerk
(Seal)



Richmond Power & Light

2018

Annual Report





THANK YOU TO
OUR
BOARD *of* DIRECTORS

in appreciation from Richmond Power and Light



Bruce Wissel,
Chairman



Misty Hollis,
Vice Chairman



Ron Oler



Kelly Cruse-Nicholson



Jamie Lopeman



Doug Goss



Gary Turner



Clay Miller



Jeffery Locke



Randall Baker
General Manager



Tony Foster
Assistant General Manager

Annual Report Review

It is our pleasure to present to you the 2018 Richmond Power and Light annual report. Only a few years ago, energy professionals began asking themselves “What do modern utility consumers need and expect in a digital era?”. This question has become one of the drivers for a modern electric utility. Our customers expect information about their electrical usage to be available at any time and on practically any device. With this goal in mind, one of the projects for 2018 was to lay the technological groundwork for providing this information to the customer in a convenient and effective manner. To achieve that level of responsiveness, the framework for Advanced Metering Infrastructure (AMI) was successfully rolled out over the last twelve months. As of this writing, the utility has approximately 10% of our customer base on the new meters.

While the financials show a modest loss for 2018, keeping abreast of the changing technologies while also making sure the utility was compliant with changing regulations, and keeping energy costs in line were RP&L’s goals for the year. In addition to these efforts the RP&L crews invested an extra 17,157 hours of work towards the INDOT routes 40, 27 projects as well as the City’s Stellar Grant improvements.

Potent new pressures are building that will force fundamental changes in the way that electric utilities do business. While utilities like us, must respond first and foremost to incentives created by the legal and regulatory regimes in which they operate, we must also focus on changing our model to satisfy customer demands as well. Please enjoy this year’s annual report.

Randall Baker
General Manager



Welcome

We would like to welcome our new Assistant Manager, Tony Foster, to the RP&L team. Tony joined us in July of 2018.

Tony has a long track record of public service including over 16 years at the City of Richmond as Director of Metropolitan Development. His career at the city went far beyond his title though as he worked closely with city departments, the Chamber, and EDC economic development efforts. After leaving the city, he served as Executive Director for the Area 9 Agency at IU East. His work led him to do a complete restructuring of the business model for the Area 9 Agency.



Please join me in welcoming Tony to the RP&L team.

Randall Baker

Balance Sheet - Assets

Assets	December 31, 2018	December 31, 2017
Current Assets		
Cash Operating Fund - Cash	\$14,297,194	\$14,184,064
Notes Receivable - Telecom Div	\$2,548,849	\$2,568,111
Interest Receivable	\$590,081	\$590,458
Petty Cash Fund	\$1,700	\$1,700
Accounts Receivable	\$7,374,332	\$6,687,440
Allowance for Doubtful Accts	(\$17,569)	(\$15,926)
Material and Supplies	\$2,476,577	\$2,136,460
Prepaid Expenses	\$213,787	\$284,935
Miscellaneous Deferred Debits	\$270,093	\$57,582
Total Current Assets	\$27,755,045	\$26,494,824
Restricted Assets		
Depreciation Reserve - Invest	\$9,899,053	\$10,145,174
Insurance Reserve - Invest	\$1,351,702	\$1,344,899
Cash Reserve - Cash	\$2,139,709	\$2,139,709
Consumer Deposit - Cash	\$699,182	\$655,525
Bond Reserve - Invest	\$0	\$485,000
Payroll Deduction Fund	\$176	\$0
Deferred Pension Outflows	\$1,574,200	\$4,030,850
Total Restricted Assets	\$15,664,023	\$18,801,157
Fixed Assets		
Utility Plant in Service	\$192,008,628	\$189,092,744
Accumulated Depreciation	(\$134,294,105)	(\$129,993,678)
Accumulated Amortization	(\$156,661)	(\$156,661)
Construction Work In Progress	\$3,844,163	\$2,264,906
Property Held for Future Use	\$156,661	\$156,661
Total Fixed Assets	\$61,558,687	\$61,363,972
Total Assets	\$104,977,754	\$106,659,953

Unaudited Financials

GAAR JACKSON SUBSTATION



Balance Sheet - Liabilities

Liabilities, Contributions, and Retained Earnings	December 31, 2018	December 31, 2017
Liabilities from Current Assets		
Other Payables	\$11,335	\$2,830
Accrued Vacation	\$487,500	\$480,000
Accrued & Tax Payable	\$256,500	\$227,356
Accounts Payable	\$540,527	\$390,835
Purchased Power Payable	\$10,174,635	\$9,885,119
Total Current Liabilities	\$11,470,496	\$10,986,139
Liabilities from Restricted Assets		
2008 Bonds - LT Debt	\$0	\$485,000
Interest Payable	\$0	\$5,885
Customer Deposits	\$738,716	\$691,572
Net Pension Liability	\$20,873,650	\$21,161,826
Payable to City in Lieu of Tax	\$3,209,563	\$3,209,563
Deferred Pension Inflows	\$924,075	\$515,785
Environmental Remediation Liability	\$12,412,939	\$12,570,081
Total Liabilities from Restricted Assets	\$38,158,943	\$38,639,712
Contribution in Aid of Construction	\$1,954,546	\$1,913,678
Retained Earnings		
Retained Earnings Beg Balance	\$55,120,424	\$58,624,713
Net Income during the Year	(\$364,738)	(\$2,142,373)
Appropriated Retained Earnings	(\$1,361,917)	(\$1,361,917)
Retained Earnings from End of Period	\$53,393,769	\$55,120,424
Liabilities, Contributions and Retained Earnings	\$104,977,754	\$106,659,953

**Construction began in 2018 to provide
 power to the Midwest Industrial Park.**



UTILITY PLANT IN SERVICE

Production Plant	December 2018	December 2017
Land and Land Rights	\$80,644	\$80,644
Structures and Improvements	\$2,848,645	\$2,848,645
Boiler Plant Equipment	\$24,874,229	\$24,874,229
Turbogenerator Units	\$12,493,390	\$12,493,390
Cooling Towers	\$119,063	\$119,063
Accessory Electric Equipment	\$2,282,710	\$2,282,710
Miscellaneous Power Plant Equip	\$10,397,066	\$10,397,066
Total Production Plant	\$53,095,746	\$53,095,746
Transmission Plant		
Land and Land Rights	\$568,641	\$568,604
Structures and Improvements	\$560,359	\$560,359
Station Equipment	\$21,542,536	\$21,071,419
Towers and Fixtures	\$320,801	\$320,801
Poles and Fixtures	\$3,626,557	\$3,626,557
Overhead Conductors and Devices	\$2,028,656	\$2,028,656
Underground Conduit	\$71,271	\$71,269
Underground Conduit and Devices	\$228,678	\$228,627
Roads, Trails and Bridges	\$783	\$783
Total Transmission Plant	\$28,948,281	\$28,477,075
Distribution Plant		
Land and Land Rights	\$240,163	\$238,286
Structures & Improvements	\$921,220	\$915,720
Station Equipment	\$8,796,394	\$8,809,339
Storage Battery Equipment	\$72,170	\$72,170
Poles, Towers and Fixtures	\$13,332,660	\$12,893,867
Overhead Conduit and Devices	\$11,908,827	\$11,687,958
Underground Conduit	\$8,592,071	\$8,275,176
Underground Conduit & Devices	\$10,211,750	\$9,500,713
Line Transformers - Overhead	\$4,244,952	\$4,300,598
Line Transformers - Underground	\$6,692,541	\$6,648,879
Services	\$7,769,660	\$7,682,145
Meters	\$6,008,605	\$5,735,121
Unmetered Outdoor Lights	\$1,045,741	\$963,104
Street Lighting & Signal System	\$4,029,709	\$4,007,050
Total Distribution Plant	\$83,866,462	\$81,730,126
General Plant		
Land and Land Rights	\$49,038	\$49,038
Structures & Improvements	\$5,231,221	\$5,163,686
Office Equipment & Furniture	\$7,976,645	\$7,977,410
Transportation Equipment	\$3,965,467	\$3,749,147
Stores Equipment	\$54,877	\$53,500
Tools, Shop, & Garage Equipment	\$1,389,058	\$1,373,903
Laboratory Equipment	\$834,649	\$858,424
Power Operated Equipment	\$1,598,583	\$1,598,583
Communications Equipment	\$4,559,517	\$4,541,782
Miscellaneous Equipment	\$353,211	\$338,450
Other Tangible Property	\$85,873	\$85,873
Total General Plant	\$26,098,139	\$25,789,796
Utility Plant in Service	\$192,008,628	\$189,092,744

Providing Mutual Aid to Puerto Rico



Hurricane Maria ravaged Puerto Rico causing thousands of deaths and knocking out power for nearly a year. Many consider it to be the worst in U.S. history. RP&L volunteered through the APPA Federal Disaster mutual aid efforts by joining a total of 32 utilities to restore power.

A 3-member crew, along with their truck, began their mission in January. Joining forces with SMUD and Ameren crews, they participated in rebuilding infrastructure that restored power to approximately 3,000 people.

The work was “challenging yet highly rewarding,” according to Donnie Pitcher. Along with Donnie, we extend our gratitude to Brian Harvey and Derek Jordan for their dedication, often working 12-14-hour days, to proudly accomplish their goal. We were thankful for your safe return to Richmond on April 4, 2018.



DONNIE PITCHER



BRIAN HARVEY



DEREK JORDAN



INCOME STATEMENT - OPERATING REVENUES

Operating Revenues	December 31, 2018	December 31, 2017
Electric Sales		
Residential Sales		
Residential Service	\$19,885,387	\$18,264,827
Commercial and Industrial Sales		
Commercial Service	\$5,236,352	\$4,965,786
General Power Service	\$13,279,956	\$12,860,906
Municipal Light - Pub Buildings	\$83,221	\$73,389
Municipal Power Service	\$967,900	\$1,016,678
Security Lights - Outdoor	\$256,739	\$260,371
Industrial Service	\$6,719,232	\$6,551,365
Large Power Service	\$34,877,575	\$35,804,961
General Electric Heating Service	\$192,368	\$211,750
Public Street & Highway Lighting		
Street Lighting - Flat Rate	\$150,846	\$153,426
Public Street & Highway Light	\$777,533	\$784,210
Traffic Lights	\$23,694	\$23,852
Other Sales to Public Authorities		
Public School Space Heating	\$49,447	\$77,209
Total Electric Sales	\$82,500,250	\$81,048,729
Other Operating Revenues:		
Penalties For Late Payments	\$589,962	\$573,415
Misc Rev - City Of Richmond	\$1,440	\$4,677
Misc Revenues - General	\$89,548	\$86,240
Connect Or Reconnect Charges	\$54,280	\$48,895
Temporary Service Charges	\$570	\$750
Dishonored Check Charges	\$5,480	\$5,100
Misc Service Revenue - IMPA	\$1,555	\$1,607
Rent From Joint Use Of Pole	\$139,480	\$138,590
Total Other Operating Revenues	\$882,316	\$859,274
Total Operating Revenues	\$83,382,566	\$81,908,003

Since the advent of portable test equipment, we have been able to test our electric meters while still in service. This provides a greater efficiency in our testing program and a great service we provide to our customers.

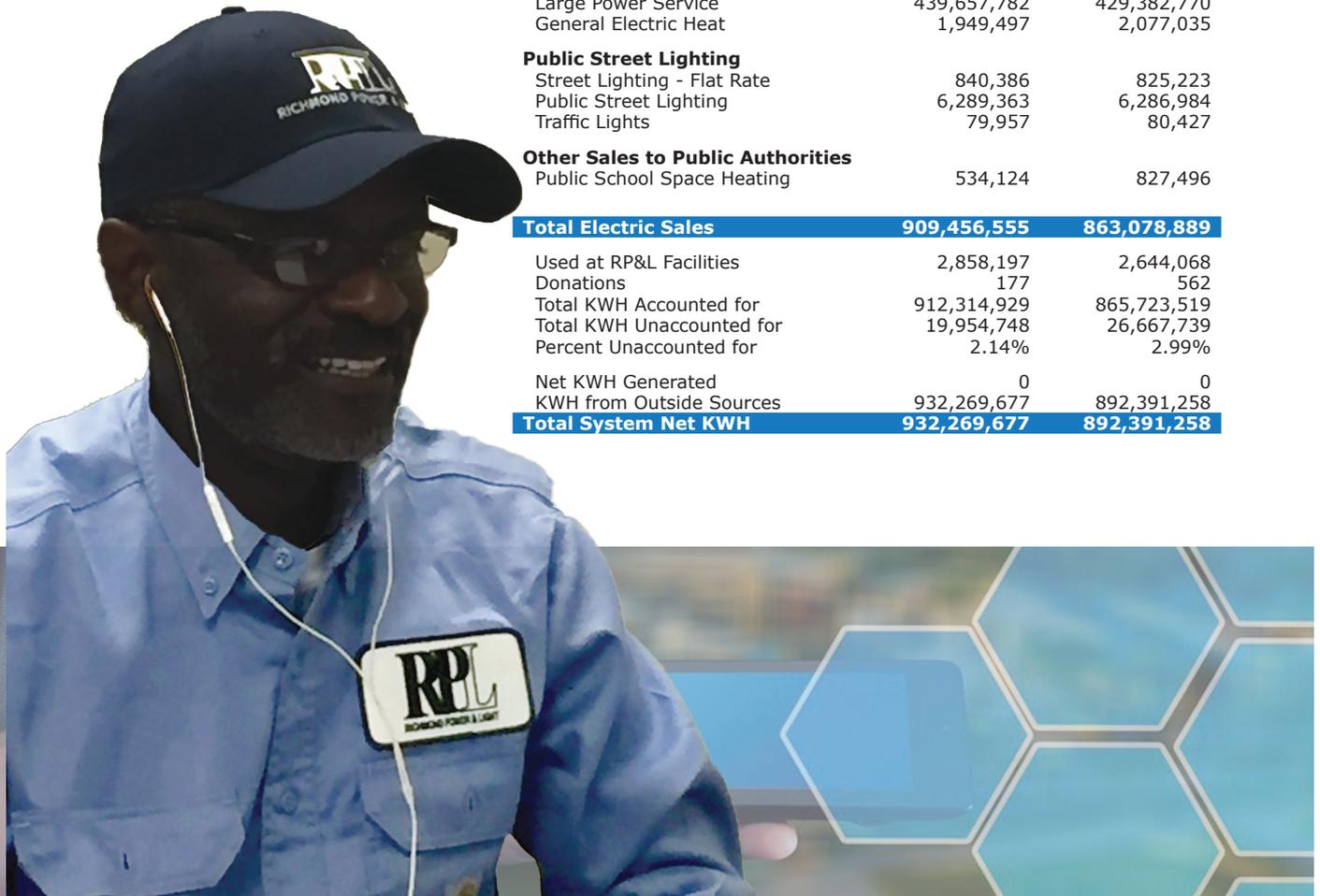
INCOME STATEMENT - OPERATING EXPENSES

Operating Expenses	December 31, 2018	December 31, 2017
Production - Allowances	\$0	\$135,779
Purchased Power	\$63,689,554	\$63,141,830
Transmission & Distribution	\$4,070,164	\$4,266,731
Customer Accounts & Service	\$1,311,098	\$1,246,558
Administrative & General	\$7,096,841	\$8,005,975
Depreciation	\$4,958,227	\$4,899,043
Gross Receipts and Other Taxes	\$866,690	\$1,186,792
Payroll Taxes - FICA & SUTA	\$464,175	\$456,876
Payment to City in Lieu of Tax	\$777,792	\$777,792
Total Operating Expenses	\$83,234,542	\$84,117,376
Net Operating Income	\$148,025	(\$2,209,373)
Other Income and Deductions		
Other Income		
Investment - Interest	\$112,745	\$78,508
Interest - Checking	\$7,645	\$7,695
Contract Income	\$8,213	\$8,137
Total Other Income	\$128,603	\$94,341
Other Deductions		
Interest on Revenue Bonds	\$2,942	\$21,086
Interest on Consumer Deposits	\$6,546	\$6,254
Environmental Remediation	\$631,877	\$0
Total Other Deductions	\$641,366	\$27,340
Net Income	(\$364,738)	(\$2,142,373)
Appropriation for Transfer to City	\$1,361,917	\$1,361,917



