

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANAPOLIS POWER &)
LIGHT COMPANY PURSUANT TO IND.)
CODE § 8-1-39-9 FOR: (1) APPROVAL OF AN)
ADJUSTMENT TO ITS ELECTRIC SERVICE)
RATES THROUGH ITS TRANSMISSION,)
DISTRIBUTION, AND STORAGE SYSTEM) CAUSE NO. 45264 TDSIC 1
IMPROVEMENT CHARGE ("TDSIC") RATE)
SCHEDULE, STANDARD CONTRACT RIDER)
NO. 3; AND (2) AUTHORITY TO DEFER 20%)
OF THE APPROVED CAPITAL)
EXPENDITURES AND TDSIC COSTS FOR)
RECOVERY IN PETITIONER'S NEXT)
GENERAL RATE CASE.)

PETITIONER'S SUBMISSION OF DIRECT TESTIMONY OF
CHAD A. ROGERS

Indianapolis Power & Light Company ("IPL" or "Petitioner"), by counsel, hereby
submits the direct testimony and attachments of Chad A. Rogers.

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served this 18th day of June, 2020, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

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ATTORNEYS FOR APPLICANT
INDIANAPOLIS POWER & LIGHT COMPANY

VERIFIED DIRECT TESTIMONY

OF

CHAD A. ROGERS

ON BEHALF OF

INDIANAPOLIS POWER & LIGHT COMPANY

SPONSORING IPL ATTACHMENTS CAR-1 – CAR-6

**VERIFIED DIRECT TESTIMONY OF CHAD A. ROGERS
ON BEHALF OF
INDIANAPOLIS POWER & LIGHT COMPANY**

1 **Q1. Please state your name, employer and business address.**

2 A1. My name is Chad A. Rogers. I am employed by Indianapolis Power & Light Company
3 ("IPL" or "Company"), whose business address is One Monument Circle, Indianapolis,
4 Indiana 46204.

5 **Q2. What is your position with IPL?**

6 A2. I am Senior Program Manager in Regulatory Affairs.

7 **Q3. Please describe your duties as Senior Program Manager.**

8 A3. I provide financial, technical and regulatory analysis and manage various regulatory
9 projects and filings.

10 **Q4. Please summarize your educational and professional qualifications.**

11 A4. I hold a Bachelor of Science Degree in Accounting and Finance from the Kelley School of
12 Business at Indiana University. I also hold a Master of Business Administration Degree
13 from the Lacy School of Business at Butler University. I received my Certified Public
14 Accountant ("CPA") license for the State of Indiana and have fulfilled the necessary
15 educational requirements to allow use of the CPA designation. I have also attended various
16 regulated utility training courses such as Edison Electric Institute ("EEI") Utilities
17 Accounting Courses (Intro and Advanced), EEI Electric Rates Advanced Course, and PWC
18 Rate Case Experience Course. I also am a member of the Society of Utility and Regulatory
19 Financial Analysts ("SURFA").

Q5. What is your previous work experience?

A5. I have been an employee of IPL since April 5, 2006, initially as a Senior Accountant and later as a Section Leader in the accounting and external reporting team. From June 2009 to September 2013, I worked as a Senior Analyst and later as a Section Leader in Financial Planning and Analysis. I have been in Regulatory Affairs since September 2013 where I was a Senior Analyst until becoming a Senior Program Manager in 2018.

From February 2004 to April 2006, I was employed by Cinergy Corporation (now Duke Energy). At Cinergy, I held a Senior Accountant role and was responsible for various accounting, financial analysis, and financial reporting duties.

From January 2001 to January 2004, I was employed by KPMG LLP as a Senior Associate in assurance services. In that position, I was responsible for audits, reviews, compilations, and control assessments for clients spread over a wide range of industries.

Q6. Have you previously testified before this Commission?

A6. Yes. I provided testimony in IPL's Transmission, Distribution, and Storage System Improvement Charge ("TDSIC") Plan Filing in IURC Cause No. 45264. I have also provided testimony in IPL's Environmental Compliance Cost Recovery Adjustment proceedings, beginning in IURC Cause No. 42170-ECR-28. I also provided testimony in IPL's Electric rate case, IURC Cause No. 45029 ("IPL's most recent rate case").

Q7. What is the purpose of your testimony in this proceeding?

A7. The purpose of my testimony is to:

1. Provide an overall summary of IPL's requested relief.

2. Discuss how IPL's TDSIC 1 filing in this proceeding comports with the TDSIC Statute and certain accounting treatment approvals in the Order approving IPL's TDSIC Plan.
3. Discuss IPL's proposed netting of depreciation expense.
4. Explain why the WACC reflected in the Company's proposed revenue requirement is reasonable and the Commission should make no adjustment to the Company's pretax return.
5. Estimate the effect of IPL's TDSIC Plan on retail rates and charges over the plan term.

Q8. Are you sponsoring any attachments?

A8. Yes. I sponsor IPL Attachment CAR - 1 thru 4 which contain and support the estimate of the effect of IPL's TDSIC Plan on retail rates charges over the Plan term. I also sponsor IPL Attachment CAR - 5 which contains IPL Witness AMM Attachment 3 from IPL's most recent rate case. This attachment summarized the regulatory adjustment mechanisms available to the proxy group of electric utilities used in that case to estimate the cost of equity. I also sponsor IPL Attachment CAR - 6 which is the Petition in this proceeding.

Q9. Were these attachments prepared or assembled by you or under your direction and supervision?

A9. Yes.

Q10. Are you submitting workpapers?

A10. Yes. I am submitting workpapers in their native format that are the same as or support the attachments included with my testimony. These workpapers are the electronic spreadsheets and were prepared or assembled by me or under my direction and supervision.

1. REQUESTED RELIEF

Q11. What relief is IPL requesting?

A11. IPL is requesting approval of an adjustment to its electric service rates through a TDSIC in accordance with I.C. § 8-1-39-9. This relief effectuates the timely recovery of 80% of approved capital expenditures and TDSIC Costs, as defined in I.C. § 8-1-39-7, in connection with IPL's approved TDSIC Plan and deferral of the remaining 20% to be recovered as part of IPL's next general rate case. IPL's TDSIC Plan was approved in IURC Cause No. 45264. IPL also requests approval to adjust Petitioner's authorized return for purposes of I.C. § 8-1-2-42(d)(3) to reflect the incremental earnings that will result from this TDSIC Rider filing upon Commission approval in accordance with I.C. §8-1-39-13(b).

As ordered by the Commission, IPL will file semi-annual TDSIC riders, staggered by six months: one to establish the TDSIC rider factors and one to update the TDSIC Plan. In this TDSIC Rate Update filing, the following Witnesses present testimony to support the requested TDSIC factors:

Chad A. Rogers – Regulatory Policy	<ul style="list-style-type: none">– Provide an overall summary of IPL's requested relief.– Discuss how IPL's TDSIC 1 filing in this proceeding comports with the TDSIC Statute and certain accounting treatment approvals in the Order approving IPL's TDSIC Plan.– Discuss IPL's proposed netting of depreciation expense.– Explain why the WACC reflected in the Company's proposed revenue requirement
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	<p>is reasonable and the Commission should make no adjustment to the Company's pretax return.</p> <ul style="list-style-type: none"> – Estimate the effect of IPL's TDSIC Plan on retail rates and charges over the Plan term.
James (Jim) William Shields Jr. – Project Management	<ul style="list-style-type: none"> – Provide an overview of IPL's approved TDSIC Plan. – Provide progress of Projects. – Present TDSIC capital investments as of March 31, 2020. – Describe the capital investments. – Identify cost variances and justify the variance for specific projects that have an actual cost greater than the previously approved estimate.
Natalie Herr Coklow – Regulatory Accounting	<ul style="list-style-type: none"> – Present and support the TDSIC revenue requirement calculations. – Support timely recovery of 80% of the calculated TDSIC revenue requirement, and deferral of 20% of the calculated TDSIC revenue requirement for future recovery in IPL's next general rate case. – Explain how Plan development costs and depreciation and property tax expenses are treated in the calculation of the revenue requirement. – Discuss the evaluation of the change in the TDSIC revenue requirement compared to the two percent (2%) of total annual revenues in a 12-month period cap, as required by the TDSIC Statute. – Discuss the impact of the TDSIC factors proposed in this filing. – Present the tariff pages for the TDSIC Rider.

2. TDSIC STATUTE & TDSIC PLAN ORDER

Q12. Does this filing comport with the TDSIC Statute set forth in Indiana Code (“I.C.”) §8-1-39-9?

A12. Yes. The Commission approved IPL's TDSIC Plan under I.C. § 8-1-39-10 (“Section 10”) and cost recovery pursuant to I.C. § 8-1-39-9 (“Section 9”). In this proceeding, IPL is seeking cost recovery pursuant to Section 9.

1 **Q13. Has IPL used the customer class revenue allocation factors based on firm load**
2 **approved in IPL's most recent basic rate case order as required by Section 9(a)(1)?**

3 A13. Yes. This issue was resolved in IPL's most recent basic rate case. IPL Witness Coklow
4 used the approved TDSIC allocation factors in IPL Attachment NHC-2 to calculate the
5 appropriate customer class factors (IURC Cause No. 45029, Settling Parties Joint Exhibit
6 1 Settlement Attachment E).

7 **Q14. Has IPL included its TDSIC Plan as part of this filing as required by Section 9(a)2?**

8 A14. Yes. As noted above, IPL's TDSIC Plan was approved by the Commission's order dated
9 March 4, 2020 in Cause No. 45264 ("IPL TDSIC Plan Order"). IPL's TDSIC Plan was
10 admitted to the record in that Cause as IPL Exhibit 2. This was a comprehensive exhibit.
11 Appendix 8.7 to this exhibit set forth the cost estimates and year detail and plan projects
12 by FERC account (sortable list). IPL's Petition included a request for administrative notice
13 to the IPL TDSIC Plan. For administrative efficiency IPL proposes that going forward,
14 IPL's TDSIC Rider filings include Appendix 8.7 only to comply with the Section 9(a)
15 requirement that the petition include the public utility's TDSIC Plan. IPL Witness Shields
16 sponsors IPL Confidential Attachment JWS-1, which reconciles the cost estimates
17 presented in Appendix 8.7 of IPL's approved TDSIC Plan with actual TDSIC capital costs
18 as of March 31, 2020.