David Samuels
 Meter Tech A

	Dec 31, 2018	Dec 31, 2017
Total KWH Purchased	932,269,677	892,391,258
Electric Sales - Kilowatt Hours		
Residential Sales		
Residential Service	195,247,247	173,000,023
Commercial & Industrial Sales		
Commercial Light - City	35,847,799	33,164,652
General Power Service	135,660,124	128,459,815
Municipal Lighting - Public Bldgs	603,796	516,844
Municipal Power	12,205,749	12,521,302
Security Lights - Outdoor	3,101,781	3,054,618
Industrial Service	77,438,950	72,881,700
Large Power Service	439,657,782	429,382,770
General Electric Heat	1,949,497	2,077,035
Public Street Lighting		
Street Lighting - Flat Rate	840,386	825,223
Public Street Lighting	6,289,363	6,286,984
Traffic Lights	79,957	80,427
Other Sales to Public Authorities		
Public School Space Heating	534,124	827,496
Total Electric Sales	909,456,555	863,078,889
Used at RP&L Facilities	2,858,197	2,644,068
Donations	177	562
Total KWH Accounted for	912,314,929	865,723,519
Total KWH Unaccounted for	19,954,748	26,667,739
Percent Unaccounted for	2.14%	2.99%
Net KWH Generated	0	0
KWH from Outside Sources	932,269,677	892,391,258
Total System Net KWH	932,269,677	892,391,258



STATEMENT OF CASH FLOWS

December 31, 2018

Cash Flows From Operating Activities:

Receipts from Customers and Users	\$86,510,310
Payments to Suppliers & Contractors for Goods & Services	(\$73,147,461)
Payments to Employees for Services - Including Benefits	(\$9,184,977)
Net Cash Provided (Used) by Operating Activities	\$4,177,871

Cash Flows From Investing Activities:

Interest Received	\$69,358
Purchase of Investments	(\$58,759)
Net Cash Provided (Used) by Investing Activities	\$10,599

Cash Flows From Capital & Related Financing Activities:

Acquisition and Construction of Capital Assets	(\$3,578,547)
Principal Paid on Capital Debt	(\$485,000)
Interest Paid on Capital Debt	(\$8,827)
Capital Contributions	\$40,868
Net Cash Provided (Used) by Capital & Related Financing Activities	(\$4,031,506)

Net Increase (Decrease) in Cash and Cash Equivalents \$156,964

Cash and Cash Equivalents - Beginning of the Year \$16,980,998

Cash and Cash Equivalents - End of the Year \$17,137,961

Investments:

Depreciation Reserve	\$9,899,053
Insurance Reserve	\$1,351,702
Bond Reserve	\$0
Total Investments - End of the Year	\$11,250,755

PEOPLE BEHIND THE POWER



10 YEAR COMPARATIVE SUMMARY OF OPERATIONS

For the Years Ended	2018	2017	2016	2015
Operating Revenues				
Residential Sales				
Residential Service	\$19,885,387	\$18,264,827	\$19,353,042	\$19,513,809
Commercial and Industrial Sales				
Commercial Light	\$5,236,352	\$4,965,786	\$5,173,359	\$5,190,523
General Power	\$13,279,956	\$12,860,906	\$14,054,032	\$13,934,272
Municipal Lighting - Public Buildings	\$83,221	\$73,389	\$74,655	\$76,405
Municipal Power	\$967,900	\$1,016,678	\$995,717	\$1,042,625
Security Lights - Outdoor	\$256,739	\$260,371	\$273,974	\$280,165
Industrial Service	\$6,719,232	\$6,551,365	\$7,245,609	\$9,041,472
Large Power Service	\$34,877,575	\$35,804,961	\$35,722,940	\$33,238,843
General Electric Heat	\$192,368	\$211,750	\$225,935	\$240,707
Public Street and Highway Lighting				
Street Lighting - Flat Rate	\$150,846	\$153,426	\$154,282	\$153,498
Public Street & Highway Lighting	\$777,533	\$784,210	\$799,093	\$800,061
Traffic Lights	\$23,694	\$23,852	\$23,832	\$23,609
Other Sales to Public Authorities				
Public School Space Heating	\$49,447	\$77,209	\$107,784	\$124,556
Sales for Resale	\$0	\$0	\$0	\$0
Total Electric Sales	\$82,500,250	\$81,048,729	\$84,204,253	\$83,660,544
Other Operating Revenues	\$882,316	\$859,274	\$788,411	\$957,882
Total Operating Revenues	\$83,382,566	\$81,908,003	\$84,992,663	\$84,618,426
Operating Expenses				
Production	\$0	\$135,779	\$0	\$0
Purchased Power	\$63,689,554	\$63,141,830	\$65,718,938	\$64,137,642
Transmission and Distribution	\$4,070,164	\$4,266,731	\$4,228,134	\$3,838,163
Customer Accounts and Service	\$1,311,098	\$1,246,558	\$1,244,055	\$1,366,273
Administrative and General	\$7,096,841	\$8,005,975	\$7,965,912	\$6,837,944
Depreciation	\$4,958,227	\$4,899,043	\$4,996,066	\$5,113,306
Gross Receipts and Other Taxes	\$866,690	\$1,186,792	\$1,217,705	\$1,211,892
Payroll Taxes - FICA & SUTA	\$464,175	\$456,876	\$465,163	\$461,072
Payment to City in Lieu of Taxes	\$777,792	\$777,792	\$777,792	\$777,792
Total Operating Expenses	\$83,234,542	\$84,117,376	\$86,613,765	\$83,744,084
Net Operating Income	\$148,025	(\$2,209,373)	(\$1,621,101)	\$874,342
Other Income	\$128,603	\$94,341	\$76,586	\$68,712
Other Deductions	\$641,366	\$27,340	\$13,077,556	\$59,425
Net Income	(\$364,738)	(\$2,142,373)	(\$14,622,071)	\$883,629
Appropriation for Transfer to City	\$1,361,917	\$1,361,917	\$1,361,917	\$1,361,917
Total Kilowatt Hour Sales (kWh)	909,456,555	863,078,889	887,123,138	876,043,868
Average Cost per kWh	\$0.0907	\$0.0939	\$0.0949	\$0.0955

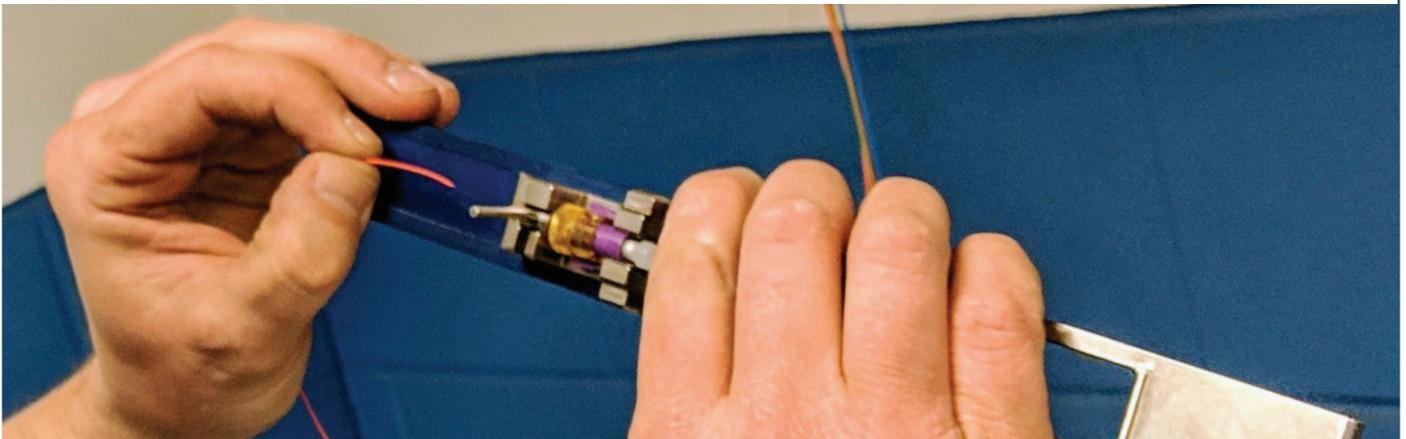


2014	2013	2012	2011	2010	2009
\$18,617,042	\$19,285,938	\$18,628,090	\$18,001,164	\$18,335,619	\$18,498,797
\$4,385,452	\$5,010,685	\$5,018,590	\$4,443,344	\$4,739,300	\$4,938,224
\$13,439,233	\$18,335,115	\$11,333,688	\$10,075,758	\$9,054,628	\$8,751,996
\$67,798	\$77,426	\$85,062	\$85,855	\$90,251	\$97,320
\$889,530	\$901,006	\$769,748	\$827,744	\$759,327	\$790,282
\$277,319	\$268,512	\$264,067	\$267,224	\$249,902	\$255,466
\$7,981,264	\$8,445,088	\$8,848,128	\$10,737,815	\$10,663,624	\$17,150,606
\$26,540,516	\$25,422,406	\$24,353,877	\$22,548,651	\$22,999,886	\$20,047,398
\$235,175	\$208,330	\$182,404	\$193,202	\$200,676	\$225,514
\$141,958	\$151,702	\$151,030	\$142,507	\$141,376	\$146,515
\$794,300	\$786,287	\$782,810	\$782,197	\$757,700	\$774,775
\$22,356	\$24,130	\$24,395	\$25,632	\$33,054	\$50,424
\$140,505	\$203,130	\$195,333	\$219,832	\$225,651	\$235,367
\$4,130,385	\$2,191,863	\$3,466,753	\$16,019,722	\$15,945,374	\$10,582,942
\$77,662,832	\$81,311,617	\$74,103,976	\$84,370,646	\$84,196,368	\$82,545,627
\$901,746	\$994,543	\$681,711	\$755,212	\$727,103	\$928,412
\$78,564,578	\$82,306,161	\$74,785,687	\$85,125,858	\$84,923,471	\$83,474,039
\$2,285,356	\$5,028,987	\$3,896,613	\$13,214,267	\$12,519,666	\$10,842,734
\$62,692,681	\$59,806,852	\$54,153,667	\$54,072,964	\$51,967,542	\$54,658,222
\$3,582,274	\$3,605,469	\$3,419,554	\$3,484,494	\$3,289,318	\$3,102,711
\$1,407,115	\$1,169,053	\$1,091,512	\$1,109,409	\$1,340,691	\$1,389,804
\$6,065,992	\$6,182,129	\$6,194,699	\$6,180,356	\$6,159,079	\$5,730,534
\$5,007,843	\$4,840,618	\$4,960,179	\$4,923,058	\$4,816,834	\$4,755,899
\$1,065,387	\$1,150,231	\$1,023,732	\$1,003,194	\$1,005,303	\$1,053,195
\$495,760	\$531,918	\$548,656	\$582,921	\$584,181	\$584,485
\$777,792	\$777,792	\$777,792	\$777,792	\$777,792	\$777,792
\$83,380,200	\$83,093,047	\$76,066,404	\$85,348,455	\$82,460,407	\$82,895,377
(\$4,815,623)	(\$786,887)	(\$1,280,717)	(\$222,597)	\$2,463,064	\$578,662
\$71,287	\$82,358	\$44,669	\$93,525	\$169,878	\$354,727
\$74,518	\$131,840	\$163,983	\$188,607	\$212,829	\$235,248
(\$4,818,854)	(\$836,369)	(\$1,400,032)	(\$317,679)	\$2,420,113	\$698,141
\$1,361,917	\$1,361,917	\$1,361,917	\$1,361,917	\$1,361,917	\$1,361,917
887,157,398	891,212,129	842,298,625	875,262,741	885,382,880	865,686,247
\$0.0829	\$0.0888	\$0.0839	\$0.0781	\$00771	\$0.0831



BALANCE SHEET**PARALLAX SYSTEMS**

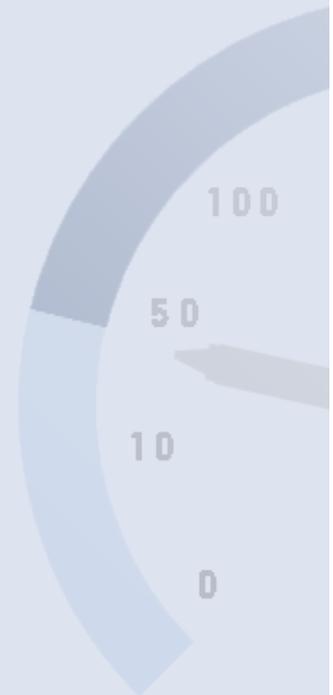
Assets	December 31, 2018	December 31, 2017
Current Assets		
Cash Operating Fund - Cash	\$408,005	\$350,427
Accts Rec - Telecommunications	\$110,766	\$88,948
Allowance for Doubtful Accts	(\$1,108)	(\$889)
Prepaid Expenses	\$2,479	\$2,479
Total Current Assets	\$520,141	\$440,964
Fixed Assets		
Utility Plant in Service	\$2,616,527	\$2,511,872
Accumulated Depreciation	(\$1,490,399)	(\$1,367,943)
Accumulated Amortization	(\$386,017)	(\$386,017)
Construction Work In Progress	\$22,386	\$0
Misc Intangible Property	\$386,017	\$386,017
Total Fixed Assets	\$1,148,514	\$1,143,929
Total Assets	\$1,668,655	\$1,584,893
Liabilities, Contributions, and Retained Earnings		
Liabilities from Current Assets		
Accounts Payable	\$3,746	\$11,048
Total Current Liabilities	\$3,746	\$11,048
Liabilities from Restricted Assets		
Interest Payable	\$590,081	\$590,458
Notes Payable - RP&L	\$2,548,849	\$2,568,111
Total Liabilities from Restricted Assets	\$3,138,930	\$3,158,570
Retained Earnings		
Retained Earnings Beg Balance	(\$1,584,724)	(\$1,588,511)
Net Income during the Year	\$110,703	\$3,787
Retained Earnings from End of Period	(\$1,474,021)	(\$1,584,724)
Liabilities, Contributions and Retained Earnings	\$1,668,655	\$1,584,893



INCOME STATEMENT

PARALLAX SYSTEMS

Telecommunications Revenue	December 31, 2018	December 31, 2017
Residential		
DSL	\$121,033	\$146,488
Wireless	\$10,152	\$15,692
Equipment Fees	\$720	\$1,100
Installation Fees	\$1,320	\$1,500
Commercial		
Wireless	\$11,866	\$12,979
DSL	\$33,134	\$41,887
Web Hosting	\$2,971	\$3,680
Level Service	\$404,275	\$367,135
Point to Point	\$749,882	\$503,390
Miscellaneous Service	\$25,996	\$25,359
Installation Fees	\$40,905	\$14,930
Equipment Fees	\$300	\$305
VOIP Services	\$107,241	\$91,717
Total Telecommunications Revenue	\$1,509,795	\$1,226,161
Other Operating Revenue		
Dishonored Check Charges	\$60	\$20
Total Telecommunications Revenues	\$1,509,855	\$1,226,181
Operating Expenses		
Operations	\$617,639	\$452,695
Customer Accounts & Service	\$14,499	\$20,896
Administrative & General	\$550,787	\$538,236
Depreciation	\$139,953	\$135,231
Payroll Taxes - FICA & SUTA	\$25,442	\$24,086
Total Operating Expenses	\$1,348,319	\$1,171,144
Net Operating Income	\$161,536	\$55,036
Other Income and Deductions		
Other Income		
Interest - Checking	\$199	\$160
Total Other Income	\$199	\$160
Other Deductions		
Interest Expense - Loan due RPL	\$51,032	\$51,409
Total Other Deductions	\$51,032	\$51,409
Net Income	\$110,703	\$3,787



STATEMENT OF CASH FLOWS

December 31, 2018

Cash Flows From Operating Activities:

Received from Customers	\$1,506,503
Paid to Suppliers for Goods and Services	(\$700,502)
Paid to Employees for Services - Including Benefits	(\$531,295)
Net Cash Provided (Used) by Operating Activities	\$274,705

Cash Flows From Investing Activities:

Investment Income	\$199
Net Cash Provided (Used) by Investing Activities	\$199

Cash Flows From Capital and Related Financing Activities:

Acquisition and Construction of Fixed Assets	(\$146,655)
Principal Paid on Debt	(\$19,263)
Interest Paid on Debt	(\$51,409)
Net Cash Provided (Used) by Capital & Related Financing Activities	(\$217,327)

Net Increase (Decrease) in Cash and Cash Equivalents \$57,577

Cash and Cash Equivalents - Beginning of the Year \$350,427

Cash and Cash Equivalents - End of the Year \$408,005



Service Matters

Ben Phillips
Assistant Telecom Engineer





Richmond Power & Light
2000 US Highway 27 South
Richmond, Indiana 47374

CITY OF RICHMOND, INDIANA

ORDINANCE #11-2020

**ORDINANCE ADOPTING A NEW SCHEDULE OF RATES AND CHARGES
FOR SERVICES RENDERED BY RICHMOND POWER & LIGHT COMPANY**

WHEREAS, the City of Richmond, Indiana owns and operates its own electric Utility, Richmond Power & Light Company (hereinafter "RP&L" or the "Utility"), under the supervision and control of the Board of Directors (hereinafter "Board"), of RP&L pursuant to IC 8-1.5-3-4; and

WHEREAS, the existing rates and charges for electric services provided by the Utility were placed into effect following approval by the Indiana Utility Regulatory Commission (the "Commission") in Cause No. 42713 in a Final Order dated February 9, 2005; and

WHEREAS, the Utility has engaged the services of NewGen Strategies & Solutions, LLC, to perform a financial study of the revenue requirements of the Utility for the test year ending September 30, 2019, as well as a cost-of-service study, based upon the Utility's *pro forma* revenues, expenses and net original cost plant in service for such test year; and

WHEREAS, a study of the Utility's revenue requirements has been performed and the Common Council has been advised by the Board of Directors of Richmond Power & Light that the Utility's annual *pro forma* operating revenues do not produce sufficient revenue to meet the Utility's statutory revenue requirements, and revenues from rates and charges need to be increased by approximately 9.58% to provide for the revenue requirements set forth in IC 8-1.5-3-8, including a reasonable return on Rate Base; and

WHEREAS, the Board adopted Resolution No. 1-2020 on , 2020, which (i) recommended approval a new schedule of rates and charges for electric service provided by RP&L based upon a study of the Utility's revenue requirements under IC 8-1.5-3-8 and the results of a cost of service study and (ii) pursuant to IC 8-1.5-3-4(a)(7) recommended said rates and charges to the Common Council for its review and approval; and

WHEREAS, the Utility intends to file with the Commission a verified petition seeking approval of a new schedule of electric rates and charges that would reflect reasonable and just rates and charges under IC 8-1.5-3-8; and

WHEREAS, based upon the recommendation of the Board, the Council desires to create adopt a new schedule of rates and charges for RP&L;

NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF RICHMOND, INDIANA, THAT:

SECTION 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Council.

SECTION 2. Based on upon the foregoing, the Common Council of the City of Richmond now finds that (i) the Utility's annual operating revenue from rates and charges should be increased by approximately 9.58%; (ii) the Utility's rates and charges should be adjusted to more accurately reflect cost-of-service; (iii) the proposed rates attached hereto as Exhibit A reflect therein the election of the Common Council to include in such rates and charges each of the elements of "reasonable and just charges" under IC 8-1.5-3-8, including a reasonable return on net utility plant which, together with the Utility's other revenue requirements, will produce a rate of return of approximately 6.59% on the Utility's Rate Base, and (iv) the proposed rates and charges attached hereto are "nondiscriminatory, reasonable and just" charges for services within the meaning of IC 8-1.5-3-8.

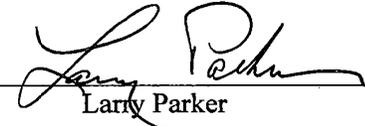
SECTION 3. The necessary and appropriate officials of the Utility, its attorneys and consultant are hereby authorized and directed to file with the Commission a verified petition seeking approval of a new schedule of electric rates and charges, as well as testimony and exhibits in support thereof, in accordance with the above findings.

SECTION 4. All resolutions or ordinances or parts thereof in conflict with the terms and conditions of this Ordinance are hereby repealed and replaced to the extent of the conflict.

SECTION 5. This Ordinance shall be in full force and effect from and after its adoption by the Common Council, approval by the Mayor, and publication as required by law, provided however, that the schedule of rates and charges herein adopted shall not become effective unless and until approved by the Indiana Utility Regulatory Commission or until such time as the Commission shall direct.

Passed and adopted by the Common Council of the City of Richmond, Indiana
this 18 day of Feb, 2020.

RICHMOND COMMON COUNCIL

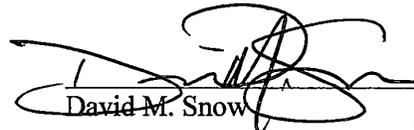

Larry Parker, Vice President

ATTEST:  City Clerk
Karen Chasteen, IAMC, MMC

PRESENTED to the Mayor of the City of Richmond, Indiana, this 3 day of
Feb, 2020, at 11:30 a.m./p.m.

 City Clerk
Karen Chasteen, IAMC, MMC

APPROVED by me, David M. Snow, Mayor of the City of Richmond, Indiana,
this 21 day of FEBRUARY 2020, at 1:12 a.m./p.m.

 Mayor
David M. Snow

ATTEST:  City Clerk
Karen Chasteen, IAMC, MMC

EXHIBIT A

New Richmond Power & Light Tariff

Effective: _____



RICHMOND POWER AND LIGHT

**RATES AND CHARGES
FOR
ELECTRIC SERVICE**

RICHMOND, INDIANA

The supplying of, and billing for, service and all conditions applying thereto, are subject to the Utility's General Terms and Conditions adopted by the Richmond Utility Service Board on October 19, 2004.

Effective: _____

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Effective: _____

Richmond Power and Light Rate Schedule

Appendix A – Quarterly Wholesale Purchase Power/Energy Cost Adjustment (ECA)

RATE ADJUSTMENTS

The Rate Adjustments shall be on the basis of a Purchase Power Cost Adjustment Tracking Factor occasioned solely by changes in the cost of purchased power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission (IURC or Commission), approved December 13, 1989 in Cause No. 36835-S3, as follows:

Rate Adjustments applicable to the below listed Rate Schedules are as follows:

Rate Schedule	ECA Adjustment	Billing Unit
R	\$X.XXXXX	Per kWh
CL	\$X.XXXXX	Per kWh
EHS	\$X.XXXXX	Per kWh
GP and GEH	\$X.XX	Per kW
	\$X.XXXXX	Per kWh
LPSS	\$X.XX	Per kVA
	\$X.XXXXX	Per kWh
LPSS Coincident	\$X.XX	Per kW
	\$X.XXXXX	Per kWh
LPSP	\$X.XX	Per kVA
	\$X.XXXXX	Per kWh
LPSP Coincident	\$X.XX	Per kW
	\$X.XXXXX	Per kWh
ISS	\$X.XX	Per kVA
	\$X.XXXXX	Per kWh
ISS Coincident	\$X.XX	Per kW
	\$X.XXXXX	Per kWh
ISP	\$X.XX	Per kVA
	\$X.XXXXX	Per kWh
ISP Coincident	\$X.XX	Per kW
	\$X.XXXXX	Per kWh
LS	\$X.XXXXX	Per kWh
TS	\$X.XX	Per kVA
	\$X.XXXXX	Per kWh
TS Coincident	\$X.XX	Per kW
	\$X.XXXXX	Per kWh

(Insert Applicable Quarterly Version As Currently Approved by the IURC --
 Last Approved December 18, 2020 for 1st Quarter 2020)

Effective: _____

Richmond Power and Light Rate Schedule

Appendix B – Non-Recurring Charges

Description of Charge	Fee
Dishonored Check Charge:	\$30.00
Connect/Disconnect Charge:	
At the Meter (Normal Hours)	\$40.00
At the Meter (After Hours – Non-Sunday and Non-Holiday)	\$70.00
At the Meter (After Hours – Sunday or Holiday)	\$90.00
At the Pole (Normal Hours)	\$100.00
At the Pole (After Hours)	\$150.00
Late Payment Charge	A late payment charge of three percent (3%) of all bills will be charged if the bill is not paid by the due date printed on the bill
Initiate service – Same day connect (Customer requested after 12PM)	\$40.00
Meter Test Charge:	
All Meters	2 x free / 24 months, 3 x is \$100
Meter Tampering Charge:	Actual labor, materials, vehicle, and estimated energy usage at applicable rate
Trip Charge (\$/hr):	\$25.00

Effective: _____

Richmond Power and Light Rate Schedule

Residential Electric Service (R)

AVAILABILITY

Service to Residential Customers, including Rural Customers for all domestic uses in individual private Customer-occupied residences or dwellings and their appurtenances, when all service is taken through one meter. When service is supplied to a residential dwelling unit where the use is primarily for the accommodations of roomers or boarders, the service will be provided under Rate Schedule CL, the commercial lighting rate schedule, unless separate circuits are furnished by the Customer to permit the Richmond Power & Light Company (the Utility) to separately meter and bill the residential and commercial uses.

CHARACTER OF SERVICE

Alternating current, 60 Hertz, single phase, at a voltage of approximately 120 volts two-wire, 120/240 volts three-wire, or 120/208 volts three-wire as designated by the Utility.

RATE*

Residential	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$11.75	\$13.75	\$15.75
Energy Charge:				
Tier 1 for the first 350 kWh	\$/kWh	\$0.10147	\$0.10175	\$0.10230
Tier 2 for the next 1150 kWh	\$/kWh	\$0.09397	\$0.09800	\$0.10230
Tier 3 for all kWh above 1500 kWh	\$/kWh	\$0.08647	\$0.09425	\$0.10230

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge.

SPECIAL TERMS AND CONDITIONS

This rate schedule is available for single phase service only, except as required by the Utility. Where three-phase service will be used for commercial or industrial purposes, the applicable rate schedules will apply to such service.

Effective: _____

Richmond Power and Light Rate Schedule

Commercial Lighting Service (CLS)

AVAILABILITY

Service to Commercial and Non-Residential Customers for lighting, appliances, and incidental power not exceeding 11 kW in aggregate capacity when such combined service is furnished through a single metering installation.

CHARACTER OF SERVICE

Alternating current, 60 Hertz, single phase, at a voltage of approximately 120 volts two-wire, 120/240 volts three-wire, or 120/208 volts three-wire or three phase 120/240 volts three-wire or 120/208 volts four-wire as designated by the Richmond Power & Light Company (the Utility).

RATE*

Commercial Lighting	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$18.75	\$19.75	\$20.75
Energy Charge	\$/kWh	\$0.12146	\$0.12129	\$0.12105

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge.

METERING ADJUSTMENT

If service is metered at a voltage of approximately 2,400 volts or higher, the energy measurements shall be decreased by two percent (2%) to convert such measurement to the equivalent of metering at the Utility's secondary voltage.

SPECIAL TERMS AND CONDITIONS

Electric service will be available under this rate schedule for the operation of Cable Television (CATV) distribution line power supply equipment. Such service will be available only on a metered basis and for purposes of billing, each CATV Customer will be billed on an add consumption basis for their total service under this rate schedule; provided, however, each individual delivery point for such CATV Customer shall be billed the Facilities Charge of this rate schedule.

This rate schedule is available for single phase service only, except as required by the Utility. Where three-phase service will be used for commercial or industrial purposes, the applicable rate schedules will apply to such service

Effective: _____

Richmond Power and Light Rate Schedule

General Power Service (GPS)

AVAILABILITY

Service to any Customer for general power purposes when the Customer's load exceeds 11 kW, but does not exceed 60 kW, and/or the Customer has any three-phase power load served from the distribution system.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Richmond Power & Light Company (the Utility) in the area served.