19 **Q15. Are the TDSIC projects included for recovery eligible transmission, distribution, and**
20 **storage system improvements under I.C. § 8-1-39-2?**

21 A15. Yes. The projects implemented in IPL's TDSIC Plan were undertaken for the purpose of
22 safety, reliability, or system modernization and were found by the Commission to
23 constitute eligible transmission, distribution, or storage system improvements within I.C.

§ 8-1-39-2. IPL TDSIC Plan Order, p.21. The Commission Order authorized TDSIC treatment for the projects in IPL's TDSIC Plan in accordance with I.C. § 8-1-39-10(b). IPL TDSIC Plan Order, p. 24.

Q16. Were any of the TDSIC projects included for recovery in this Cause in IPL's rate base in IURC Cause No. 45029 (IPL's most recent rate case)?

A16. No. These are new projects which have not previously been included in IPL's rate base. The rate base cutoff in IPL's most recent rate case was June 30, 2017 with major project additions and certain net post-test year generation additions through April 2018. TDSIC Plan Development costs did not begin until May 2018. Additionally, the Order approving IPL's TDSIC Plan confirms that the proposed projects "were not included in IPL's most recent rate case." IPL TDSIC Plan Order, p. 21.

Q17. I.C. § 8-1-39-9(d) states that a public utility may not file a petition under I.C. § 8-1-39-9(a) within nine (9) months after the date on which the Commission issued an order changing Petitioner's basic rates and charges. When was IPL's most recent electric rate case order issued?

A17. The final order in IPL's most recent rate case (Cause No. 45029) is dated October 31, 2018, which is more than nine months prior to the filing of this TDSIC.

Q18. Does IPL intend to file a basic rates and charges petition with the Commission prior to the expiration of the 7-Year TDSIC Plan, as required by I.C. § 8-1-39-9(e)?

A18. Yes, IPL intends to petition the Commission for review and approval of its basic rates and charges prior to the expiration of the 7-year TDSIC Plan.

Q19. I.C. § 8-1-39-9(f) states that a public utility may file a Section 9 petition not more than one time every six months. Please provide an overview of IPL’s planned TDSIC rider calendar.

A19. The Order approving IPL’s TDSIC Plan states that “IPL shall file its TDSIC Plan updates and TDSIC rate updates separately on an annual basis, staggered six months from each other, as subdockets in this Cause under the cause number 45264 TDSIC X, with its first tracker filed on or before July 1, 2020.” IPL TDSIC Plan Order, p. 29. The following schedule meets this requirement:

Table 1: IPL’s TDSIC Rider Schedule

Filing	Type	Actual Costs Cutoff	Filing Date	Order Date	Rates Effective Period	Reconciliation Period
TDSIC 1	Rate	Mar 31, 2020	Mid Jun 2020	Oct 2020	Nov 2020 – Oct 2021	
TDSIC 2	Plan Update		Mid Dec 2020	Apr 2021		
TDSIC 3	Rate	Mar 31, 2021	Mid Jun 2021	Oct 2021	Nov 2021 – Oct 2022	
TDSIC 4	Plan Update		Mid Dec 2021	Apr 2022		
TDSIC 5	Rate	Mar 31, 2022	Mid Jun 2022	Oct 2022	Nov 2022 – Oct 2023	Nov 2020 – Oct 2021
TDSIC 6	Plan Update		Mid Dec 2022	Apr 2023		
TDSIC 7	Rate	Mar 31, 2023	Mid Jun 2023	Oct 2023	Nov 2023 – Oct 2024	Nov 2021 – Oct 2022
TDSIC 8	Plan Update		Mid Dec 2023	Apr 2024		
TDSIC 9	Rate	Mar 31, 2024	Mid Jun 2024	Oct 2024	Nov 2024 – Oct 2025	Nov 2022 – Oct 2023
TDSIC 10	Plan Update		Mid Dec 2024	Apr 2025		
TDSIC 11	Rate	Mar 31, 2025	Mid Jun 2025	Oct 2025	Nov 2025 – Oct 2026	Nov 2023 – Oct 2024
TDSIC 12	Plan Update		Mid Dec 2025	Apr 2026		
TDSIC 13	Rate	Mar 31, 2026	Mid Jun 2026	Oct 2026	Nov 2026 – Oct 2027	Nov 2024 – Oct 2025
TDSIC 14	Rate	Mar 31, 2027	Mid Jun 2027	Oct 2027	Nov 2027 – Oct 2028	Nov 2025 – Oct 2026
TDSIC 15	Rate	Mar 31, 2028	Mid Jun 2028	Oct 2028	Nov 2028 – Oct 2029	Nov 2026 – Oct 2027

Q20. Please describe IPL’s planned TDSIC 2 Plan Update filing.

1 A20. In its TDSIC 2 Plan Update filing, IPL will present the progress of the TDSIC projects and
2 compare spending levels to the previously approved TDSIC Plan estimates. IPL will also
3 present any proposed changes to the Plan and provide specific justification for the
4 Commission to approve the recovery of costs in excess of approved estimates. IPL TDSIC
5 Plan Order, p. 29.

6 IPL will also update certain cost estimates based on refined engineering performed for
7 certain projects. Specifically, IPL plans to present Class 2 cost estimates for certain TDSIC
8 Year 3 projects. Due to travel restrictions and social distancing requirements of IPL and
9 contractor personnel caused by the COVID-19 pandemic, Class 2 engineering of some of
10 these projects is expected to be delayed and likely not available for presentation in the
11 December 2020 filing. In order to provide timely Plan updates and adhere to the Order
12 requirements outlining the six-month staggering of TDSIC Plan Update rider filings, IPL
13 will file TDSIC 2 as scheduled in December 2020, and proposes to file supplemental
14 information that will include the remaining Class 2 cost estimates for Year 3 projects when
15 complete. IPL anticipates the timing of the TDSIC supplemental filing to be in the first half
16 of 2021. IPL Witness Shields discusses the anticipated delay in engineering estimates in
17 more detail. IPL will know more closer to the filing of TDSIC 2 and will seek to discuss
18 procedural details with the OUCC.

19 **Q21. Did IPL meet with the OUCC and interested stakeholders prior to filing its petition**
20 **in this Cause?**

21 A21. Yes. IPL met with the OUCC and interested stakeholders to preview the accounting and
22 ratemaking schedules and to discuss topics of interest.

Q22. Please summarize the findings and approvals made by the Commission in the IPL TDSIC Plan Order which are reflected in this TDSIC rate filing.

A22. The Commission Order included the following related to the accounting ratemaking in the TDSIC Rider:

- authorized TDSIC treatment for the improvements described in IPL's TDSIC Plan including costs incurred starting on August 1, 2019. IPL TDSIC Plan Order, p. 24.
- found the best cost estimate of the eligible improvements included in the Plan is the \$1.2 billion estimate provided by IPL. IPL TDSIC Plan Order, p. 29.
- authorized IPL to defer post-in-service TDSIC Plan costs on an interim basis until such costs are included in TDSIC Rider rates or in future base rates. IPL TDSIC Plan Order, p. 29.
- approved IPL's request for authority to defer its plan development costs for recovery via IPL's future TDSIC tracker pursuant to I.C. § 8-1-39-9 over a three-year amortization period. IPL TDSIC Plan Order, p. 29.
- approved IPL's proposals to utilize the applicable depreciation rates approved in its most recent rate case and to recover depreciation prospectively. IPL TDSIC Plan Order, p. 29.
- directed IPL to remove the gross up for taxes associated with the 20% deferred regulatory asset from future filings. IPL TDSIC Plan Order, p. 25.
- found it appropriate to explore a reasonable adjustment when determining the WACC in TDSIC 1 to address the OUCC's depreciation netting concern and the IPL Industrial Group's (IG) concerns with the shifting of risks based on the plan. IPL TDSIC Plan Order, p. 27.

Q23. Has IPL complied with the accounting and ratemaking treatment approved in the TDSIC Plan Order in developing the proposed TDSIC factors?

A23. Yes. IPL Witness Coklow presents the accounting schedules and utilized the accounting treatment discussed above in determining the applicable TDSIC Rider factors.

Q24. What specific costs were included in the development of the proposed TDSIC factors for which IPL is requesting Commission approval?

1 A24. IPL included eligible TDSIC Costs as defined under I.C. § 8-1-39-7, including
2 depreciation expense, property taxes, and pretax returns. IPL also included the amortization
3 of plan development costs as authorized in the TDSIC Plan filing order discussed above.

4 **Q25. How is IPL's treatment of income taxes on the deferred regulatory asset in this filing**
5 **compliant with the Commission's TDSIC Plan Order?**

6 A25. IPL has recorded the 20% deferral related to income taxes to a separate regulatory asset
7 account to facilitate the treatment ordered by the Commission. In the IPL TDSIC Plan
8 Order (p. 25), the Commission stated:

9 **Recovery of Income Taxes on Deferred Regulatory Asset.**

10 Mr. Blakley raised a concern that IPL should not recover income taxes on
11 the same earnings twice when the 20% deferred regulatory asset is
12 included in IPL's next general rate case. We agree and find that IPL shall
13 remove the gross up for taxes associated with the 20% deferred regulatory
14 asset from future filings.

15
16 IPL Witness Coklow identified the portion of the deferral for income tax and presented the
17 balance separately on IPL Attachment NHC-10. IPL will continue to reflect the deferred
18 regulatory asset related to income tax recovery on this schedule which can then be excluded
19 from the gross up of taxes in a future rate case filing.