RATE*

General Power	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$38.00	\$55.50	\$73.00
Energy Charge:				
Tier 1 for the first 500 kWh	\$/kWh	\$0.10752	\$0.09291	\$0.07832
Tier 2 for the next 1,500 kWh	\$/kWh	\$0.10085	\$0.08958	\$0.07832
Tier 3 for the next 3,000 kWh	\$/kWh	\$0.09419	\$0.08624	\$0.07832
Tier 4 for all kWh above 5,000 kWh	\$/kWh	\$0.08752	\$0.08291	\$0.07832
Demand Charge:				
Tier 1 for up to 25 kW	\$/kW	\$1.40	\$3.95	\$6.50
Tier 2 for each kW of demand in excess of 25 kW	\$/kW	\$2.80	\$4.65	\$6.50

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

MEASUREMENT OF DEMAND

All demand shall be measured by suitable instruments and, in any month the demand shall be the average number of kW's in the 30-minute interval during which the energy metered is greater than in any other 30-minute interval in such month.

Effective: _____

METERING ADJUSTMENT

If service is metered at a voltage of approximately 2,400 volts or higher, the demand and energy measurements shall be decreased by two percent (2%) to convert such measurements to the equivalent of metering at the Utility's secondary voltage.

EQUIPMENT SUPPLIED BY CUSTOMER

When the Customer furnishes and maintains substation equipment including any and all transformers, and/or switches, and/or the equipment necessary to take its entire service at the primary voltage of the distribution line from which the service is to be received, a credit of \$0.61 per kW of billing demand will be applied to each month's net bill.

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. Incidental lighting will be permitted provided the Customer furnishes the necessary equipment to take such lighting from the power service.
2. The Company will supply and maintain at a single location, the complete substation equipment that is necessary in order to make one transformation to a standard voltage from the voltage of such available distribution line as the Utility deems adequate and suitable to serve the requirements of the Customer.

Not more than one such transformation will be installed at the Utility's expense for any one Customer.

Where service is metered at a primary voltage and the Customer desires and requests transformation to more than one standard voltage, or service of a standard voltage at more than one location within its premises, the Utility will, at its option, furnish and maintain such additional transformation equipment and such interconnecting lines as may be necessary; provided, however, that the Customer shall reimburse the Utility for the amount of the cost of furnishing the entire facilities, which is in excess of the cost of furnishing transformation in accordance with the next paragraph. The right and title to all equipment so furnished by the Utility shall be and remain in the Utility.

Should the Customer require a non-standard voltage, the Customer shall, at its own expense, furnish and maintain all transformers and protective equipment therefore necessary in order to obtain such non-standard voltage.

3. All service hereunder shall be furnished through one meter.
4. All wiring, pole lines, wires, and other electrical equipment and apparatus located beyond the point of connection of the Customer's service lines with the lines of the Utility are considered the distribution system of the Customer and shall be furnished, owned, and maintained by the Customer, except in the case of metering equipment and other equipment incidental to the

Effective: _____

rendering of service, if any, that is furnished, owned and maintained by the Utility and installed beyond the point of connection.

5. When fire or other casualty shall render the physical plant or premises of the Customer unfit for the purposes of conducting the Customer's normal business operations, or makes the premises uninhabitable, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived until the beginning of the subsequent billing period or portion thereof in which the plant or premises shall have been reconstructed and reoccupied by the Customer.

When a strike or lockout of employees of the Customer causes the temporary suspension of the Customer's business, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived for each period or portion thereof during the continuance of the strike or lockout at the plant involved.

In either event, the Customer shall be billed under this rate schedule for electric requirements used during each billing period.

Effective: _____

Richmond Power and Light Rate Schedule

Large Power Service Secondary (LPSS)

AVAILABILITY

Available for general service through one meter to any Customer having a maximum load requirement of at least 60 kW, but not exceeding 1,000 kW, served at secondary voltage. Customer must be located adjacent to the Richmond Power & Light Company's (the Utility) distribution line that is adequate and suitable for supplying the service requested.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Utility in the area served.

RATE*

Large Power Service Secondary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03830	\$0.03763	\$0.03710
Demand Charge	\$/kVA	\$21.70	\$23.35	\$25.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

METERING ADJUSTMENT

If service is metered at a voltage of approximately 2,400 volts or higher, the demand measurements and the energy measurements shall be decreased by two percent (2%) to convert such measurements to the equivalent of metering at the Utility's secondary voltage.

MEASUREMENT OF DEMAND AND ENERGY

Peak demand shall be measured by suitable recording instruments provided by the Utility and shall be the average number of kVAs in the 30-minute period during which the kVA demand is greater than in any other 30-minute interval in such month. For billing purposes, the billing demand shall be the greater of the peak demand occurring during the month or 60 kVA. Energy shall be measured by suitable integrating instruments.

Effective: _____

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. The Utility will supply and maintain at a single location, the complete substation equipment that is necessary in order to make one transformation to a standard voltage from the voltage of such available distribution line as the Utility deems adequate and suitable to serve the requirements of the Customer. Not more than one such transformation will be installed at the Utility's expense for any one Customer.

Where service is metered at a primary voltage and the Customer desires and requests transformation to more than one standard voltage, or service of a standard voltage at more than one location within its premises, the Utility will, at its option, furnish and maintain such additional transformation equipment and such interconnecting lines as may be necessary; provided, however, that the Customer shall reimburse the Utility for the amount of the cost of furnishing the entire facilities, which is in excess of the cost of furnishing transformation in accordance with the next paragraph. The right and title to all equipment so furnished by the Utility shall be and remain in the Utility. Should the Customer require a non-standard voltage, the Customer shall, at its own expense, furnish and maintain all transformers and protective equipment therefore necessary in order to obtain such non-standard voltage.

2. When fire or other casualty shall render the physical plant or premises of the Customer unfit for the purposes of conducting the Customer's normal business operations, or makes the premises uninhabitable, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived until the beginning of the subsequent billing period or portion thereof in which the plant or premises shall have been reconstructed and reoccupied by the Customer.

When a strike or lockout of employees of the Customer causes the temporary suspension of the Customer's business, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived for each period or portion thereof during the continuance of the strike or lockout at the plant involved.

In either event, Customer shall be billed under this rate schedule for electric requirements used during each billing period.

Effective: _____

Richmond Power and Light Rate Schedule

Large Power Service Secondary Optional Coincident Peak Service (LPSS COIN)

AVAILABILITY

Secondary service to any Customer whose electric service is provided under Rate Schedule LPSS - Large Power Service Secondary, who agrees to participate in this Demand Side Management Program to reduce load during the Richmond Power & Light Company's (the Utility) net system peak hour each month, and who contracts for Optional Coincident Peak Service. Potential Customers must demonstrate to the Utility's satisfaction that the Customer has the ability to move kW demand from the on-peak period to the off-peak period. Customers taking service under Rate LPSS must move a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period as compared to its level of on-peak demand prior to taking service under this Rate. Customers will be evaluated during the first 12 months of taking service under this Rate to determine if the Customer is moving five percent (5%) of kW demand from the on-peak period to the off-peak period. If, in the sole judgment of the Utility, a Customer is not consistently moving a significant amount of kW demand from the on-peak period to the off-peak period, the Customer must take service from another applicable Rate.

RATE*

Large Power COIN – Service Secondary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03441	\$0.03384	\$0.03350
Billing Demand Charge	\$/kW	\$23.81	\$25.40	\$26.99
Transmission and Distribution Demand Charge (in addition to Billing Demand and Energy Charge)	\$/kVA	\$3.33	\$4.17	\$5.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge, Demand Charge, plus the Transmission and Distribution Demand Charge. In any month the maximum Transmission and Distribution demand shall not be less than 60 kVA.

MEASUREMENT OF DEMAND AND ENERGY

1. Billing Demand shall be measured by suitable recording instruments provided by Utility and in any month, the demand shall be the 60-minute integrated kW demand and occurring in the same 60-minute interval and on the same day of each month as the 60-minute integrated that Utility will use to determine Utility's power supply billing demands.

Effective: _____

2. If Customer fails to maintain a ninety-six percent (96%) power factor during the 60-minute coincident demand period, the Billing Demand will be adjusted as follows:

$$\frac{\text{Billing Demand} \times 96\%}{\text{Actual Power Factor}}$$

3. Transmission and Distribution Demand shall be for any month the number of kVAs in the 30-minute interval during which the kVAs are greater than in any other 30-minute interval in such month.
4. Energy shall be measured by suitable integrating instruments.
5. For Purposes of the determination of Billing Demand, Maximum Demand and Energy, the provisions of the Metering Adjustment of Rate LPSS will be applicable.

NOTIFICATION TO CUSTOMER

The Utility will assist the Customer in reducing the billings under the Demand Charge provision of the Rate Schedule by making their best efforts to notify the Customer at least one-half hour prior to the anticipated hour of the Billing Demand for each month. Such notification may occur multiple times each month. Such notification will give the Customer the opportunity to reduce its demand during the hour of the Billing Demand. The Utility shall not be held responsible for failure to accurately predict the hour of such Billing Demand or for failure to notify the Customer one-half hour in advance of the hour of such Billing Demand or for the Customer's failure to reduce its demand when notified of an impending Billing Demand.

Effective: _____

Richmond Power and Light Rate Schedule

Large Power Service Primary (LPSP)

AVAILABILITY

Available for general service through one meter to any Customer having a maximum load requirement of at least 60 kW, but not exceeding 1,000 kW, served at primary voltage. Applicant must be located adjacent to the Richmond Power & Light Company's (the Utility) distribution line that is adequate and suitable for supplying the service requested.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Utility in the area served.

RATE*

Large Power Service Primary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03854	\$0.03697	\$0.03470
Demand Charge	\$/kVA	\$20.60	\$21.67	\$23.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

MEASUREMENT OF DEMAND AND ENERGY

Peak demand shall be measured by suitable recording instruments provided by Utility and shall be the average number of kVAs in the 30-minute period during which the kVA demand is greater than in any other 30-minute interval in such month. For billing purposes, the billing demand shall be the greater of the peak demand occurring during the month or 60 kVA. Energy shall be measured by suitable integrating instruments.

Effective: _____

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. This rate schedule is based upon the delivery and measurement of energy at the primary voltage of existing distribution lines operating at not more than 15,000 volts, or less than 2,400 volts, and the Customer furnishing and maintaining the complete substation and line equipment on the Customer's premises, including any and all transformers, switches, and other apparatus necessary for the Customer to take service at the voltage of the distribution line from which service is to be served.
2. When fire or other casualty shall render the physical plant or premises of the Customer unfit for the purposes of conducting the Customer's normal business operations, or makes the premises uninhabitable, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived until the beginning of the subsequent billing period or portion thereof in which the plant or premises shall have been reconstructed and reoccupied by the Customer.

When a strike or lockout of employees of the Customer causes the temporary suspension of the Customer's business, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived for each period or portion thereof during the continuance of the strike or lockout at the plant involved. In either event, the Customer shall be billed under this rate schedule for electric requirements used during each billing period.

In either event, the Customer shall be billed under this rate schedule for electric requirements used during each billing period.

Effective: _____

Richmond Power and Light Rate Schedule

Large Power Service Primary Optional Coincident Peak Service (LPSP COIN)

AVAILABILITY

Service to any Customer whose electric service is provided under Rate Schedule LPSP — Large Power Service Primary, who agrees to participate in this Demand Side Management Program to reduce load during the Richmond Power & Light Company’s (the Utility) net system peak hour each month, and who contracts for Optional Coincident Peak Service. Potential Customers must demonstrate to the Utility's satisfaction that the Customer has the ability to move kW demand from the on-peak period to the off-peak period. Customers taking service under Rate LPSP must move a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period as compared to its level of on-peak demand prior to taking service under this Rate. Customers will be evaluated during the first 12 months of taking service under this Rate to determine if the Customer is moving a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period. If, in the sole judgment of the Utility, a Customer is not consistently moving a significant amount of kW demand from the on-peak period to the off-peak period, the Customer must take service from another applicable Rate.

RATE*

Large Power COIN – Service Primary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03463	\$0.03325	\$0.03133
Billing Demand Charge	\$/kW	\$23.10	\$24.60	\$26.43
Transmission and Distribution Demand Charge (in addition to Billing Demand and Energy Charge)	\$/kVA	\$2.67	\$2.84	\$3.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge, Demand Charge, plus the Transmission and Distribution Demand Charge. In any month the maximum Transmission and Distribution demand shall not be less than 60 kVA.

MEASUREMENT OF DEMAND AND ENERGY

1. Billing Demand shall be measured by suitable recording instruments provided by the Utility and in any month, the demand shall be the 60-minute integrated kW demand and occurring in the same 60-minute interval and on the same day of each month as the 60-minute integrated that the Utility will use to determine the Utility's power supply billing demands.

Effective: _____

2. If the Customer fails to maintain a ninety-six percent (96%) power factor during the 60-minute coincident demand period, the Billing Demand will be adjusted as follows:

$$\frac{\text{Billing Demand} \times 96\%}{\text{Actual Power Factor}}$$

3. Transmission and Distribution Demand shall be for any month the number of kVAs in the 30-minute interval during which the kVAs are greater than in any other 30-minute interval in such month.
4. Energy shall be measured by suitable integrating instruments.

NOTIFICATION TO CUSTOMER

The Utility will assist the Customer in reducing the billings under the Demand Charge provision of the Rate Schedule by making their best efforts to notify the Customer at least one-half hour prior to the anticipated hour of the Billing Demand for each month. Such notification may occur multiple times each month. Such notification will give the Customer the opportunity to reduce its demand during the hour of the Billing Demand. The Utility shall not be held responsible for failure to accurately predict the hour of such Billing Demand or for failure to notify the Customer one-half hour in advance of the hour of such Billing Demand or for the Customer's failure to reduce its demand when notified of an impending Billing Demand.

Effective: _____

Richmond Power and Light Rate Schedule

Industrial Service Secondary (ISS)

AVAILABILITY

Secondary service available through one meter to any Customer having a maximum load requirement of at least 1,000 kW. Applicant must be located adjacent to the Richmond Power & Light Company's (the Utility) distribution line that is adequate and suitable for supplying the service requested.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Utility in the area served.

RATE*

Industrial Service Secondary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03545	\$0.03520	\$0.03469
Demand Charge	\$/kVA	\$21.70	\$23.35	\$25.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

MEASUREMENT OF DEMAND AND ENERGY

Peak demand shall be measured by suitable recording instruments provided by the Utility and shall be the average number of kVAs in the 30-minute period during which the kVA demand is greater than in any other 30-minute interval in such month. For billing purposes, the billing demand shall be the greater of the peak demand occurring during the month or 1,000 kVA. Energy shall be measured by suitable integrating instruments.

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. The Utility will supply and maintain at a single location, the complete substation equipment that is necessary in order to make one transformation to a standard voltage from the voltage of such available distribution line as the Utility deems adequate and suitable to serve the requirements of the Customer. Not more than one such transformation will be installed at the Utility's expense for any one Customer.

Effective: _____

2. When fire or other casualty shall render the physical plant or premises of the Customer unfit for the purposes of conducting the Customer's normal business operations, or makes the premises uninhabitable, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived until the beginning of the subsequent billing period or portion thereof in which the plant or premises shall have been reconstructed and reoccupied by the Customer.
3. When a strike or lockout of employees of the Customer causes the temporary suspension of the Customer's business, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived for each period or portion thereof during the continuance of the strike or lockout at the plant involved.

In either event, the Customer shall be billed under this rate schedule for electric requirements used during each billing period.

Effective: _____

Richmond Power and Light Rate Schedule

Industrial Service Secondary Optional Coincident Peak Service (ISS-COIN)

AVAILABILITY

Service to any Customer whose electric service is provided under Rate Schedule ISS – Industrial Service Secondary, who agrees to participate in this Demand Side Management Program to reduce load during the Richmond Power & Light Company’s (the Utility) net system peak hour each month, and who contracts for Optional Coincident Peak Service. Potential Customers must demonstrate to the Utility’s satisfaction that the Customer has the ability to move kW demand from the on-peak period to the off-peak period. Customers taking service under Rate IS must move a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period as compared to its level of on-peak demand prior to taking service under this Rate. Customers will be evaluated during the first 12 months of taking service under this Rate to determine if the Customer is moving a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period. If, in the sole judgment of the Utility, a Customer is not consistently moving a significant amount of kW demand from the on-peak period to the off-peak period, the Customer must take service from another applicable rate.

RATE

Industrial COIN Service Secondary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03245	\$0.02842	\$0.02842
Billing Demand Charge	\$/kW	\$23.81	\$25.40	\$26.99
Transmission and Distribution Demand Charge (in addition to Billing Demand and Energy Charge)	\$/kVA	\$3.33	\$4.17	\$5.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge, Demand Charge, plus the Transmission and Distribution Demand Charge. In any month, the maximum Transmission and Distribution demand shall not be less than 1,000 kVA.

MEASUREMENT OF DEMAND AND ENERGY

1. Billing Demand shall be measured by suitable recording instruments provided by the Utility and in any month, the demand shall be the 60-minute integrated kW demand and occurring in

Effective: _____

the same 60-minute interval and on the same day of each month as the 60-minute integrated demand that the Utility will use to determine the Utility's power supply billing demands.

2. If the Customer fails to maintain a ninety-six percent (96%) power factor during the 60-minute coincident demand period, the Billing Demand will be adjusted as follows:

$$\frac{\text{Billing Demand} \times 96\%}{\text{Actual Power Factor}}$$

3. Transmission and Distribution Demand shall be for any month the number of kVAs in the 30-minute interval during which the kVAs are greater than in any other 30-minute interval in such month.
4. Energy shall be measured by suitable integrating instruments.

NOTIFICATION TO CUSTOMER

The Utility will assist the Customer in reducing the billings under the Demand Charge provision of the Rate Schedule by making their best efforts to notify the Customer at least one-half hour prior to the anticipated hour of the Billing Demand for each month. Such notification may occur multiple times each month. Such notification will give the Customer the opportunity to reduce its demand during the hour of the Billing Demand. The Utility shall not be held responsible for failure to accurately predict the hour of such Billing Demand or for failure to notify the Customer one-half hour in advance of the hour of such Billing Demand or for the Customer's failure to reduce its demand when notified of an impending Billing Demand.

Effective: _____

Richmond Power and Light Rate Schedule

Industrial Service Primary (ISP)

AVAILABILITY

Primary service available through one meter to any Customer having a maximum load requirement of at least 1,000 kW. Applicant must be located adjacent to the Richmond Power & Light Company's (the Utility) distribution line that is adequate and suitable for supplying the service requested.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Utility in the area served.

RATE*

Industrial Service Primary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03474	\$0.03450	\$0.03400
Demand Charge	\$/kVA	\$21.63	\$22.32	\$23.00

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

MEASUREMENT OF DEMAND AND ENERGY

Peak demand shall be measured by suitable recording instruments provided by the Utility and shall be the average number of kVAs in the 30-minute period during which the kVA demand is greater than in any other 30-minute interval in such month. For billing purposes, the billing demand shall be the greater of the peak demand occurring during the month or 1,000 kVA. Energy shall be measured by suitable integrating instruments.

Effective: _____

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. This rate schedule is based upon the delivery and measurement of energy at the primary voltage of existing distribution lines operating at not more than 15,000 volts, or less than 2,400 volts, and the Customer furnishing and maintaining the complete substation and line equipment on the Customer's premises, including any and all transformers, switches, and other apparatus necessary for the Customer to take service at the voltage of the distribution line from which service is to be served.
2. When fire or other casualty shall render the physical plant or premises of the Customer unfit for the purposes of conducting the Customer's normal business operations, or makes the premises uninhabitable, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived until the beginning of the subsequent billing period or portion thereof in which the plant or premises shall have been reconstructed and reoccupied by the Customer.

When a strike or lockout of employees of the Customer causes the temporary suspension of the Customer's business, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived for each period or portion thereof during the continuance of the strike or lockout at the plant involved.

In either event, the Customer shall be billed under this rate schedule for electric requirements used during each billing period.

Effective: _____

Richmond Power and Light Rate Schedule

Industrial Service Primary Optional Coincident Peak Service (ISP-COIN)

AVAILABILITY

Service to any Customer whose electric service is provided under Rate Schedule ISP – Industrial Service Primary, who agrees to participate in this Demand Side Management Program to reduce load during the Richmond Power & Light Company’s (the Utility) net system peak hour each month, and who contracts for Optional Coincident Peak Service. Potential Customers must demonstrate to the Utility’s satisfaction that the Customer has the ability to move kW demand from the on-peak period to the off-peak period. Customers taking service under Rate IS must move a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period as compared to its level of on-peak demand prior to taking service under this Rate. Customers will be evaluated during the first 12 months of taking service under this Rate to determine if the Customer is moving a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period. If, in the sole judgment of the Utility, a Customer is not consistently moving a significant amount of kW demand from the on-peak period to the off-peak period, the Customer must take service from another applicable rate.

RATE

Industrial COIN Service Primary	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.03180	\$0.02785	\$0.02785
Billing Demand Charge	\$/kW	\$23.42	\$26.43	\$26.43
Transmission and Distribution Demand Charge (in addition to Billing Demand and Energy Charge)	\$/kVA	\$2.62	\$3.34	\$4.05

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge, Demand Charge, plus the Transmission and Distribution Demand Charge. In any month, the maximum Transmission and Distribution demand shall not be less than 1,000 kVA.

MEASUREMENT OF DEMAND AND ENERGY

1. Billing Demand shall be measured by suitable recording instruments provided by the Utility and in any month, the demand shall be the 60-minute integrated kW demand and occurring in

Effective: _____

the same 60-minute interval and on the same day of each month as the 60-minute integrated demand that the Utility will use to determine the Utility's power supply billing demands.

2. If the Customer fails to maintain a ninety-six percent (96%) power factor during the 60-minute coincident demand period, the Billing Demand will be adjusted as follows:

$$\frac{\text{Billing Demand} \times 96\%}{\text{Actual Power Factor}}$$

3. Transmission and Distribution Demand shall be for any month the number of kVAs in the 30-minute interval during which the kVAs are greater than in any other 30-minute interval in such month.
4. Energy shall be measured by suitable integrating instruments.

NOTIFICATION TO CUSTOMER

The Utility will assist the Customer in reducing the billings under the Demand Charge provision of the Rate Schedule by making their best efforts to notify the Customer at least one-half hour prior to the anticipated hour of the Billing Demand for each month. Such notification may occur multiple times each month. Such notification will give the Customer the opportunity to reduce its demand during the hour of the Billing Demand. The Utility shall not be held responsible for failure to accurately predict the hour of such Billing Demand or for failure to notify the Customer one-half hour in advance of the hour of such Billing Demand or for the Customer's failure to reduce its demand when notified of an impending Billing Demand.

Effective: _____

Richmond Power and Light Rate Schedule

Transmission Service (TS)

AVAILABILITY

Transmission service available through one meter to any Customer having a maximum load requirement of 10,000 kW or more and taking service at 69 kV voltage or higher. Applicant must be located adjacent to the Richmond Power & Light Company's (the Utility) transmission line that is adequate and suitable for supplying the service requested.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Utility in the area served.

RATE*

Transmission Service	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.02772	\$0.02772	\$0.02772
Demand Charge	\$/kVA	\$21.03	\$21.03	\$21.03

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

MEASUREMENT OF DEMAND AND ENERGY

Peak demand shall be measured by suitable recording instruments provided by the Utility and shall be the average number of kVAs in the 30-minute period during which the kVA demand is greater than in any other 30-minute interval in such month. For billing purposes, the billing demand shall be the greater of the peak demand occurring during the month or 10,000 kVA. Energy shall be measured by suitable integrating instruments.

Effective: _____

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. This rate schedule is based upon the delivery and measurement of energy at the primary voltage of existing overhead distribution lines operating at 69 kV voltage or higher, and the Customer furnishing and maintaining the complete substation and line equipment on the Customer's premises, including any and all transformers, switches, and other apparatus necessary for the Customer to take service at the voltage of the distribution line from which service is to be served.
2. When fire or other casualty shall render the physical plant or premises of the Customer unfit for the purposes of conducting the Customer's normal business operations, or makes the premises uninhabitable, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived until the beginning of the subsequent billing period or portion thereof in which the plant or premises shall have been reconstructed and reoccupied by the Customer.

When a strike or lockout of employees of the Customer causes the temporary suspension of the Customer's business, the minimum charge of this rate schedule shall, commencing with the first billing period or portion thereof in which normal business operations cease, be waived for each period or portion thereof during the continuance of the strike or lockout at the plant involved.

In either event, the Customer shall be billed under this rate schedule for electric requirements used during each billing period.

Effective: _____

Richmond Power and Light Rate Schedule

Transmission Service Optional Coincident Peak Service (TS-COIN)

AVAILABILITY

Service available to any Customer whose electric service is provided under Rate Schedule TS – Transmission Service, who agrees to participate in this Demand Side Management Program to reduce load during the Richmond Power & Light Company’s (the Utility) net system peak hour each month, and who contracts for Optional Coincident Peak Service. Potential Customers must demonstrate to the Utility's satisfaction that the Customer has the ability to move kW demand from the on-peak period to the off-peak period. Customers taking service under Rate TS must move a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period as compared to its level of on-peak demand prior to taking service under this Rate. Customers will be evaluated during the first 12 months of taking service under this Rate to determine if the Customer is moving a significant amount of kW demand from the on-peak period to the off-peak period. If, in the sole judgment of the Utility, a Customer is not consistently moving a minimum of five percent (5%) of kW demand from the on-peak period to the off-peak period, the Customer must take service from another applicable Rate.

RATE*

Transmission Service COIN	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$195.25	\$195.25	\$195.25
Energy Charge	\$/kWh	\$0.02772	\$0.02772	\$0.02772
Billing Demand Charge	\$/kW	\$25.64	\$25.64	\$25.64
Transmission and Distribution Demand Charge (in addition to Billing Demand and Energy Charge)	\$/kVA	\$2.23	\$2.23	\$2.23

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge, Demand Charge, plus the Transmission and Distribution Demand Charge. In any month, the maximum Transmission and Distribution demand shall not be less than 10,000 kVA.

MEASUREMENT OF DEMAND AND ENERGY

1. Billing Demand shall be measured by suitable recording instruments provided by the Utility and in any month, the demand shall be the 60-minute integrated kW demand and occurring in the same 60-minute interval and on the same day of each month as the 60-minute integrated demand that the Utility will use to determine the Utility's power supply billing demands.

Effective: _____

2. If the Customer fails to maintain a ninety-six percent (96%) power factor during the 60-minute coincident demand period, the Billing Demand will be adjusted as follows:

$$\frac{\text{Billing Demand} \times 96\%}{\text{Actual Power Factor}}$$

3. Transmission and Distribution Demand shall be for any month the number of kVAs in the 30-minute interval during which the kVAs are greater than in any other 30-minute interval in such month.
4. Energy shall be measured by suitable integrating instruments.

NOTIFICATION TO CUSTOMER

The Utility will assist the Customer in reducing the billings under the Demand Charge provision of the Rate Schedule by making their best efforts to notify the Customer at least one-half hour prior to the anticipated hour of the Billing Demand for each month. Such notification may occur multiple times each month. Such notification will give the Customer the opportunity to reduce its demand during the hour of the Billing Demand. Utility shall not be held responsible for failure to accurately predict the hour of such Billing Demand or for failure to notify the Customer one-half hour in advance of the hour of such Billing Demand or for the Customer's failure to reduce its demand when notified of an impending Billing Demand.

Effective: _____

Richmond Power and Light Rate Schedule

Customer Specific Contracts (CSC)

PURPOSE

To provide an appropriate response to non-standard or specialized Customer requests for electric services and/or meet competitive forces in the energy services markets in a manner that satisfies the needs of participating Customers while balancing the interests of the participating Customer, the non-participating Customers, and the Richmond Power & Light Company (the Utility).

AVAILABILITY

Service to any Customer with a minimum contract demand of 2,000 kW, not for resale, can be considered for a Rate CSC, Customer Specific Contract, upon written application to the Utility if one or more of the following conditions is shown to exist;

1. The Customer desires non-standard electric service for new or existing load;
2. The Customer desires specialized electric service for new or existing load;
3. The Customer has potential new load, which will not materialize at the Utility's standard tariff rates; and/or
4. The Customer intends to utilize a source other than the Utility for electric service for new or existing load absent service under this rate by showing:
 - a. The Customer has a competitive alternative to the Utility's standard tariff rates; and
 - b. The comparative economics, including but not limited to availability of capital, environmental impacts, and assessment of risk, of the alternative over the Utility's standard tariff rates are material; and
 - c. The alternative is demonstrated to be technologically feasible and legally permissible; and
 - d. The Customer has taken substantial steps to fairly evaluate the alternative sufficient to establish the Customer's actual ability to utilize the alternative within a reasonable period of time.

Effective: _____

Upon receipt of the Customer's written application, and such further information as the Utility may require, the Utility and the applying Customer may, at the sole discretion of either party, commence negotiation of rates, terms, and conditions of service under this tariff. If the parties reach a mutually acceptable agreement, it shall be reduced to writing and submitted to the Electricity Department of the Commission for approval. Such submission shall include, but not be limited to:

1. Full disclosure of all rates, terms and conditions of service, and any and all agreements related thereto;
2. Evidence received by the Utility showing the Customer's satisfaction of the condition(s) set forth above as 1 through 4(a-d); and
3. An analysis demonstrating that the compensation to be received under the contract during its term shall exceed the incremental cost to the Utility from performance under the contract.