20 **3. "OTHER INFORMATION" IN CONSIDERING**
21 **THE APPROPRIATE PRETAX RETURN**

22 **Q26. Please explain how IPL addressed the OUCC's concern that the TDSIC Rider**
23 **revenues for new assets should be offset with the discontinued depreciation expense**
24 **on the retirement of the replaced assets. IURC Cause No. 45264 Order pp. 8-9, 26-**
25 **27)?**

1 A26. As an initial matter, I continue to disagree with the OUCC's position that IPL's previous
2 proposal is unreasonable. I addressed this in my rebuttal in Cause No. 45264. That being
3 said, to address this concern and to reduce controversy, IPL calculated depreciation
4 expense on the retired and replaced assets and has included that depreciation expense
5 amount as a credit to the depreciation expense recovery sought in this filing. The netting
6 of depreciation expense is presented on IPL Attachment NHC-6 Line 2. This netting of
7 depreciation is calculated in the same way IPL has implemented the netting of depreciation
8 in past Environmental Compliance Cost Recovery Adjustment filings for Mercury Air
9 Toxics Standard ("MATS") equipment. The effect of this adjustment is a reduction in the
10 revenue that would otherwise have been recovered through the TDSIC rider, effectively
11 reducing IPL's return on the new assets as compared to not reflecting the depreciation
12 credit. This treatment sufficiently addresses the concern of netting depreciation expense on
13 the assets retired as part of the TDSIC Plan. As discussed below, no adjustment to the
14 pretax return is necessary.

15 **Q27. Please summarize the IG's concern that the TDSIC mechanism "shifts risks based on**
16 **plan approval." (IPL TDSIC Plan Order pp. 10 & 27)**

17 A27. The IPL TDSIC Plan Order (p. 10) reflects that the IG's witness contended that "IPL's
18 ROE approved in its most recent rate case reflects the risk of utility without a TDSIC plan
19 and TDSIC plan pre-approval greatly reduces IPL's risk profile." I would note that the IG
20 witness provided no analysis to support his summary contention. Cause No. 45264, IG
21 Witness Collin p. 19. In my rebuttal in the Plan case, I indicated that this concern was
22 premature, explaining that the IPL did not seek approval of revenue requirement at that
23 time. As a result, the Company did not attempt to rebut this concern in the Plan case.

1 **Q28. What does the term “risk profile” mean?**

2 A28. I understand the IG’s use of the term “risk profile” to refer to the threats to which an
3 organization is exposed. In the Plan case, the IG witness viewpoint was that unlike the
4 status quo, once the TDSIC Plan is approved, IPL will no longer face risk of disallowances
5 or non-recovery.¹ IG Witness Collins said the only check and balance is with the
6 Commission when the TDSIC Plan is presented for approval.² I disagree that it is
7 appropriate to look only at risk-reducing factors and not also take into consideration factors
8 that increase risk, such as the size of the capital expenditure needed to respond to the
9 statutory objective of using a multi-year investment plan to address infrastructure needs
10 systemically, which in turn provides efficiency and other benefits.³ The undertaking of a
11 capital plan the magnitude of IPL’s TDSIC Plan increases capital expenditures beyond
12 what would otherwise be undertaken. Without an approved TDSIC tracker, this would put
13 pressure on IPL’s 1) ability to satisfy credit metrics (operating cashflows metrics, EBITDA
14 metrics, and debt metrics), 2) ability to issue debt at attractive rates, and 3) ability to
15 maintain a balanced capital structure. Timely cost recovery through the TDSIC helps to
16 offset these pressures.

17 **Q29. Does Commission approval of IPL’s TDSIC Plan mean that the Company will no**
18 **longer face any risk of disallowance or non-recovery?**

19 A29. No. The TDSIC Statute provides that an approved TDSIC Plan is eligible for 80% timely
20 cost recovery and 20% cost deferral to a subsequent rate case as set forth in Section 9 of

¹ Cause No. 45264, IG Witness Collins p. 19.

² Cause No. 45264, IG Witness Collin p. 19.

³ Cause No. 45264, IPL Witness Bentley Direct Testimony p. 9.

1 the Statute. While I agree that the 80% timely cost recovery is important to maintaining the
2 financial health of the utility, I disagree that the statutory “TDSIC treatment” means the
3 Company will no longer face any risk of disallowance or non-recovery or that there are no
4 other checks and balances. As explained in the IPL TDSIC Plan Order (p. 23):

5 After approval of a TDSIC plan, Ind. Code § 8-1-39-9 establishes
6 procedures for TDSIC trackers, providing that “[a]ctual capital
7 expenditures and TDSIC costs that exceed the approved capital
8 expenditures and TDSIC costs require specific justification by the public
9 utility and specific approval by the commission before being authorized
10 for recovery in customer rates.”
11

12 I would add that the IG has appealed the Commission’s Order approving IPL’s TDSIC
13 Plan. The Industrial Group’s appeals of other cases have resulted in other Commission
14 TDSIC orders being vacated. Thus, while the Company is moving forward with the TDSIC
15 Plan, doing so is not without risk given the Industrial Group’s pending appeal.

16 **Q30. Please discuss whether Commission approval of the IPL TDSIC Plan is “unlike the**
17 **status quo” as indicated by the IG witness in the Plan proceeding.**

18 A30. The TDSIC Statute has been part of Indiana’s utility regulatory framework since 2013 and
19 many other Indiana energy utilities have used this statute. In this regard, the Commission’s
20 March 2020 approval of the IPL Plan is not a departure from Indiana’s existing a regulatory
21 scheme. Furthermore, it is my understanding that Indiana has long allowed utilities to
22 obtain pre-approval of investments from the Commission. I.C. § 8-1-2-23. Thus, I view the
23 TDSIC Statute as changing the timeliness of cost recovery. Even then, this change is
24 limited to 80% of capital expenditures and TDSIC Costs and is also tied to requirements
25 that the utility defer 20% of its costs and file a basic rate case before expiration of the plan.

1 I.C. § 8-1-39-9(e). My understanding is that Indiana's utility regulatory framework does
2 not otherwise impose a requirement on how often a utility must file a general rate case.

3 Thus, to the extent the TDSIC Statute changed the so-called status quo for Indiana
4 ratemaking for T&D capital investment, it did so in two ways (*i.e.* timely cost recovery and
5 a required general rate case). It is unreasonable to consider the impact of the timely cost
6 recovery mechanism in a vacuum. As discussed below, when viewed holistically, a
7 downward adjustment to IPL's TDSIC Rider pretax return is not warranted.

8 **Q31. Is it reasonable to reduce IPL's pre-tax return in the TDSIC Rider in response to the**
9 **IG's concern summarized above?**

10 A31. No. I disagree that the ratemaking provisions of the TDSIC Statute warrant an adjustment
11 to the Company's Commission's authorized pre-tax return. IPL's basic rates and charges
12 have been reviewed in two recent cases (Cause Nos. 44576 and 45029). The Commission's
13 decisions in these cases were issued March 15, 2016 and October 31, 2018, respectively,
14 well after the enactment of the TDSIC Statute. The general rate case the Company is
15 required to file under the TDSIC Statute, will provide another opportunity for the
16 Commission to review the Company's rates and charges, including its authorized return.

17 The TDSIC Statute is designed to incentivize the expeditious investment in and
18 improvement and modernization of Indiana's energy delivery system infrastructure. I am
19 not aware instance where the Commission reduced the pre-tax return in a TDSIC Rider
20 where the utility involved had at least one recent rate case.

21 As discussed above, the netting of depreciation expense reflected in IPL's proposed
22 revenue requirement reduces the revenue IPL will receive and reasonably responds to the

Commission's Order. The netting has the effect of reducing IPL's pre-tax return; no other downward adjustment should be made.

The fact that IPL operates under certain rate adjustment mechanisms (also referred to as trackers) does not distinguish it from other firms in the electric utility industry. In IPL's most recent rate case, IPL's ROE witness explained that the existence of trackers is already reflected in the forward-looking cost of equity analysis because such mechanisms are industry wide:

Adjustment mechanisms and cost trackers have been increasingly prevalent in the utility industry in recent years. In response to the increasing risk sensitivity of investors to uncertainty over fluctuations in costs and the importance of advancing other public interest goals such as reliability, energy conservation, and safety, utilities and their regulators have sought to mitigate some of the cost recovery uncertainty and align the interest of utilities and their customers through a variety of adjustment mechanisms. Based largely on the expanded use of ratemaking mechanisms to address operational risks and investment recovery, Moody's upgraded most regulated utilities in January 2014. This is consistent with the view that investors perceive the impact of regulatory mechanisms to be an industry-wide factor. Just as a rising tide lifts all boats, ratemaking mechanisms have had an across-the-board impact on risk perceptions for virtually all utilities. (citations omitted)

IPL Witness McKenzie Direct Testimony, pp. 8-9.⁴ In that case, IPL Witness McKenzie summarized the regulatory adjustment mechanisms available to the proxy group of electric utilities used to estimate the cost of equity which included infrastructure cost trackers that allow for recovery of new capital investment outside of a traditional rate case as well as a variety of other adjustment clauses. Witness AMM Attachment 3 (included with my testimony as IPL Attachment CAR-5). As shown by this attachment, timely cost recovery

⁴ Citing Moody's Investors Service, "US utility sector upgrades driven by stable and transparent regulatory frameworks," *Sector Comment* (Feb. 2, 2014).

1 mechanisms are common among the proxy companies. IPL Witness McKenzie concluded,
2 “Thus, while the mechanisms approved for IPL by the IURC would be regarded as
3 supportive, investors would not view the risks of IPL as lower than the proxy group in these
4 important respects.” IPL Witness McKenzie Direct Testimony, p. 9. Thus, it would be
5 incorrect to conclude that approval of the Company’s TDSIC Plan and use of the statutory
6 cost recovery has created a change in the Company’s overall risk profile that would cause
7 investors to specifically and measurably return their return requirements.

8 Furthermore, the settlement in that recent rate case did not ignore that a TDSIC was
9 available to IPL. To the contrary, the parties (including IG) settled on TDSIC allocation
10 factors which were included in the Commission Order approving the Settlement, (Cause
11 No 45029 Settling Parties Joint Exhibit 1 Settlement Attachment E).

12 Additionally, when paired with the introduction of a TDSIC Plan, the approval of a TDSIC
13 rate mechanism is credit supportive and maintains the Company’s opportunity to earn its
14 previously authorized return. *Without* an approved mechanism to timely recover capital
15 investment and TDSIC Costs related to IPL’s TDSIC Plan investment, IPL’s opportunity
16 to earn its authorized return and maintain the metrics used to establish its credit rating
17 would diminish.

18 **Q32. Have you considered the Commission’s recent discussion and findings on the topic of**
19 **rate adjustment mechanisms and the utility’s cost of equity?**

20 A32. Yes. I reviewed the order in a recent litigated IPL rate case docketed as Cause No. 44576
21 (IURC 3/16/2016) (p. 42) and a litigated Indiana Michigan Power Company (“I&M”) rate
22 case docketed as Cause No. 44075 (IURC 2/13/2013) (p. 43). The order in the I&M case

1 (p. 31) states that the OUCC witness “did not make a specific adjustment to his COE
2 estimate to recognize the influence of trackers. He explained to the extent that Indiana has
3 trackers that are similar to those provided in other regulatory jurisdictions the effect of
4 trackers is already captured by using an appropriately representative proxy group of state
5 regulated electric utilities.” This is consistent with the testimony of IPL Witness McKenzie
6 I discussed above.

7 In each of these decisions, the Commission also distinguishes rate adjustment mechanisms
8 addressed to regulatory lag from mechanisms addressed to volatility:

9 Earnings risk can be seen in both an absolute and a volatility context - the
10 absolute context serves as an effective marker to provide investors with an
11 understanding of the base line earnings available, while the volatility
12 context relates to the ability of the company to perform under a range of
13 real world operating conditions. Trackers that adjust rates for incremental
14 investments or for costs that are nearly certain to be increasing serve to
15 adjust the base line earnings for post rate case changes and address issues
16 primarily associated with regulatory lag. Trackers that adjust rates for cost
17 changes that are more unknown and that are equally likely to decrease or
18 increase address the risk of volatile earnings results. The general effect of
19 these trackers is to reduce the uncertainty of the earnings that an investor
20 can expect.

21 *Id.*

22 In this context, IPL’s TDSIC is best described as a tracker that adjust rates for incremental
23 investment and serve to adjusts the base line earnings for post rate case changes and
24 addresses issues primarily associated with regulatory lag. The TDSIC is not a tracker that
25 addresses the risk of volatile earnings. Because the TDSIC tracker is a means of reducing
26 regulatory lag, the approval of the TDSIC should be viewed as maintaining (not reducing)
27 IPL’s risk profile. Rather, the TDSIC Rider is a tool that supports IPL’s opportunity to earn
28 its previously authorized return.

1 Finally, neither of the above decisions discussed this issue with respect to the TDSIC
2 Statute or as a means of achieving the objectives of this statute. A Commission decision to
3 reduce IPL's pre-tax return would be contrary to the policy underlying the TDSIC Statute
4 as it would not reasonably incentivize investment in energy delivery infrastructure.

5 **Q33. Does the financial community monitor the Company's financial condition and the**
6 **Commission's ratemaking decisions?**

7 A33. Yes. The financial community has established metrics that are used to monitor the ongoing
8 financial condition of utility companies, including IPL. The financial community also
9 monitors the regulatory environment in which IPL (and other utilities) operates. The
10 regulatory environment is one of the most important factors considered in both debt and
11 equity investors' assessments of risk.

12 For example, Moody's states that 32.50 percent of the weight it gives to various factors
13 considered in its ratings determinations are focused on cash flow because "[f]inancial
14 strength, including the ability to service debt and provide a return to shareholders, is
15 necessary for a utility to attract capital at a reasonable cost in order to invest in its
16 generation, transmission and distribution assets, so that the utility can fulfill its service
17 obligations at a reasonable cost to rate-payers."⁵

⁵ Moody's Investors Service, *Rating Methodology; Regulated Electric and Gas Utilities*, June 23, 2017, pp. 4, 20.

1 S&P's Corporate Criteria Framework shows that cash flow-based metrics are integral to
2 its assessment of the "Financial Risk Profile" which, when combined with the "Business
3 Risk Profile" forms the basis of its rating assessment.⁶

4 S&P has explained that the regulatory structure is one of the most important factors in its
5 credit rating analyses:

6 For a regulated utility company, the regulatory regime in which it operates
7 will influence its performance in profound ways. As such, Standard &
8 Poor's Ratings Services' regulatory advantage assessment - - which
9 informs both our business risk and financial risk scores - - is one of the
10 most important factors in our credit analysis of regulated utilities.

11 ***
12

13
14 Our assessment of a utility's regulatory regime rests on four pillars:
15 regulatory stability, efficiency of tariff-setting procedures, financial
16 stability, and regulatory independence... We believe these factors strongly
17 influence a utility's credit quality and its ability to recover its costs and
18 earn a timely return.⁷
19

20 As I noted above, the Commission has not previously required a downward adjustment in
21 a pre-tax return under the TDSIC Statute where the utility had had recent rate cases.
22 Furthermore, as also discussed above, doing so appears inconsistent with the policy
23 objectives underpinning the Statute and fails to recognize the impact that significant capital
24 investments have on the utility's financial health and the ongoing ability to maintain credit
25 metrics. Thus, a Commission decision to make a downward adjustment to IPL's pre-tax
26 return would be a departure from the Commission's previous actions and could be viewed

⁶ Standard & Poor's Ratings Services, *Industry Report Card: The Outlook for U.S. Regulated Utilities Remains Stable on Increasing Capital Spending and Robust Financial Performance*, December 16, 2014, p. 7.

⁷ Standard & Poor's Ratings Services, *How Regulatory Advantage Scores Can Affect Ratings on Regulated Utilities*, April 23, 2015, p. 2.

1 as a penalty on the Company for its efforts to pursue the goals of the TDSIC Statute in the
2 largest City in the State of Indiana. As discussed below, while Moody's has rated IPL's
3 outlook as "stable", this outlook is based on expectation that Indiana's credit supportive
4 regulatory environment will continue. Moody's has identified a "perceived deterioration"
5 of Indiana's regulatory environment as a factor that would lead to a downgrade.⁸

6 **Q34. You indicated above that rate adjustment mechanisms are viewed by the financial**
7 **community as credit supportive. Please explain.**

8 A34. S&P has noted that it has "seen many state commissions approve alternative ratemaking
9 techniques to traditional base rate case applications, which help utilities sustain cash flow
10 measures, earning power, and ultimately, credit quality."⁹

11 In their recent reports regarding IPL, major credit rating agencies refer to tracking
12 mechanisms available to IPL as being viewed as credit supportive.

13 More specifically, Moody's identified the "[e]xpected increase in capex pending IURC's
14 final approval of the 2020-2027 [TDSIC Plan]" as one of the credit challenges backed by
15 the Company" but noted: "[c]ost recovery mechanisms [that] allow for the recovery of
16 certain cost and investments between rate cases" as a credit strength for IPL.¹⁰ Moody's
17 rated IPL's outlook as "stable" based on expectation that Indiana's credit supportive
18 regulatory environment will continue but identified a "perceived deterioration" of
19 Indiana's regulatory environment as a factor that would lead to a downgrade:

⁸ See QA 34 below referencing Moody's Investors Service, Credit Opinion, Indianapolis Power & Light Company, December 27, 2019, pp. 2-3.

⁹ S&P RatingsDirect, *Industry Economic and Ratings Outlook: U.S. Regulated Utilities Expected To Continue On Stable Trajectory In 2013*, January 25, 2013, p. 4.

¹⁰ Moody's Investors Service, Credit Opinion, Indianapolis Power & Light Company, December 27, 2019, p. 2.

1 IPL's stable outlook reflects our expectation that its cash flows will
2 continue to benefit from the credit supportive regulatory environment in
3 the state of Indiana, that IPALCO's holding company debt will remain
4 relatively constant, and that IPL's and IPALCO's ratios of cash flow from
5 operations before changes in working capital (CFO pre-W/C) to debt will
6 be sustained in the high and midteens respectively, pending the IURC's
7 approval of IPL's revAMP and IRP programs.

8 ***

9
10 IPL's rating could face downward pressure upon a perceived deterioration
11 of the regulatory environment in Indiana or upon a deterioration in IPL's
12 credit metrics including if its ratio of CFO pre-W/C to debt falls below
13 18%, on a sustained basis .¹¹

14
15 The Moody's report explained:

16 Our view that the regulatory environment in Indiana is credit supportive
17 considers that IPL's cash flows benefit from several recovery mechanisms
18 that allow the utility to recover operational costs and investments in-
19 between rate cases.¹²

20
21 The report added that "cost recovery mechanisms that reduce regulatory lag between rate
22 cases" benefit cash flows and stated that the rating agency assumed that the Commission
23 will allow IPL the 80/20 cost recovery provided in the TDSIC statute.¹³

24 S&P's rating report also shows that tracking mechanisms are viewed as supporting the
25 utility's opportunity to earn its authorized return:

26 The state's regulatory framework supports IPL's overall credit quality.
27 Indiana's stable and transparent regulatory environment provides adequate
28 opportunities to earn close to authorized returns. The company benefits
29 from rate riders, which generally allow for the timely cost recovery of its
30 fuel expenses and most of its incremental environmental capital spending,

¹¹ *Id.* pp. 2-3.

¹² *Id.* p. 3.

¹³ *Id.* pp. 3-4.

1 as well as a Transmission Distribution Storage System Improvement
2 Charge (TDSIC) plan.¹⁴
3

4 A month after the Commission approved IPL's TDSIC Plan, S&P identified the
5 Company's BBB credit rating as stable.¹⁵ The report rated the Company's financial risk as
6 "significant."¹⁶ The same report viewed the Company's business risk as "excellent", citing
7 timely cost recovery as being supportive of IPL's credit quality and supporting generally
8 stable returns:

9 Our assessment of IPL's business risk reflects its lower-risk, rate-
10 regulated, vertically integrated electric utility operations. Although IPL
11 has a below-average-sized customer base and generates much of its
12 electricity from its coal-fired units, it effectively manages its regulatory
13 risk under the IURC, earning generally stable returns. IPL further benefits
14 from numerous rate riders, allowing for the timely cost recovery of its fuel
15 expenses and the majority of its incremental environmental capital
16 spending. Additionally, the company recently received approval for its
17 TDSIC plan, which outlines a plan to invest in and earn a tracked return
18 of and on capital spent for about \$1.2 billion of investments between 2020
19 and 2027. We view this development as supportive of IPL's credit quality,
20 since these investments support low risk regulated growth for the
21 company.¹⁷
22

23 The rating agencies are consistent in viewing utilities that have access to tracking
24 mechanisms as credit supportive as it is a sign of a constructive regulatory environment,
25 one of the key considerations given by the rating agencies when assessing utilities.