CHARACTER OF SERVICE

Three-phase 60 Hertz cycle alternating current unless otherwise specified.

RATE*

All charges for service under this rate shall be the charges contained in the contract between the Utility and the Customer.

* Subject to the provisions of Appendices A and B.

CONTRACT TERMS

The duration of the contract, and the terms and conditions of service shall be those contained in the contract between the Utility and the Customer.

CONFIDENTIALITY

Upon request of the Utility or the Customer, upon good cause shown by affidavit, all terms and conditions of any contract under this tariff, and any information contained in the submission set forth above at A through C, shall be protected from disclosure as confidential, proprietary trade secrets pursuant to I.C. 8-1-2-29 and I.C.'5-14-3.

Effective: _____

Richmond Power and Light Rate Schedule

Lighting Service (LS)

AVAILABILITY

Outdoor Lighting is available only for continuous year-round service to individual Customers on private property.

Street Lighting and Area Lighting are available for the lighting of any City of Richmond (City) street, alley, or park, within the corporate limits. This rate schedule is applicable for service when it is supplied through existing, new, or rebuilt street lighting systems, including extensions of such street lighting system to additional locations where service is requested by the City, provided that the equipment to be installed at such new location is comparable to the equipment utilized on the existing system.

The Mercury Vapor (MV) lights are in process of elimination and are withdrawn except for Customers that contracted for service prior to December 31, 1999 and will not be applicable to any future Customers. If service hereunder is at any time discontinued at the Customer's option, MV lights shall not be available again. Richmond Power & Light Company (the Utility) will support existing high intensity discharge (HID) lighting offerings for as long as the technology is available. The National Energy Policy Act of 2005 requires that MV lamp ballasts shall not be manufactured or imported after January 1, 2008. To the extent that the Utility has the necessary materials, the Utility will continue to maintain existing MV lamp installations in accordance with this tariff. The Energy Independence and Security Act of 2007 mandated pulse start ballasts; therefore, standard ballast Metal Halide (MH) lamps are no longer offered for new construction. To the extent that the Utility has the necessary materials, the Utility will continue to maintain existing MH lamp installations in accordance with this tariff.

CHARACTER OF SERVICE

For each lamp with luminaire and an upsweep arm not over 6 feet in length, controlled by a photo-electric relay, when mounted on a utility pole and service supplied from existing secondary facilities.

Effective: _____

RATE*

For Outdoor Lighting service, rates are differentiated by bulb wattage and type between Sodium Vapor (SV), Mercury Vapor (MV), and Light Emitting Diode (LED) as follows:

Outdoor Lighting				
Type	Phase 1	Phase 2	Phase 3	
100 W Sodium Vapor OL	\$5.66	\$5.94	\$6.26	
150 W Sodium Vapor OL	\$6.22	\$6.54	\$6.86	
175 W Mercury Vapor OL	\$8.21	\$8.62	\$9.05	
250 W Metal Halide Flood OL	\$8.99	\$9.43	\$9.90	
250 W Mercury Vapor OL	\$10.24	\$10.75	\$11.28	
250 W Sodium Vapor Flood OL	\$8.79	\$9.21	\$9.68	
250 W Sodium Vapor OL	\$11.65	\$12.23	\$12.84	
400 W Metal Halide Flood OL	\$10.53	\$11.05	\$11.60	
400 W Mercury Vapor OL	\$12.31	\$12.92	\$13.56	
400 W Sodium Vapor Flood OL	\$10.43	\$10.95	\$11.49	
50 W LED (100W HPS Equiv)	\$7.74	\$7.74	\$7.74	
111 W LED (250W HPS Equiv)	\$10.62	\$10.62	\$10.62	
243 W LED (400W HPS Equiv)	\$14.25	\$14.25	\$14.25	

For Street Lighting and Area Lighting service for lighting of a City street, alley, or park, within the corporate limits, rates are differentiated by pole type, overhead (OH) or underground (UG) service, bulb wattage, and bulb type as follows:

Street Lighting and Area Lighting		Rate (\$/Lamp/Month)		
Type		Phase 1	Phase 2	Phase 3
100 W Sodium Vapor-UG-Fiber		\$7.55	\$7.79	\$8.05
100 W Sodium Vapor-UG-Metal		\$7.55	\$7.79	\$8.05
150 W Sodium Vapor-OH-Metal		\$12.17	\$12.57	\$12.97
150 W Sodium Vapor-OH-Metal-T		\$16.20	\$16.73	\$17.27
150 W Sodium Vapor-OH-Wood		\$7.93	\$8.19	\$8.46
150 W Sodium Vapor-UG-Metal		\$16.22	\$16.75	\$17.30
150 W Sodium Vapor-UG-Metal-T		\$20.36	\$21.02	\$21.71
175 W Metal Hal-UG-Metal-C-S		\$8.73	\$9.02	\$9.31
175 W Metal Hal-UG-Metal-C-T		\$12.00	\$12.39	\$12.79

Effective: _____

Street Lighting and Area Lighting Type	Rate (\$/Lamp/Month)		
	Phase 1	Phase 2	Phase 3
175 W Metal Halide-UG-Metal	\$16.17	\$16.70	\$17.24
175 W Mercury Vapor UG-Metal	\$17.63	\$18.21	\$18.80
175 W Mercury Vapor-UG-Metal-S	\$8.51	\$8.79	\$9.07
175 W Mercury Vapor-UG-Wood	\$12.67	\$13.09	\$13.51
250 W Mercury Vapor-OH-Metal	\$13.07	\$13.50	\$13.94
250 W Sodium Vapor-OH-Metal	\$13.12	\$13.55	\$13.98
250 W Mercury Vapor-OH-Wood	\$9.11	\$9.40	\$9.71
250 W Sodium Vapor-OH-Wood	\$9.11	\$9.40	\$9.71
250 W Sodium Vapor-OH-Metal-T	\$18.21	\$18.81	\$19.42
250 W Mercury Vapor-UG-Metal-S	\$19.21	\$19.81	\$20.42
250 W Sodium Vapor-UG-Metal	\$21.62	\$22.33	\$23.05
250 W Sodium Vapor-UG-Metal-T	\$17.22	\$17.77	\$18.35
400 W Sodium Vapor-OH-Wood	\$29.91	\$30.90	\$31.90
400 W Metal Hal-UG-Metal-C-S	\$10.29	\$10.63	\$10.97
400 W Sodium Vapor-UG-Metal	\$31.71	\$32.75	\$33.81
1000 W Metal Halide-UG-Metal-T	\$34.97	\$36.10	\$37.27
150 Sodium Vapor-UG-Metal	\$24.15	\$24.94	\$25.75
2-400 W Sodium Vapor-UG-Met-N	\$41.28	\$42.63	\$44.01
4-400 W Mercury Vapor-UG-Met-N	\$45.21	\$46.68	\$48.19
400 W Sodium Vapor-UG-Metal-N	\$29.98	\$30.97	\$31.97
70 W Sodium Vapor-UG-Metal	\$21.07	\$21.76	\$22.46
70 W-Sodium Vapor-UG-Metal-T	\$29.98	\$30.97	\$31.97
SL <400W -OH-Wood	\$11.38	\$11.75	\$12.13
72 W LED (100 W HPS Equiv.)-UG-Metal Post	\$21.03	\$21.03	\$21.03
72 W LED (100 W HPS Equiv.)-UG-Decorative Post	\$26.26	\$26.26	\$26.26
71 W LED (150 W HPS Equiv.)-OH-Wood Single Pendant	\$18.31	\$18.31	\$18.31
111 W LED (250 W HPS Equiv.)-OH-Wood Single Pendant	\$20.01	\$20.01	\$20.01
278 W LED (400 W HPS Equiv.)-OH-Wood Single Pendant	\$23.25	\$23.25	\$23.25
71 W LED (150 W HPS Equiv.)-OH-Metal Single Pendant	\$23.22	\$23.22	\$23.22
111 W LED (250 W HPS Equiv.)-OH-Metal Single Pendant	\$24.90	\$24.90	\$24.90

Effective: _____

Street Lighting and Area Lighting Type	Rate (\$/Lamp/Month)		
	Phase 1	Phase 2	Phase 3
278 W LED (400 W HPS Equiv.)-OH-Metal Single Pendant	\$28.18	\$28.18	\$28.18
71 W LED (150 W HPS Equiv.)-UG-Metal Single Pendant	\$24.71	\$24.71	\$24.71
111 W LED (250 W HPS Equiv.)-UG-Metal Single Pendant	\$26.40	\$26.40	\$26.40
278 W LED (400 W HPS Equiv.)-UG-Metal Single Pendant	\$29.74	\$29.74	\$29.74
71 W LED (150 W HPS Equiv.)-OH-Metal Twin Pendant	\$26.52	\$26.52	\$26.52
111 W LED (250 W HPS Equiv.)-OH-Metal Twin Pendant	\$29.25	\$29.25	\$29.25
278 W LED (400 W HPS Equiv.)-OH-Metal Twin Pendant	\$33.07	\$33.07	\$33.07
71 W LED (150 W HPS Equiv.)-UG-Metal Twin Pendant	\$27.98	\$27.98	\$27.98
111 W LED (250 W HPS Equiv.)-UG-Metal Twin Pendant	\$30.71	\$30.71	\$30.71
278 W LED (400 W HPS Equiv.)-UG-Metal Twin Pendant	\$34.50	\$34.50	\$34.50
111 W LED (250 W HPS Equiv.)-UG-Metal Decorative	\$91.41	\$91.41	\$91.41
242 W LED (400 W HPS Equiv.)-UG-Metal Decorative	\$55.36	\$55.36	\$55.36

* Subject to the provisions of Appendices A and B.

STREET LIGHTING FACILITIES

All facilities necessary for service hereunder, including all poles, fixtures, street lighting circuits, transformers, lamps, and other necessary facilities will be furnished and maintained by the Utility.

ADDITIONAL FACILITIES

When other new facilities are to be installed by the Utility to furnish the lighting service, the Customer will, in addition to the above monthly rate, pay in advance the installation cost of such new overhead facilities, extending from the nearest, or the most suitable pole of the Utility, to the point designated by the Customer for the installation of the lamp.

CONTRACTS

Contracts under this rate schedule will be for not less than one (1) year for Residential or Farm Customers and not less than three (3) years for Commercial or Industrial Customers. The Utility reserves the right to include in the contract such provisions as it may deem necessary to ensure payment of bills throughout the term of the contract

OWNERSHIP OF FACILITIES

All facilities necessary for service, including, fixtures, controls, poles, transformers, secondaries, lamps, and other appurtenances, shall be owned and maintained by the Utility. All service and necessary maintenance will be performed only during the regular scheduled working hours of the

Effective: _____

Utility. Burned out lamps will normally be replaced within 48 hours after notification by Customer.

HOURS OF LIGHTING

All lamps shall burn from approximately one-half hour after sunset until approximately one-half hour before sunrise each day in the year, approximately 4,000 hours per annum.

Effective: _____

Richmond Power and Light Rate Schedule

Electric Heating Schools (EHS)

AVAILABILITY

This rate schedule is closed to new Customers after October 31, 1980. If service hereunder is at any time discontinued at the Customer's option, this schedule shall not again be available.

RATE*

Electric Heating Schools	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$24.30	\$48.65	\$73.00
Energy Charge	\$/kWh	\$0.09512	\$0.09875	\$0.10260

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge.

SPECIAL TERMS AND CONDITIONS

1. The Customer may elect to receive service for any individual building at a school complex under the terms of this rate schedule.
2. The entire requirements for electrical service for the building, or additions, will be supplied at one voltage through one point of delivery, and all energy will be measured by one meter.
3. Nothing in this rate schedule shall be construed to prohibit the use of a form of energy other than electric energy for instruction and/or training and/or demonstration purposes.

Effective: _____

Richmond Power and Light Rate Schedule

General Electric Heating (GEH)

AVAILABILITY

This rate schedule is closed to new Customers after October 31, 1980. If service hereunder is at any time discontinued at the Customer's option, this schedule shall not again be available.

RATE*

General Electric Heating	Units	Phase 1	Phase 2	Phase 3
Facilities Charge	\$/Month	\$17.15	\$34.30	\$51.50
Energy Charge:				
Tier 1 for the first 170 kWh or less used per month	\$/kWh	\$0.12960	\$0.11601	\$0.10240
Tier 2 for the next 30 kWh used per month	\$/kWh	\$0.12960	\$0.11601	\$0.10240
Tier 3 for the next 6,800 kWh used per month	\$/kWh	\$0.09960	\$0.09101	\$0.08240
Tier 4 for all over 7,000 kWh used per month	\$/kWh	\$0.08960	\$0.08601	\$0.08240
Demand Charge:				
Tier 1 for up to 30 kW	\$/kW	\$1.40	\$3.95	\$6.50
Tier 2 for all over 30 kW used per month	\$/kW	\$2.80	\$4.65	\$6.50

* Subject to the provisions of Appendices A and B.

MINIMUM CHARGE

The minimum monthly charge shall be the Facilities Charge plus the Demand Charge.

MEASUREMENT OF DEMAND

All demand shall be measured by suitable instruments and, in any month the demand shall be the average number of kW's in the 30-minute interval during which the energy metered is greater than in any other 30-minute interval in such month.

MEASUREMENT OF ENERGY

Energy supplied hereunder will be delivered through not more than one single phase and/or one polyphase meter. Customer's demand will be determined monthly to be the highest registration of a suitable indicating or recording type meter. Where energy is delivered through more than one meter the monthly billing demand will be taken as the sum of the demands separately determined.

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SPECIAL TERMS AND CONDITIONS

This rate schedule is available to Customers operating permanently installed electric space heating, whether resistance type, radiant, or heat pump of 3 kW, or more, total rated capacity, which conforms to the specifications of the Richmond Power & Light Company (the Utility), and is used as the principal source of space heating. At least fifty percent (50%) of the Customer's electric load must be permanently located inside the buildings which are electrically heated.

Effective: _____

Richmond Power and Light Rate Schedule

Electric Vehicle Charging Pilot Program – Public Location (EV-PP)

AVAILABILITY

Service to a separately metered electric vehicle (EV) charging station operating in a public location to be made available to the general public, whose peak load does not exceed 60 kW in Richmond Power & Light Company's (the Utility) service territory.

EQUIPMENT

The EV charging equipment to which electric service is provided under this rate may be owned, operated, and maintained by either the Utility or a third-party, at the Utility's discretion.