26 **Q35. What weighted average cost of capital ("WACC") did IPL use to calculate the pretax**
27 **return component of TDSIC Costs used to calculate the TDSIC rates in this filing?**

¹⁴ S&P Ratings Direct, Indianapolis Power & Light Company, April 14, 2020, p. 2.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.* p. 4.

1 A35. IPL utilized a WACC of 6.68% which is calculated using IPL's capital structure as of
2 March 31, 2020, actual cost of long-term debt and preferred stock, and IPL's cost of
3 common equity of 9.99% determined by the commission in IPL's most recent general rate
4 proceeding. The WACC used to calculate pretax return is calculated by IPL Witness
5 Coklow in IPL Attachment NHC-5.

6 In summary, this WACC is appropriately calculated using the cost of common equity
7 determined by the Commission in IPL's most recent general rate proceeding. The "other
8 information" identified in the Commission's IPL TDSIC Plan Order as warranting
9 exploration does not warrant an adjustment to the WACC (or return on equity) for the
10 following reasons:

11 1.) In this filing, IPL has addressed the concern of netting depreciation expense on the
12 assets retired as part of the TDSIC Plan.

13 2.) IPL's most recent general rate proceeding in which the Commission approved
14 settlement including a 9.99% ROE was approved in an Order dated October 31,
15 2018 which is less than two years from this TDSIC rate filing.

16 3.) IPL's most recent general rate proceeding also contemplated the availability of cost
17 recovery mechanisms to utilities (including capital investment recovery trackers
18 such as TDSIC) and IPL's risk profile, which is not changed based on the approval
19 of a TDSIC.

20 4.) TDSIC and other timely cost recovery mechanisms are considered credit supportive
21 by credit rating agencies which aids IPL in attracting capital at competitive rates
22 which benefits IPL customers.

- I updated the estimate to recognize the rate base cutoff dates on March 31 for the rider filings.
- I also reflected the netting of depreciation expense on the retired and replaced assets as a credit to the depreciation expense recovery.
- Additionally, I applied the allocation factors and IPL's most recent volume forecast to estimate the effect the TDSIC Plan has on customer rates and charges.

IPL Attachment CAR-2 calculates IPL's TDSIC Plan projected rate base and depreciation expense utilized to calculate the rate impact in IPL Attachment CAR-1.

IPL Attachment CAR-3 calculates IPL's TDSIC Plan projected property tax expense utilized to calculate the rate impact in IPL Attachment CAR-1.

IPL Attachment CAR-4 presents IPL's TDSIC Plan projected depreciation expense on the retired and replaced assets to include as a credit in calculating the rate impact in IPL Attachment CAR-1.

Q39. What are the projected effects of the seven-year Plan impact on retail rates and charges?

A39. The projected effects are presented as follows and further detailed in IPL Attachment CAR-1 and presented below in Table 2.

Table 2: Projected effects of IPL's TDSIC Plan on retail rates and charges.

	TDSIC 1		TDSIC 3		TDSIC 5		TDSIC 7		TDSIC 9		TDSIC 11		TDSIC 13		TDSIC 14	
Rate Base Cutoff	3/31/20		3/31/21		3/31/22		3/31/23		3/31/24		3/31/25		3/31/26		3/31/27	
Rate Period	Nov 20-Oct 21		Nov 21-Oct 22		Nov 22-Oct 23		Nov 23-Oct 24		Nov 24-Oct 25		Nov 25-Oct 26		Nov 26-Oct 27		Nov 27-Oct 28	
TDSIC Revenue Requirement (\$M)	\$	4.2	\$	16.1	\$	32.9	\$	51.5	\$	71.6	\$	89.0	\$	104.1	\$	112.8
Total Revenue Change ¹		0.3%		0.8%		1.1%		1.2%		1.3%		1.1%		1.0%		0.6%
Estimated Rates (\$/kWh)																
Residential	\$	0.000440	\$	0.001703	\$	0.003440	\$	0.005337	\$	0.007345	\$	0.008999	\$	0.010403	\$	0.011087
Small C&I	\$	0.000365	\$	0.001420	\$	0.002885	\$	0.004520	\$	0.006282	\$	0.007804	\$	0.009133	\$	0.009889
Large C&I - Secondary	\$	0.000146	\$	0.000867	\$	0.001766	\$	0.002770	\$	0.003850	\$	0.004784	\$	0.005580	\$	0.006055
Large C&I - Primary	\$	0.000226	\$	0.000570	\$	0.001163	\$	0.001831	\$	0.002566	\$	0.003222	\$	0.003775	\$	0.004139
Lighting	\$	0.000362	\$	0.001350	\$	0.002793	\$	0.004396	\$	0.006175	\$	0.007745	\$	0.009190	\$	0.010027

¹ Based on Total Retail Revenues per IPL Attachment NHC-11

5. CONCLUSION

Q40. In your opinion is the accounting and ratemaking relief sought by IPL in this Cause reasonable?

A40. Yes.

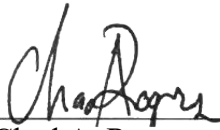
Q41. Does that conclude your prepared verified direct testimony?

A41. Yes.

VERIFICATION

I, Chad A. Rogers, Senior Program Manager, affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Dated June 18, 2020.



Chad A. Rogers

INDIANAPOLIS POWER & LIGHT COMPANY									
TRANSMISSION DISTRIBUTION STORAGE SYSTEM IMPROVEMENT CHARGE (TDSIC)									
TDSIC Plan Estimated Annual Revenue Requirement									
Line	TDSIC Rate Base Cutoff Rate Period	(B) TDSIC 3 3/31/21 Nov 21-Oct 22	(C) TDSIC 5 3/31/22 Nov 22-Oct 23	(D) TDSIC 7 3/31/23 Nov 23-Oct 24	(E) TDSIC 9 3/31/24 Nov 24-Oct 25	(F) TDSIC 11 3/31/25 Nov 25-Oct 26	(G) TDSIC 13 3/31/26 Nov 26-Oct 27	(H) TDSIC 14 3/31/27 Nov 27-Oct 28	Reference
Transmission Revenue Requirement Calculation:									
Return on Rate Base Annual Revenue Requirement:									
1	Rate Base	\$ 31,959,484	\$ 60,907,755	\$ 94,119,045	\$ 127,382,719	\$ 156,583,423	\$ 171,960,164	\$ 198,415,324	Attachment CAR-2
2	Pre-Tax WACC	6.68%	6.68%	6.68%	6.68%	6.68%	6.68%	6.68%	IPL Attachment NHC-5 p. 3
3	Allowed Return on TDSIC Utility Plant	\$ 2,134,894	\$ 4,068,638	\$ 6,287,152	\$ 8,509,166	\$ 10,459,773	\$ 11,486,939	\$ 13,254,144	Line 1 x Line 2
4	Revenue Conversion	1.23886	1.23886	1.23886	1.23886	1.23886	1.23886	1.23886	IPL Attachment NHC-6
5	Total Return on Rate Base Annual Revenue Requirement	\$ 2,644,834	\$ 5,040,473	\$ 7,788,901	\$ 10,541,665	\$ 12,958,194	\$ 14,230,709	\$ 16,420,028	Line 3 x Line 4
Incremental Expenses Annual Revenue Requirement:									
6	Property Tax Expense - Annualized	\$ 257,920	\$ 907,148	\$ 1,653,252	\$ 2,461,950	\$ 3,215,065	\$ 3,808,136	\$ 3,808,136	Attachment CAR-3
7	Depreciation Expense - Annualized	\$ 245,658	\$ 787,936	\$ 1,441,159	\$ 2,177,626	\$ 2,904,788	\$ 3,551,653	\$ 4,186,572	Attachment CAR-2
8	Depreciation Expense on Retirements - Credit	\$ (28,695)	\$ (100,222)	\$ (160,406)	\$ (183,921)	\$ (201,436)	\$ (221,956)	\$ (241,590)	Attachment CAR-4
9	Amortization Expense - Plan Development Costs	\$ 137,259	\$ 137,259	\$ -	\$ -	\$ -	\$ -	\$ -	IPL Attachment NHC-6
10	Total Incremental Expenses before Revenue Conversion	\$ 612,142	\$ 1,732,121	\$ 2,934,005	\$ 4,455,655	\$ 5,918,417	\$ 7,137,832	\$ 7,753,117	Line 6 + Line 7 + Line 8 + Line 9
11	Revenue Conversion	1.01995	1.01995	1.01995	1.01995	1.01995	1.01995	1.01995	IPL Attachment NHC-6
12	Total Incremental Expenses Annual Revenue Requirement	\$ 624,354	\$ 1,766,677	\$ 2,992,538	\$ 4,544,545	\$ 6,036,490	\$ 7,280,231	\$ 7,907,792	Line 10 x Line 11
13	Total Annual Revenue Requirement	\$ 3,269,188	\$ 6,807,150	\$ 10,781,440	\$ 15,086,210	\$ 18,994,683	\$ 21,510,941	\$ 24,327,820	Line 5 + Line 12
14	Revenue Requirement Recoverable in TDSIC Rider (80%)	\$ 2,615,351	\$ 5,445,720	\$ 8,625,152	\$ 12,068,968	\$ 15,195,747	\$ 17,208,753	\$ 19,462,256	Line 13 x 80%
Line	TDSIC Rate Base Cutoff Rate Period	(B) TDSIC 3 3/31/21 Nov 21-Oct 22	(C) TDSIC 5 3/31/22 Nov 22-Oct 23	(D) TDSIC 7 3/31/23 Nov 23-Oct 24	(E) TDSIC 9 3/31/24 Nov 24-Oct 25	(F) TDSIC 11 3/31/25 Nov 25-Oct 26	(G) TDSIC 13 3/31/26 Nov 26-Oct 27	(G) TDSIC 14 3/31/27 Nov 27-Oct 28	(H) Reference
Distribution Revenue Requirement Calculation:									
Return on Rate Base Annual Revenue Requirement:									
15	Rate Base	\$ 152,698,568	\$ 279,798,342	\$ 429,393,259	\$ 579,072,934	\$ 700,242,713	\$ 827,018,320	\$ 893,954,448	Attachment CAR-2
16	Pre-Tax WACC	6.68%	6.68%	6.68%	6.68%	6.68%	6.68%	6.68%	IPL Attachment NHC-5 p. 3
17	Allowed Return on TDSIC Utility Plant	\$ 10,200,264	\$ 18,690,529	\$ 28,683,470	\$ 38,682,072	\$ 46,776,213	\$ 55,244,824	\$ 59,716,157	Line 15 x Line 16
18	Revenue Conversion	1.23886	1.23886	1.23886	1.23886	1.23886	1.23886	1.23886	IPL Attachment NHC-6
19	Total Return on Rate Base Annual Revenue Requirement	\$ 12,636,699	\$ 23,154,949	\$ 35,534,803	\$ 47,921,672	\$ 57,949,179	\$ 68,440,602	\$ 73,979,958	Line 17 x Line 18
Incremental Expenses Annual Revenue Requirement:									
20	Property Tax Expense - Annualized	\$ 1,406,618	\$ 4,486,267	\$ 7,811,942	\$ 11,542,401	\$ 14,833,269	\$ 17,457,302	\$ 17,457,302	Attachment CAR-3
21	Depreciation Expense - Annualized	\$ 2,468,877	\$ 6,709,853	\$ 11,327,281	\$ 16,454,700	\$ 21,225,220	\$ 24,781,988	\$ 27,623,552	Attachment CAR-2
22	Depreciation Expense on Retirements - Credit	\$ (330,227)	\$ (904,382)	\$ (1,430,612)	\$ (1,964,954)	\$ (2,471,394)	\$ (2,888,395)	\$ (3,188,687)	Attachment CAR-4
23	Amortization Expense - Plan Development Costs	\$ 647,080	\$ 647,080	\$ -	\$ -	\$ -	\$ -	\$ -	IPL Attachment NHC-6
24	Total Incremental Expenses before Revenue Conversion	\$ 4,192,349	\$ 10,938,818	\$ 17,708,611	\$ 26,032,148	\$ 33,587,094	\$ 39,350,895	\$ 41,892,167	Line 20 + Line 21 + Line 22+ Line 23
25	Revenue Conversion	1.01995	1.01995	1.01995	1.01995	1.01995	1.01995	1.01995	IPL Attachment NHC-6
26	Total Incremental Expenses Annual Revenue Requirement	\$ 4,275,986	\$ 11,157,048	\$ 18,061,898	\$ 26,551,489	\$ 34,257,157	\$ 40,135,945	\$ 42,727,916	Line 24 x Line 25
27	Total Annual Revenue Requirement	\$ 16,912,685	\$ 34,311,997	\$ 53,596,701	\$ 74,473,161	\$ 92,206,336	\$ 108,576,548	\$ 116,707,874	Line 19 + Line 26
28	Revenue Requirement Recoverable in TDSIC Rider (80%)	\$ 13,530,148	\$ 27,449,597	\$ 42,877,361	\$ 59,578,529	\$ 73,765,069	\$ 86,861,238	\$ 93,366,299	Line 27 x 80%
Line	TDSIC Rate Base Cutoff Rate Period	(B) TDSIC 3 3/31/21 Nov 21-Oct 22	(C) TDSIC 5 3/31/22 Nov 22-Oct 23	(D) TDSIC 7 3/31/23 Nov 23-Oct 24	(E) TDSIC 9 3/31/24 Nov 24-Oct 25	(F) TDSIC 11 3/31/25 Nov 25-Oct 26	(G) TDSIC 13 3/31/26 Nov 26-Oct 27	(G) TDSIC 14 3/31/27 Nov 27-Oct 28	(H) Reference
Total TDSIC Revenue Requirement Calculation:									
Return on Rate Base Annual Revenue Requirement:									
29	Rate Base	\$ 184,658,051	\$ 340,706,097	\$ 523,512,304	\$ 706,455,653	\$ 856,826,136	\$ 998,978,485	\$ 1,092,369,771	Attachment CAR-2
30	Pre-Tax WACC	6.68%	6.68%	6.68%	6.68%	6.68%	6.68%	6.68%	IPL Attachment NHC-5 p. 3
31	Allowed Return on TDSIC Utility Plant	\$ 12,335,158	\$ 22,759,167	\$ 34,970,622	\$ 47,191,238	\$ 57,235,986	\$ 66,731,763	\$ 72,970,301	Line 29 x Line 30
32	Revenue Conversion	1.23886	1.23886	1.23886	1.23886	1.23886	1.23886	1.23886	IPL Attachment NHC-6
33	Total Return on Rate Base Annual Revenue Requirement	\$ 15,281,534	\$ 28,195,422	\$ 43,323,705	\$ 58,463,337	\$ 70,907,373	\$ 82,671,312	\$ 90,399,987	Line 31 x Line 32
Incremental Expenses Annual Revenue Requirement:									
34	Property Tax Expense - Annualized	\$ 1,664,538	\$ 5,393,415	\$ 9,465,194	\$ 14,004,351	\$ 18,048,334	\$ 21,265,437	\$ 21,265,437	Attachment CAR-3
35	Depreciation Expense - Annualized	\$ 2,714,535	\$ 7,497,789	\$ 12,768,441	\$ 18,632,327	\$ 24,130,008	\$ 28,333,641	\$ 31,810,124	Attachment CAR-2
36	Depreciation Expense on Retirements - Credit	\$ (358,922)	\$ (1,004,605)	\$ (1,591,018)	\$ (2,148,875)	\$ (2,672,830)	\$ (3,110,351)	\$ (3,430,277)	Attachment CAR-4
37	Amortization Expense - Plan Development Costs	\$ 784,339	\$ 784,339	\$ -	\$ -	\$ -	\$ -	\$ -	IPL Attachment NHC-6
38	Total Incremental Expenses before Revenue Conversion	\$ 4,804,490	\$ 12,670,939	\$ 20,642,616	\$ 30,487,802	\$ 39,505,512	\$ 46,488,727	\$ 49,645,284	Line 6 + Line 7 + Line 8 + Line 9
39	Revenue Conversion	1.01995	1.01995	1.01995	1.01995	1.01995	1.01995	1.01995	IPL Attachment NHC-6
40	Total Incremental Expenses Annual Revenue Requirement	\$ 4,900,340	\$ 12,923,724	\$ 21,054,436	\$ 31,096,034	\$ 40,293,646	\$ 47,416,177	\$ 50,635,708	Line 38 x Line 39
41	Total Annual Revenue Requirement	\$ 20,181,874	\$ 41,119,146	\$ 64,378,141	\$ 89,559,371	\$ 111,201,020	\$ 130,087,489	\$ 141,035,695	Line 33 + Line 40
42	Revenue Requirement Recoverable in TDSIC Rider (80%)	\$ 16,145,499	\$ 32,895,317	\$ 51,502,513	\$ 71,647,496	\$ 88,960,816	\$ 104,069,991	\$ 112,828,556	Line 41 x 80%