CHARACTER OF SERVICE

Alternating current having a frequency of 60 Hertz and furnished at a voltage, which is standard with the Utility in the area served.

RATE*

General Power	Units	Phase 1	Phase 2	Phase 3
Energy Charge:	\$/kWh	\$0.14834	\$0.18284	\$0.21736

* Subject to the provisions of Appendices A and B.

METERING AND BILLING

EV charging service will be paid for by the end user at the point of service prior to charging by means of credit, debit, or pre-paid cards, as determined by the company owning the facilities, and rates specified in this rate schedule. The charging service will be metered separately, and if owned by a third party, will be billed at this rate using the Utility's standard terms and practices.

TERMS AND CONDITIONS FOR RENDERING SERVICE

1. The Company will supply and maintain at a single location, the complete substation equipment that is necessary in order to make one transformation to a standard voltage from the voltage of such available distribution line as the Utility deems adequate and suitable to serve the requirements of the Customer.

Not more than one such transformation will be installed at Utility's expense for any one Customer.

Where service is metered at a primary voltage and the Customer desires and requests transformation to more than one standard voltage, or service of a standard voltage at more than

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one location within its premises, Utility will, at its option, furnish and maintain such additional transformation equipment and such interconnecting lines as may be necessary, provided, however, that the Customer shall reimburse the Utility for the amount of the cost of furnishing the entire facilities which is in excess of the cost of furnishing transformation in accordance with the next paragraph. The right and title to all equipment so furnished by the Utility shall be and remain in the Utility.

Should the Customer require a non-standard voltage, the Customer shall, at its own expense, furnish and maintain all transformers and protective equipment therefore necessary in order to obtain such non-standard voltage.

2. All service hereunder shall be furnished through one meter.
3. All wiring, pole lines, wires, and other electrical equipment and apparatus located beyond the point of connection of the Customer's service lines with the lines of the Utility are considered the distribution system of the Customer and shall be furnished, owned, and maintained by the Customer, except in the case of metering equipment and other equipment incidental to the rendering of service, if any, that is furnished, owned and maintained by the Utility and installed beyond the point of connection.

Effective: _____

Richmond Power and Light Rate Schedule

Rider NM – Net Metering

AVAILABILITY

Net Metering is provided upon request and on a first-come, first-served basis. Net Metering is available to Residential, Commercial, and Industrial Customers in good standing that own and operate an eligible solar, wind, biomass, geothermal, hydroelectric, or other renewable generation source. The nameplate rating of Customer's generator may not exceed 10 kW. Customers served under this tariff must also take service from the Richmond Power & Light Company (the Utility) under the otherwise applicable standard service tariff.

Total Net Metering participation under this tariff is limited to a total nameplate rating of all of the Customers' generators of one-tenth of one percent (0.1%) of the Utility's most recent summer peak load.

DEFINITIONS

"Net Metering" means measuring the difference in an applicable billing period between the amount of electricity supplied by the Utility to the Customer who generates electricity using an eligible solar, wind, biomass, geothermal, hydroelectric, or other renewable generation source and the amount of electricity generated by such respective Customer that is delivered to the Utility.

BILLING

Monthly charges for energy and demand, where applicable, to serve the Customer's net or total load shall be determined according to the Utility's standard service tariff under which the Customer otherwise would be served, absent the Customer's eligible Net Metering facility. The measurement of net energy supplied by the Utility and delivered to the Utility shall be calculated in the following manner. The Utility shall measure the difference between the amount of electricity delivered by the Utility to the Customer and the amount of electricity generated by the Customer and delivered to the Utility during the billing period, in accordance with normal metering practices. If the kWh delivered by the Utility to the Customer exceeds the kWh delivered by the Customer to the Utility during the billing period, the Customer shall be billed for the kWh difference. If the kWh generated by the Customer and delivered to the Utility exceeds the kWh supplied by the Utility to the Customer during the billing period, the Customer shall be credited in the next billing cycle for the kWh difference. When the Customer elects to discontinue Net Metering service, any unused credit will be granted to the Utility. The Utility shall not purchase, or wheel power produced by Net Metering facilities. Bill charges and credits will be in accordance with the standard tariff that would apply if the Customer did not participate in Net Metering under this tariff.

METERING

The Customer's standard meter, if capable of measuring electricity in both directions, will be used. If the Utility determines new metering is necessary, the Utility will install metering capable of Net

Effective: _____

Metering at the Customer's expense. Additionally, the Utility reserves the right to install, at its own expense, a meter to measure the output of the solar, wind, biomass, geothermal, hydroelectric, or other renewable generation system.

TERMS AND CONDITIONS

In order to be eligible for Net Metering, the Customer's generator must meet the following requirements:

1. All kWh must be generated from the output of solar, wind, biomass, geothermal, hydroelectric, or other renewable generation sources;
2. The generation equipment must be operated by the Customer and located on the Customer's premises;
3. The generator must operate in parallel with the Utility's transmission and distribution facilities without adversely affecting the Utility's system and equipment and without presenting safety hazards or threats to the reliability of service to the Utility, its personnel, and other Customers;
4. The Customer's generation must be intended primarily to offset all or part of the Customer's requirements for electricity;
5. The name plate rating of Customer's generator must not exceed 10 kW and the Customer's generation must satisfy the Interconnection requirements specified below.

The Customer shall make an application for Interconnection Service and execute an Interconnection Agreement acceptable to the Utility.

The Customer shall maintain homeowners, commercial, or other insurance providing coverage in the amount of at least one hundred thousand dollars (\$100,000) for the liability of the insured against loss arising out of the use of generation equipment associated with Net Metering under this tariff.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the Utility's General Terms and Conditions.

INTERCONNECTION

For generator systems 10 kW or smaller eligible for this tariff, the Utility's technical requirements consist of:

1. IEEE 1547-2003, "IEEE Standard for Interconnecting Distributed Resources with Electric Power Systems" (IEEE 1547).
2. Current version of ANSI/NFPA 70, "National Electrical Code" (NEC).

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3. Any other applicable local building codes.

Inverter based systems listed by Underwriters Laboratories (UL) to UL Standard 1741, published May 7, 1999, as revised January 17, 2001 (UL 1741), are accepted by the Utility as meeting the technical requirements of IEEE 1547 tested by UL 1741.

Conformance with these requirements does not convey any liability to the Utility for damages or injuries arising from the installation or operation of the generator system. The Utility may, at its own discretion, isolate any Net Metering facility if the Utility has reason to believe that continued interconnection with the Net Metering facility creates or contributes to a system emergency. The Utility may perform reasonable on-site inspections to verify the proper installation and continuing safe operation of the Net Metering facility and the interconnection facilities, at reasonable times and upon reasonable advance notice to the Net Metering Customer.

The Customer shall operate the Net Metering facility in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics, or otherwise interfere with the operation of Utility's electric system. Customers shall agree that the interconnection and operation of the facility is secondary to, and shall not interfere with, the Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its Customers.

Customer's control equipment for the Net Metering facility shall immediately, completely, and automatically disconnect and isolate the facility from the Utility's electric system in the event of a fault on the Utility's electric system, a fault on the Customer's electric system, or loss of a source or sources on the Utility's electric system.

Customer shall install, operate, and maintain, at the Customer's sole cost and expense, the Net Metering facility in accordance with the manufacturer's suggested practices for safe, efficient, and reliable operation of the facility in parallel with the Utility's electric system. The Customer shall bear full responsibility for the installation, maintenance and safe operation of the Net Metering facility. The Customer shall be responsible for protecting, at the Customer's sole cost and expense, the Net Metering facility from any condition or disturbance on the Utility's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges.

Upon reasonable advance notice to the Customer, the Utility shall have access at reasonable times to the Net Metering facility whether before, during or after the time facility first produces energy, to perform reasonable on-site inspections to verify that the installation and operation of the facility comply with the requirements of this tariff and to verify the proper installation and continuing safe operation of the facilities. The Utility shall also have, at all times, immediate access to breakers or any other equipment that will isolate the Net Metering facility from the Utility's electric system. In non-emergency situations, the Utility shall give the Customer reasonable notice prior to isolating the Net Metering facility.

The Customer shall agree that, without the prior written permission from the Utility, no changes shall be made to the configuration of the Net Metering facility, as that configuration is described in the Interconnection Agreement, and no relay or other control or protection settings specified in

Effective: _____

the Interconnection Agreement shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the facility complies with the Utility approved settings.

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Richmond Power and Light Rate Schedule

Rider ED – Economic Development

AVAILABILITY

This Rider is available to a Qualifying Customer (as defined herein) to encourage large power users to expand or create new operations within the Richmond Power & Light Company's (the Utility) service territory.

QUALIFICATIONS

A "Qualifying Customer" is a new or existing non-residential Customer in the Utility's service territory that is establishing new operations or expanding existing operations such that the new or expanded operations will result in new or additional demand of at least one (1) MW (1000 kW) at one delivery point (the Qualifying Demand) and the new or expanded operations has involved a capital investment of at least one million dollars (\$1,000,000) within the Utility's service territory.

For a Qualifying Customer that is expanding operations, Qualifying Demand is measured from the average monthly peak demand for the 12 months immediately preceding the effective date of the Service Application. For a Qualifying Customer that is establishing new operations, Qualifying Demand is measured from zero.

A Qualifying Customer is not a Customer: (1) with "new" demand that results from a change in ownership of an existing establishment without qualifying new load; (2) renewing service following interruptions such as equipment failure, temporary plant shutdown, strike, economic conditions, or natural disaster; or (3) that has shifted its load from one operation or Customer to another within the Utility's service territory. The Utility may determine exclusively, without recourse by the Customer, whether an event has occurred that would prevent a Customer from being a Qualifying Customer.

RATE INCENTIVE

Beginning with the effective date indicated in the Service Application submitted by the Qualifying Customer, the Utility will receive a credit on its wholesale bill for the qualifying new load. The incentive amount received by the Utility from the Indiana Municipal Power Agency (IMPA) for such load will be passed in full to Qualifying Customers. For reference purposes, the discount to the Qualifying Customer's wholesale cost for qualifying new load will be calculated according to the following schedule:

Months 1-12	20%
Months 13-24	15%
Months 25-36	10%
Months 37-48	10%
Months 49-60	5%

Effective: _____

The Qualifying Customer must meet the minimum Qualifying Demand during each month of the incentive period (i.e., months 1 through 60, as designated above). Failure to meet the minimum Qualifying Demand in a particular month will result in zero percent (0%) reduction for that month.

TERMS AND CONDITIONS

The Qualifying Customer must submit a Service Application to the Utility specifying: (1) a description of the amount and nature of the new load; (2) the basis on which the Qualifying Customer meets the requirements of this Rider; (3) the Qualifying Customer's desired effective date.

This Rider will terminate on the same date that IMPA's economic development rider terminates, except that any Qualifying Customer receiving the rate incentive at the time of the Rider's termination may continue receiving the incentive for the remainder of the applicable incentive period (as long it continues to meet the Rider's requirements)

APPLICABLE RATE SCHEDULES

This Rider is applicable to the following rate schedules:

Large Power Service Secondary (LPSS)

Large Power Service Secondary – Optional Coincident Peak (LPSS- COIN)

Large Power Service Primary (LPSP)

Large Power Service Primary – Optional Coincident Peak (LPSP- COIN)

Industrial Service Secondary (ISS)

Industrial Service Secondary – Optional Coincident Peak (ISS- COIN)

Industrial Service Primary (ISP)

Industrial Service Primary – Optional Coincident Peak (ISP- COIN)

Transmission Service (TS)

Transmission Service – Optional Coincident Peak (TS- COIN)

Effective: _____

Richmond Power and Light Rate Schedule

Rider QF – Qualifying Facilities

AVAILABILITY

On June 28, 2017 in Cause No. 44898, the Indiana Utility Regulatory Commission (IURC or Commission) approved the assumption by the Indiana Municipal Power Agency (IMPA) of all obligations of its Commission-regulated municipal members, including Richmond Power & Light, to purchase energy and capacity offered by a Qualifying Facility of less than twenty megawatts (20 MW) under 170 IAC 4-4.1 (for Cogeneration and Alternate Energy Production facilities), thus any Qualifying Facilities in the Richmond Power & Light Company's (the Utility) service territory shall be served by IMPA or the Utility pursuant to that Order. The provisions of this tariff, along with any interconnection agreement and the provisions of any agreement entered into between the Customer/Qualifying Facility and RP&L and/or IMPA shall govern such service, as applicable.

RATES

Pursuant to the Order in Cause No. 44898, the Utility maintains its retail sales obligation. Any backup or supplemental power needed by a Customer with a Qualifying Facility will be sold pursuant to the Utility's applicable tariff provisions.

INTERCONNECTION

A Customer desiring to interconnect a Qualifying Facility (also referred to herein as a "renewable generation facility") with the Utility's grid shall complete an interconnection application and submit the application to the Utility for review. After receipt of the application, the Utility shall conduct such further inspection of the renewable generation facilities as the Utility deems necessary and approve or deny the application. If the application is denied, the Utility shall provide a written response to the Customer explaining why the application was denied. The Utility is hereby authorized to charge a reasonable application fee to offset costs involved with reviewing the application, inspecting the renewable generation facilities, and otherwise ensuring compliance with these rules.

If the interconnection application is approved, then the Customer agrees that no changes shall be made to the configuration of the renewable generation facilities, as that configuration is described in the application, and no relay or other control or protection settings specified in the application shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the renewable generation facilities comply with the Utility's approved settings.

In addition to such other requirements as the Utility deems necessary, any renewable generation facility allowed to interconnect to the Utility's grid must comply with: (a) the National Electrical Code and the National Electrical Safety Code, as each may be revised from time to time; (b) the Utility's rules and regulations and the Utility's General Terms and Conditions for Electric Service, each as contained in the Utility's Electric Tariff and each as may be revised from time to time; and (c) all other applicable local, state, and federal codes and laws, as the same may be in effect from

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time to time.

For any approved renewable generation facilities interconnected to the Utility's grid, the Customer shall install, operate, and maintain, at the Customer's sole cost and expense, the renewable generation facilities in accordance with the Institute of Electrical and Electronics Engineers' applicable Standard for Interconnecting Distributed Resources with Electric Power Systems, as it may be amended from time to time. The Customer shall be responsible for protecting, at the Customer's sole cost and expense, the renewable generation facilities from any condition or disturbance on the Utility's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges.