INDIANAPOLIS POWER & LIGHT COMPANY									
TRANSMISSION DISTRIBUTION STORAGE SYSTEM IMPROVEMENT CHARGE (TDSIC)									
TDSIC Plan Estimated Retail Rates									
Line	TDSIC	(B)	(C)	(D)	(E)	(F)	(G)	(G)	(H)
	Rate Base Cutoff	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14	Reference
	Rate Period	3/31/21	3/31/22	3/31/23	3/31/24	3/31/25	3/31/26	3/31/27	
		Nov 21-Oct 22	Nov 22-Oct 23	Nov 23-Oct 24	Nov 24-Oct 25	Nov 25-Oct 26	Nov 26-Oct 27	Nov 27-Oct 28	
1	Total Revenue Requirement Rider	\$ 16,145,499	\$ 32,895,317	\$ 51,502,513	\$ 71,647,496	\$ 88,960,816	\$ 104,069,991	\$ 112,828,556	P. 1 Line 41
2	Rider Revenue Requirement - Transmission	\$ 2,615,351	\$ 5,445,720	\$ 8,625,152	\$ 12,068,968	\$ 15,195,747	\$ 17,208,753	\$ 19,462,256	P. 1 Line 14
3	Rider Revenue Requirement - Distribution	\$ 13,530,148	\$ 27,449,597	\$ 42,877,361	\$ 59,578,529	\$ 73,765,069	\$ 86,861,238	\$ 93,366,299	P. 1 Line 28
Allocation Factor - Transmission									
4	Residential	40.50%	40.50%	40.50%	40.50%	40.50%	40.50%	40.50%	CN 45029 Settlement Agreement Att E
5	Small C&I	15.21%	15.21%	15.21%	15.21%	15.21%	15.21%	15.21%	CN 45029 Settlement Agreement Att E
6	Large C&I - Secondary	25.85%	25.85%	25.85%	25.85%	25.85%	25.85%	25.85%	CN 45029 Settlement Agreement Att E
7	Large C&I - Primary	18.04%	18.04%	18.04%	18.04%	18.04%	18.04%	18.04%	CN 45029 Settlement Agreement Att E
8	Lighting	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	CN 45029 Settlement Agreement Att E
Allocation Factor - Distribution									
10	Residential	57.06%	57.06%	57.06%	57.06%	57.06%	57.06%	57.06%	CN 45029 Settlement Agreement Att E
11	Small C&I	15.84%	15.84%	15.84%	15.84%	15.84%	15.84%	15.84%	CN 45029 Settlement Agreement Att E
12	Large C&I - Secondary	17.95%	17.95%	17.95%	17.95%	17.95%	17.95%	17.95%	CN 45029 Settlement Agreement Att E
13	Large C&I - Primary	8.28%	8.28%	8.28%	8.28%	8.28%	8.28%	8.28%	CN 45029 Settlement Agreement Att E
14	Lighting	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	0.86%	CN 45029 Settlement Agreement Att E
Transmission - Revenue Requirement									
15	Residential	\$ 1,059,000	\$ 2,206,000	\$ 3,494,000	\$ 4,888,000	\$ 6,155,000	\$ 6,970,000	\$ 7,883,000	Line 2 x Line 4
16	Small C&I	\$ 398,000	\$ 828,000	\$ 1,312,000	\$ 1,836,000	\$ 2,312,000	\$ 2,618,000	\$ 2,961,000	Line 2 x Line 5
17	Large C&I - Secondary	\$ 676,000	\$ 1,408,000	\$ 2,230,000	\$ 3,120,000	\$ 3,928,000	\$ 4,448,000	\$ 5,031,000	Line 2 x Line 6
18	Large C&I - Primary	\$ 472,000	\$ 982,000	\$ 1,556,000	\$ 2,177,000	\$ 2,741,000	\$ 3,104,000	\$ 3,510,000	Line 2 x Line 7
19	Lighting	\$ 10,000	\$ 22,000	\$ 34,000	\$ 48,000	\$ 61,000	\$ 69,000	\$ 78,000	Line 2 x Line 8
20	Total	\$ 2,615,000	\$ 5,446,000	\$ 8,626,000	\$ 12,069,000	\$ 15,197,000	\$ 17,209,000	\$ 19,463,000	Sum Lines 15-19
Distribution - Revenue Requirement									
21	Residential	\$ 7,721,000	\$ 15,664,000	\$ 24,468,000	\$ 33,998,000	\$ 42,093,000	\$ 49,567,000	\$ 53,279,000	Line 3 x Line 10
22	Small C&I	\$ 2,143,000	\$ 4,348,000	\$ 6,792,000	\$ 9,437,000	\$ 11,685,000	\$ 13,759,000	\$ 14,789,000	Line 3 x Line 11
23	Large C&I - Secondary	\$ 2,429,000	\$ 4,929,000	\$ 7,699,000	\$ 10,697,000	\$ 13,244,000	\$ 15,596,000	\$ 16,764,000	Line 3 x Line 12
24	Large C&I - Primary	\$ 1,121,000	\$ 2,273,000	\$ 3,551,000	\$ 4,935,000	\$ 6,110,000	\$ 7,194,000	\$ 7,733,000	Line 3 x Line 13
25	Lighting	\$ 116,000	\$ 236,000	\$ 368,000	\$ 511,000	\$ 633,000	\$ 746,000	\$ 802,000	Line 3 x Line 14
26	Total	\$ 13,530,000	\$ 27,450,000	\$ 42,878,000	\$ 59,578,000	\$ 73,765,000	\$ 86,862,000	\$ 93,367,000	Sum Lines 21-25
Total Revenue Requirement									
27	Residential	\$ 8,780,000	\$ 17,870,000	\$ 27,962,000	\$ 38,886,000	\$ 48,248,000	\$ 56,537,000	\$ 61,162,000	Line 15 + Line 21
28	Small C&I	\$ 2,541,000	\$ 5,176,000	\$ 8,104,000	\$ 11,273,000	\$ 13,997,000	\$ 16,377,000	\$ 17,750,000	Line 16 + Line 22
29	Large C&I - Secondary	\$ 3,105,000	\$ 6,337,000	\$ 9,929,000	\$ 13,817,000	\$ 17,172,000	\$ 20,044,000	\$ 21,795,000	Line 17 + Line 23
30	Large C&I - Primary	\$ 1,593,000	\$ 3,255,000	\$ 5,107,000	\$ 7,112,000	\$ 8,851,000	\$ 10,298,000	\$ 11,243,000	Line 18 + Line 24
31	Lighting	\$ 126,000	\$ 258,000	\$ 402,000	\$ 559,000	\$ 694,000	\$ 815,000	\$ 880,000	Line 19 + Line 25
32	Total	\$ 16,145,000	\$ 32,896,000	\$ 51,504,000	\$ 71,647,000	\$ 88,962,000	\$ 104,071,000	\$ 112,830,000	Sum Lines 27-31
Estimated Forecasted Firm Load Volume (MWh)									
Line	TDSIC	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14	Reference
	Rate Base Cutoff	3/31/21	3/31/22	3/31/23	3/31/24	3/31/25	3/31/26	3/31/27	
	Rate Period	Nov 21-Oct 22	Nov 22-Oct 23	Nov 23-Oct 24	Nov 24-Oct 25	Nov 25-Oct 26	Nov 26-Oct 27	Nov 27-Oct 28	
33	Residential	5,155,525	5,195,340	5,239,032	5,294,228	5,361,309	5,434,537	5,516,703	IPL Load Forecast
34	Small C&I	1,789,164	1,793,896	1,793,078	1,794,594	1,793,637	1,793,175	1,794,967	IPL Load Forecast
35	Large C&I - Secondary	3,580,334	3,589,004	3,584,686	3,588,756	3,589,762	3,592,276	3,599,307	IPL Load Forecast
36	Large C&I - Primary	2,792,394	2,799,824	2,789,700	2,771,182	2,747,478	2,728,069	2,716,049	IPL Load Forecast
37	Lighting	93,299	92,376	91,452	90,529	89,606	88,682	87,759	IPL Load Forecast
38	Total	13,410,716	13,470,439	13,497,948	13,539,289	13,581,791	13,636,739	13,714,785	IPL Load Forecast
\$ per kWh									
39	Residential	\$ 0.001703	\$ 0.003440	\$ 0.005337	\$ 0.007345	\$ 0.008999	\$ 0.010403	\$ 0.011087	Line 27/Line 33/1,000
40	Small C&I	\$ 0.001420	\$ 0.002885	\$ 0.004520	\$ 0.006282	\$ 0.007804	\$ 0.009133	\$ 0.009889	Line 28/Line 34/1,000
41	Large C&I - Secondary	\$ 0.000867	\$ 0.001766	\$ 0.002770	\$ 0.003850	\$ 0.004784	\$ 0.005580	\$ 0.006055	Line 29/Line 35/1,000
42	Large C&I - Primary	\$ 0.000570	\$ 0.001163	\$ 0.001831	\$ 0.002566	\$ 0.003222	\$ 0.003775	\$ 0.004139	Line 30/Line 36/1,000
43	Lighting	\$ 0.001350	\$ 0.002793	\$ 0.004396	\$ 0.006175	\$ 0.007745	\$ 0.009190	\$ 0.010027	Line 31/Line 37/1,000

INDIANAPOLIS POWER & LIGHT COMPANY
TRANSMISSION DISTRIBUTION STORAGE SYSTEM IMPROVEMENT CHARGE (TDSIC)
TDSIC Rate Base and Depreciation Expense Estimate Calculation