The Customer shall operate any interconnected renewable generation facilities in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of the Utility's electric system. At all times when the renewable generation facilities are being operated in parallel with the Utility's electric system, the Customer shall operate the renewable generation facilities in a manner that no disturbance will be produced to the service rendered by the Utility to any of its other Customers or to any electric system interconnected with the Utility's electric system. The Customer's control equipment for the renewable generation facilities shall immediately, completely, and automatically disconnect and isolate the renewable generation facilities from the Utility's electric system in the event of a fault on the Utility's electric system, a fault on the Customer's renewable generation facilities, or loss of a source or sources on the Utility's electric system. The automatic disconnecting device included in such control equipment shall not be capable of reclosing until after service is restored on the Utility's electric system. Additionally, if the fault is with the Customer's renewable generation facilities, such automatic disconnecting device shall not be reclosed until after the fault is isolated from the Customer's renewable generation facilities.

Upon reasonable advance notice to the Customer, the Utility shall have access to any interconnected renewable generation facilities to perform on-site inspections to verify that the installation and operation of the renewable generation facilities comply with the requirements of this tariff and to verify the proper installation and continuing safe operation of the renewable generation facilities. The Utility shall also have at all times immediate access to breakers or any other equipment that will isolate the renewable generation facilities from the Utility's electric system. The Utility shall not be responsible for any costs the Customer may incur as a result of such inspection(s). The Utility shall have the right and authority to isolate approved interconnected renewable generation facilities at the Utility's sole discretion if the Utility believes that: (a) continued interconnection and parallel operation of the renewable generation facilities with the Utility's electric system creates or contributes (or will create or contribute) to a system emergency on either the Utility's or the Customer's electric facilities; (b) the renewable generation facilities are not in compliance with the requirements of this tariff; or (c) the renewable generation facilities interfere with the operation of the Utility's electric system. In non-emergency situations, the Utility shall give the Customer reasonable notice prior to isolating the renewable generation facilities.

Customer shall procure and keep in force during all periods of parallel operation of the renewable generation facilities with the Utility's electric system, homeowners, commercial, or other insurance

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to protect the interests of the Utility, with an insurance carrier acceptable to the Utility, and in amounts not less than those reasonably determined by the Utility to be necessary taking into consideration the nameplate capacity, configuration and type of the renewable generation facilities. The Customer shall indemnify and hold harmless the Utility, the City of Richmond, its employees, representatives, agents and subcontractors from and against all claims, liability, damages and expenses, including attorney's fees, based on any injury to any person, including the loss of life, or damage to any property, including the loss of use thereof, arising out of, resulting from, or connected with, or that may be alleged to have arisen out of, resulted from, or connected with, an act or omission by the Customer, its employees, agents, representatives, successors or assigns in the construction, ownership, operation or maintenance of the Customer's renewable generation facilities. If the Utility is required to bring an action to enforce its rights under this Agreement, either as a separate action or in connection with another action, and said rights are upheld, the Customer shall reimburse the Utility for all expenses, including attorney's fees, incurred in connection with such action.

Effective: _____

**INTERCONNECTION AGREEMENT
FOR QUALIFIED FACILITIES
RICHMOND POWER & LIGHT COMPANY**

THIS INTERCONNECTION AGREEMENT ("Agreement") is made and entered into this _____ day of, 20____, by and between Richmond Power & Light Company ("Utility"), and _____ ("Customer"). Utility and Customer are hereinafter sometimes referred to individually as "Party" or collectively as "Parties".

WITNESSETH:

WHEREAS, Customer is installing, or has installed, solar, wind, biomass, geothermal, hydroelectric, or other renewable generation equipment, controls, and protective relays and equipment ("Generation Facilities" or "Qualified Facilities") used to interconnect and operate in parallel with Utility's electric system, which Generation Facilities are more fully described in Exhibit A, attached hereto and incorporated herein by this Agreement, and as follows:

Location: _____
Generator Size and Type; and

WHEREAS, the name plate rating of the Generation Facilities does not exceed 20 megawatts ("MW"); and

WHEREAS, Customer desires to receive service under Utility's Qualified Facilities ("QF") tariff.

NOW, THEREFORE, in consideration thereof, Customer and Utility agree as follows:

1. Application. It is understood and agreed that this Agreement applies only to the operation of the Generation Facilities described above and on Exhibit A.

2. Interconnection. Utility agrees to allow Customer to interconnect and operate the Generation Facilities in parallel with Utility's electric system in accordance with any operating procedures or other conditions specified in Exhibit A. By this Agreement, or by inspection, if any, or by non-rejection, or by approval, or in any other way, Utility does not give any warranty, express or implied, as to the adequacy, safety, compliance with applicable codes or requirements, or as to any other characteristics of the Generation Facilities. The Generation Facilities installed and operated by or for Customer shall comply with, and Customer represents and warrants their compliance with: (a) the National Electrical Code and the National Electrical Safety Code, as each may be revised from time to time; (b) Utility's rules and regulations applicable to Qualified Facilities, and Utility's General Terms and Conditions for Electric Service, each as contained in Utility's Electric Tariff and as each as may be revised from time to time; (c) all other applicable local, state, and federal codes and laws, as the same may be in effect from time to time; and any other requirements as the Utility deems necessary. Customer shall install, operate, and maintain, at Customer's sole cost and expense, the Generation Facilities in accordance with the Institute of Electric and Electronics Engineers' applicable Standard for Interconnecting Distributed Resources

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with Electric Power Systems, as it may be amended from time to time. Customer shall bear full responsibility for the installation, maintenance and safe operation of the Generation Facilities. Customer shall be responsible for protecting, at Customer's sole cost and expense, the Generation Facilities from any condition or disturbance on Utility's electric system, including, but not limited to, voltage sags or swells, system faults, outages, loss of a single phase of supply, equipment failures, and lightning or switching surges. Customer agrees that, without the prior written permission from Utility, no changes shall be made to the configuration of the Generation Facilities, as that configuration is described in Exhibit A, and no relay or other control or protection settings specified in Exhibit A shall be set, reset, adjusted or tampered with, except to the extent necessary to verify that the Generation Facilities comply with Utility approved settings.

3. Operation by Customer. Customer shall operate the Generation Facilities in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics or otherwise interfere with the operation of Utility's electric system. At all times when the Generation Facilities are being operated in parallel with Utility's electric system, Customer shall operate the Generation Facilities in a manner that no disturbance will be produced to the service rendered by Utility to any of its other Customers or to any electric system interconnected with Utility's electric system. Customer understands and agrees that the interconnection and operation of the Generation Facilities pursuant to this Agreement is secondary to, and shall not interfere with, Utility's ability to meet its primary responsibility of furnishing reasonably adequate service to its Customers. Customer's control equipment for the Generation Facilities shall immediately, completely, and automatically disconnect and isolate the Generation Facilities from Utility's electric system in the event of a fault on Utility's electric system, a fault on Customer's electric system, or loss of a source or sources on Utility's electric system. The automatic disconnecting device included in such control equipment shall not be capable of reclosing until after service is restored on Utility's electric system. Additionally, if the fault is with Customer's Generation Facilities, such automatic disconnecting device shall not be reclosed until after the fault is isolated from Customer's facilities.

4. Access by Utility. Upon reasonable advance notice to Customer, Utility shall have access to any interconnected facilities whether before, during or after the time the Generation Facilities first produce energy, to perform on-site inspections to verify that the installation and operation of the Generation Facilities comply with the requirements of this Agreement, the Utility's Tariff, and to verify the proper installation and continuing safe operation of the Generation Facilities. Utility shall also have, at all times, immediate access to breakers or any other equipment that will isolate the Generation Facilities from Utility's electric system. The Utility shall not be responsible for any costs Customer may incur as a result of such inspection(s). Utility shall have the right and authority to isolate the Generation Facilities at Utility's sole discretion if Utility believes that: (a) continued interconnection and parallel operation of the Generation Facilities with Utility's electric system creates or contributes (or will create or contribute) to a system emergency on either Utility's or Customer's electric system; (b) the Generation Facilities are not in compliance with the requirements of this Agreement or the Utility's Tariff; or (c) the Generation Facilities interfere with the operation of Utility's electric system. In non-emergency situations, Utility shall give Customer reasonable notice prior to isolating the Generating Facilities.

5. Rates and Other Charges. On June 28, 2017 in Cause No. 44898, the Indiana Utility Regulatory Commission ("IURC" or "Commission") approved the assumption by the Indiana

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Municipal Power Agency ("IMPA") of all obligations of its Commission-regulated municipal members, including Richmond Power & Light, to purchase energy and capacity offered by a Qualifying Facility of greater than ten kilowatts (10 kw) and less than twenty megawatts (20 MW) under 170 IAC 4-4.1 (for Cogeneration and Alternate Energy Production facilities). Thus, Customer shall execute a separate Power Purchase Agreement with IMPA. The Utility maintains its retail sales obligation, and any backup or supplemental power needed by the Customer will be sold pursuant to the Utility's applicable tariff provisions.

6. Insurance. Customer shall procure and keep in force during all periods of parallel operation of the Generation Facilities with Utility's electric system, homeowners, commercial, or other insurance to protect the interests of Utility under this Agreement, with an insurance carrier acceptable to Utility, and in amounts not less than that reasonably determined by the Utility to be necessary taking into consideration the nameplate capacity, configuration and type of Generation Facilities, for the liability of the insured against loss arising out of the use of generation equipment associated with the Qualified Facility. Customer shall deliver a certificate of insurance verifying the required coverage to Utility at least fifteen (15) days prior to any interconnection of the Generation Facilities with Utility's electric system, and thereafter as requested by the Utility.

7. Indemnification. Customer shall indemnify and hold harmless the Utility, City of Richmond, its employees, representatives, agents and subcontractors from and against all claims, liability, damages and expenses, including attorney's fees, based on any injury to any person, including the loss of life, or damage to any property, including the loss of use thereof, arising out of, resulting from, or connected with, or that may be alleged to have arisen out of, resulted from, or connected with, an act or omission by the Customer, its employees, agents, representatives, successors or assigns in the construction, ownership, operation or maintenance of the Customer's facilities used in connection with this Agreement. Upon written request of the Utility, the Customer shall defend any suit asserting a claim covered by this Section 7. If Utility is required to bring an action to enforce its rights under this Agreement, either as a separate action or in connection with another action, and said rights are upheld, the Customer shall reimburse such Utility for all expenses, including attorney's fees, incurred in connection with such action.

8. Effective Term and Termination Rights. This Agreement shall become effective when executed by both Parties and shall continue in effect until terminated in accordance with the provisions of this Agreement. This Agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time by giving Utility at least sixty (60) days prior written notice stating Customer's intent to terminate this Agreement and the disconnection of any Generating Facilities in parallel operation with the Utility's facilities at the expiration of such notice period; (b) Utility may terminate this Agreement at any time following Customer's failure to generate energy from the Generation Facilities in parallel with Utility's electric system within twelve (12) months after completion of the interconnection provided for by this Agreement; (c) either Party may terminate this Agreement at any time by giving the other Party at least sixty (60) days prior written notice that the other Party is in default of any of the material terms and conditions of this Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity for the Party in default to cure the default; or (d) Utility may terminate this Agreement at any time by giving Customer at least sixty (60) days prior written notice in the event that there is a change in an applicable rule or statute affecting this Agreement.

Effective: _____

9. 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 Utility and Customer 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.

10. 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; stout's; 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.

11. Choice of Law. This Agreement and the rights and duties of the parties arising out of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Indiana without reference to the conflict of laws rules thereof. The parties hereby submit to the jurisdiction of the Courts of Wayne County, Indiana for purposes of all legal proceedings may arise under this Agreement. The parties hereto irrevocably waive, to the fullest extent permitted by Applicable Law, any objection which either may have or hereafter have to the personal jurisdiction of such court or the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OF THE PARTIES.

Effective: _____

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

UTILITY

CUSTOMER

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

RESOLUTION 1-2020

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
RICHMOND POWER & LIGHT RECOMMENDING THE ESTABLISHMENT
OF REVISED RATES AND CHARGES FOR THE USE OF, AND SERVICES
PROVIDED BY, RICHMOND POWER & LIGHT**

WHEREAS, the Board of Directors (“Board”) of Richmond Power & Light (the “Utility”) desires to continue to provide adequate and efficient electric service for the protection of the health, well-being and property of the City of Richmond and its electric customers; and

WHEREAS, the Utility has engaged the services of NewGen Strategies & Solutions, LLC, to perform a financial study of the revenue requirements of the Utility for the test year ending September 30, 2019, as well as a cost-of-service study, based upon the Utility’s *pro forma* revenues, expenses and net original cost plant in service for such test year; and

WHEREAS, the existing rates and charges for electric services provided by the Utility were placed into effect following approval by the Indiana Utility Regulatory Commission (the “Commission”) in Cause No. 42713 in a Final Order dated February 9, 2005; and

WHEREAS, the Board and its advisors believe (i) the Council should adopt a Rate Ordinance approving a new schedule of rates and charges for services provided by the Utility that replace existing rates, that increase test year electric operating revenues by approximately 9.58%, and more accurately reflect cost-of-service and reduce subsidy excess revenues between customer classes; (ii) the proposed rates and charges should be designed so that they are nondiscriminatory “reasonable and just charges” for electric service within the meaning of IC 8-1.5-3-8; and (iii) the Common Council should include in such Rate Ordinance an election permitting Richmond Power & Light to earn a reasonable return on its net plant; and the rate design should be modified accordingly.

WHEREAS, the Board and Management have developed revised schedules of rates and charges for electric service based upon the assistance and advice of NewGen Strategies & Solutions and Bose McKinney & Evans LLP, which schedule of rates and charges are attached hereto as Exhibit A; and

WHEREAS, the Board has the fiduciary responsibility of making recommendations to the Common Council relative to the need for the adoption of revised electric rates and charges; and

WHEREAS, rates and charges for services rendered by the Utility must be approved by the Common Council of the City of Richmond, Indiana, and the Indiana Utility Regulatory Commission.

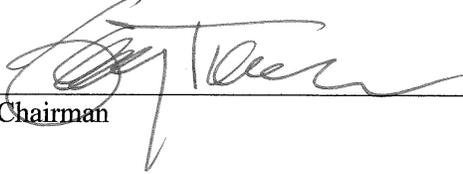
NOW, THEREFORE, BE IT RESOLVED by the Utility Service Board that the attached schedule of rates and charges should be recommended for approval by the Common Council by Rate Ordinance.

BE IT FURTHER RESOLVED subject to Common Council approval of such revised rates and charges after a public hearing and by the adoption of an Ordinance, that the necessary and appropriate officials of the Utility should be authorized to file with the Commission a verified petition seeking approval of a new schedule of electric rates and charges, as well as testimony and exhibits in support thereof.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF RICHMOND
POWER & LIGHT THIS 3rd DAY OF February, 2020.

BOARD OF DIRECTORS OF
RICHMOND POWER & LIGHT

By:


Chairman

Attest:


Clerk

[Note that USB Resolution Exhibit A is identical to the Council Ordinance Exhibit A, and is not reproduced herein in Attachment RWB-5.]