TDSIC Plan			(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Transmission Assets CapEx Additions (incl AFUDC):				Calendar Year 1	Calendar Year 2	Calendar Year 3	Calendar Year 4	Calendar Year 5	Calendar Year 6	Calendar Year 7			
Line	FERC Account	Depr Rate	2020	2021	2022	2023	2024	2025	2026		Total Plan		Reference
1	352.00	2.40%	\$ -	\$ -	\$ -	\$ 2,300,385	\$ 2,844,940	\$ -	\$ 2,632,615		\$ 7,777,940		TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
2	353.00	2.53%	\$ 16,542,692	\$ 19,582,382	\$ 23,096,878	\$ 22,073,157	\$ 19,302,399	\$ 18,615,703	\$ 20,407,195		\$ 139,620,406		TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
3	354.00	1.37%	\$ 1,138,320	\$ 1,111,147	\$ 1,082,432	\$ 850,792	\$ -	\$ -	\$ -		\$ 4,182,691		TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
4	356.00	1.20%	\$ 4,765,917	\$ 6,881,909	\$ 9,502,181	\$ 11,200,958	\$ 11,497,320	\$ 10,679,473	\$ 7,601,921		\$ 62,129,679		TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
5	362.00	1.61%											
6	364.00	2.06%											
7	365.00	2.35%											
8	366.00	2.62%											
9	367.00	2.55%											
10	368.00	0.65%											
11	370.01	19.35%											
12	Total CapEx Additions		\$ 22,446,929	\$ 27,575,438	\$ 33,681,491	\$ 36,425,292	\$ 33,644,659	\$ 29,295,176	\$ 30,641,731		\$ 213,710,716		Sum Lines 1-11
Transmission Assets CapEx Additions (incl AFUDC):			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14	Total Plan		Reference
Line	FERC Account	Depr Rate	Thru 3/31/20	4/1/20-3/31/21	4/1/21-3/31/22	4/1/22-3/31/23	4/1/23-3/31/24	4/1/24-3/31/25	4/1/25-3/31/26	4/1/26-3/31/27			
13	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ 2,300,385	\$ 2,844,940	\$ -	\$ 2,632,615	\$ 7,777,940		TDSIC 1: 3/31/2020 Act Balance, Thereafter: Prior Calendar Yr
14	353.00	2.53%	\$ -	\$ 16,542,692	\$ 19,582,382	\$ 23,096,878	\$ 22,073,157	\$ 19,302,399	\$ 18,615,703	\$ 20,407,195	\$ 139,620,406		TDSIC 1: 3/31/2020 Act Balance, Thereafter: Prior Calendar Yr
15	354.00	1.37%	\$ -	\$ 1,138,320	\$ 1,111,147	\$ 1,082,432	\$ 850,792	\$ -	\$ -	\$ -	\$ 4,182,691		TDSIC 1: 3/31/2020 Act Balance, Thereafter: Prior Calendar Yr
16	356.00	1.20%	\$ -	\$ 4,765,917	\$ 6,881,909	\$ 9,502,181	\$ 11,200,958	\$ 11,497,320	\$ 10,679,473	\$ 7,601,921	\$ 62,129,679		TDSIC 1: 3/31/2020 Act Balance, Thereafter: Prior Calendar Yr
17	362.00	1.61%											
18	364.00	2.06%											
19	365.00	2.35%											
20	366.00	2.62%											
21	367.00	2.55%											
22	368.00	0.65%											
23	370.01	19.35%											
24	Total CapEx Additions Placed In Service		\$ -	\$ 22,446,929	\$ 27,575,438	\$ 33,681,491	\$ 36,425,292	\$ 33,644,659	\$ 29,295,176	\$ 30,641,731	\$ 213,710,716		Sum Lines 13-24
CWIP Balance 3/31			\$ 7,943,370	\$ 9,758,213	\$ 11,918,982	\$ 12,889,940	\$ 11,905,948	\$ 10,366,782	\$ -	\$ -			
Transmission Assets 3/31 Utility Plant Balance:			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14			Reference
	FERC Account	Depr Rate	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027			
25	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ 2,300,385	\$ 5,145,325	\$ 5,145,325	\$ 7,777,940			Line 13 Accumulated
26	353.00	2.53%	\$ -	\$ 16,542,692	\$ 36,125,074	\$ 59,221,952	\$ 81,295,109	\$ 100,597,508	\$ 119,213,211	\$ 139,620,406			Line 14 Accumulated
27	354.00	1.37%	\$ -	\$ 1,138,320	\$ 2,249,467	\$ 3,331,899	\$ 4,182,691	\$ 4,182,691	\$ 4,182,691	\$ 4,182,691			Line 15 Accumulated
28	356.00	1.20%	\$ -	\$ 4,765,917	\$ 11,647,826	\$ 21,150,007	\$ 32,350,965	\$ 43,848,285	\$ 54,527,758	\$ 62,129,679			Line 16 Accumulated
29	362.00	1.61%											
30	364.00	2.06%											
31	365.00	2.35%											
32	366.00	2.62%											
33	367.00	2.55%											
34	368.00	0.65%											
35	370.01	19.35%											
36	Total 3/31 Utility Plant Balance		\$ -	\$ 22,446,929	\$ 50,022,367	\$ 83,703,858	\$ 120,129,150	\$ 153,773,809	\$ 183,068,985	\$ 213,710,716			Sum Lines 25-36
Transmission Assets Depreciation Expense:			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14			Reference
	FERC Account	Depr Rate	Thru 3/31/20	4/1/20-3/31/21	4/1/21-3/31/22	4/1/22-3/31/23	4/1/23-3/31/24	4/1/24-3/31/25	4/1/25-3/31/26	4/1/26-3/31/27			
37	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ 27,605	\$ 89,349	\$ 123,488	\$ 155,079			(Line 13 x Column A x 50%) + (Prior Line 25 x Column A)
38	353.00	2.53%	\$ -	\$ 209,265	\$ 666,247	\$ 1,206,140	\$ 1,777,541	\$ 2,300,942	\$ 2,780,606	\$ 3,274,245			(Line 14 x Column A x 50%) + (Prior Line 26 x Column A)
39	354.00	1.37%	\$ -	\$ 7,797	\$ 23,206	\$ 38,232	\$ 51,475	\$ 57,303	\$ 57,303	\$ 57,303			(Line 15 x Column A x 50%) + (Prior Line 27 x Column A)
40	356.00	1.20%	\$ -	\$ 28,596	\$ 98,482	\$ 196,787	\$ 321,006	\$ 457,196	\$ 590,256	\$ 699,945			(Line 16 x Column A x 50%) + (Prior Line 28 x Column A)
41	362.00	1.61%											
42	364.00	2.06%											
43	365.00	2.35%											
44	366.00	2.62%											
45	367.00	2.55%											
46	368.00	0.65%											
47	370.01	19.35%											
48	Total Depr Exp - Annualized		\$ -	\$ 245,658	\$ 787,936	\$ 1,441,159	\$ 2,177,626	\$ 2,904,788	\$ 3,551,653	\$ 4,186,572			
Transmission Assets 3/31 Accumulated Depreciation:			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14			Reference
	FERC Account	Depr Rate	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027			
49	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ (27,605)	\$ (116,953)	\$ (240,441)	\$ (395,520)			Line 37 Accumulated
50	353.00	2.53%	\$ -	\$ (209,265)	\$ (875,512)	\$ (2,081,652)	\$ (3,859,193)	\$ (6,160,135)	\$ (8,940,740)	\$ (12,214,985)			Line 38 Accumulated
51	354.00	1.37%	\$ -	\$ (7,797)	\$ (31,004)	\$ (69,236)	\$ (120,711)	\$ (178,014)	\$ (235,317)	\$ (292,620)			Line 39 Accumulated
52	356.00	1.20%	\$ -	\$ (28,596)	\$ (127,078)	\$ (323,865)	\$ (644,871)	\$ (1,102,066)	\$ (1,692,323)	\$ (2,392,267)			Line 40 Accumulated
53	362.00	1.61%											
54	364.00	2.06%											
55	365.00	2.35%											
56	366.00	2.62%											
57	367.00	2.55%											
58	368.00	0.65%											
59	370.01	19.35%											
60	Total 3/31 Accum Depr		\$ -	\$ (245,658)	\$ (1,033,594)	\$ (2,474,753)	\$ (4,652,380)	\$ (7,557,168)	\$ (11,108,821)	\$ (15,295,392)			
Transmission Assets 3/31 Rate Base			\$ 31,959,484	\$ 60,907,755	\$ 94,119,045	\$ 127,382,719	\$ 156,583,423	\$ 171,960,164	\$ 198,415,324				

TDSIC Plan		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Distribution Assets			Calendar	Calendar	Calendar	Calendar	Calendar	Calendar	Calendar			
CapEx Additions (incl AFUDC):			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7			
Line	FERC Account	Depr Rate	2020	2021	2022	2023	2024	2025	2026		Total Plan	Reference
1	352.00	2.40%										
2	353.00	2.53%										
3	354.00	1.37%										
4	356.00	1.20%										
5	362.00	1.61%	\$ 7,026,754	\$ 25,672,321	\$ 38,188,063	\$ 49,360,078	\$ 24,862,469	\$ 45,555,289	\$ 32,554,913		\$ 223,219,887	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
6	364.00	2.06%	\$ 39,069,911	\$ 34,048,557	\$ 47,918,689	\$ 52,531,374	\$ 44,678,960	\$ 49,169,935	\$ 46,385,522		\$ 313,802,948	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
7	365.00	2.35%	\$ 28,815,380	\$ 27,771,432	\$ 26,078,201	\$ 27,620,140	\$ 25,686,598	\$ 27,204,806	\$ 26,696,855		\$ 189,873,412	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
8	366.00	2.62%	\$ 2,250,626	\$ 2,346,110	\$ 2,405,220	\$ 2,690,012	\$ 1,809,774	\$ 2,715,591	\$ 2,769,903		\$ 16,987,236	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
9	367.00	2.55%	\$ 13,966,103	\$ 13,407,560	\$ 14,443,018	\$ 14,226,294	\$ 14,093,313	\$ 14,938,612	\$ 14,497,783		\$ 99,572,683	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
10	368.00	0.65%	\$ 12,521,414	\$ 12,200,598	\$ 15,845,026	\$ 17,725,277	\$ 15,147,875	\$ 16,296,875	\$ 15,682,084		\$ 105,419,149	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
11	370.01	19.35%	\$ 10,735,674	\$ 10,950,388	\$ 11,169,395	\$ 11,392,783	\$ 11,620,639	\$ -	\$ -		\$ 55,868,879	TDSIC Plan Filing, IPL Attachment BJB-2 Appendix 8.7
12	Total CapEx Additions		\$ 114,385,862	\$ 126,396,966	\$ 156,047,612	\$ 175,545,958	\$ 137,899,628	\$ 155,881,108	\$ 138,587,060		\$ 1,004,744,194	

Distribution Assets												
CapEx Additions (incl AFUDC):												
Line	FERC Account	Depr Rate	TDSIC 1 Thru 3/31/20	TDSIC 3 4/1/20-3/31/21	TDSIC 5 4/1/21-3/31/22	TDSIC 7 4/1/22-3/31/23	TDSIC 9 4/1/23-3/31/24	TDSIC 11 4/1/24-3/31/25	TDSIC 13 4/1/25-3/31/26	TDSIC 14 4/1/26-3/31/27	Total Plan	Reference
13		352.00	2.40%									
14		353.00	2.53%									
15		354.00	1.37%									
16		356.00	1.20%									
17		362.00	1.61%	\$ -	\$ 11,251,524	\$ 27,502,588	\$ 39,999,824	\$ 44,450,455	\$ 29,095,162	\$ 43,032,278	\$ 27,888,056	\$ 223,219,887
18		364.00	2.06%	\$ 4,281,117	\$ 37,235,492	\$ 35,886,510	\$ 48,027,574	\$ 52,751,284	\$ 44,786,565	\$ 49,509,809	\$ 41,324,597	\$ 313,802,948
19		365.00	2.35%	\$ 12,312,934	\$ 28,082,071	\$ 26,461,278	\$ 25,914,617	\$ 28,391,801	\$ 25,504,493	\$ 27,674,067	\$ 15,532,151	\$ 189,873,412
20		366.00	2.62%	\$ 250,490	\$ 2,234,596	\$ 2,279,093	\$ 2,422,942	\$ 2,558,378	\$ 1,980,163	\$ 2,791,032	\$ 2,470,542	\$ 16,987,236
21		367.00	2.55%	\$ 428,901	\$ 13,598,438	\$ 13,175,258	\$ 14,106,029	\$ 14,881,648	\$ 13,996,222	\$ 15,152,199	\$ 14,233,987	\$ 99,572,683
22		368.00	0.65%	\$ 231,365	\$ 12,233,709	\$ 12,572,860	\$ 15,962,723	\$ 17,821,051	\$ 15,098,668	\$ 16,493,422	\$ 15,005,351	\$ 105,419,149
23		370.01	19.35%	\$ -	\$ 10,603,114	\$ 10,625,300	\$ 10,998,762	\$ 12,017,531	\$ 8,715,479	\$ -	\$ 2,908,693	\$ 55,868,879
24	Total CapEx Additions Placed in Service			\$ 17,504,807	\$ 115,238,944	\$ 128,502,887	\$ 157,432,471	\$ 172,872,149	\$ 139,176,753	\$ 154,652,808	\$ 119,363,376	\$ 1,004,744,194
CWIP Balance 3/31				\$ 20,472,274	\$ 22,621,968	\$ 27,928,709	\$ 31,418,437	\$ 24,680,663	\$ 27,898,909	\$ 24,803,697	\$ -	

Distribution Assets			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14		
3/31 Utility Plant Balance:			3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	Total Plan	Reference
Line	FERC Account	Depr Rate										
25	352.00	2.40%										
26	353.00	2.53%										
27	354.00	1.37%										
28	356.00	1.20%										
29	362.00	1.61%	\$ -	\$ 11,251,524	\$ 38,754,112	\$ 78,753,936	\$ 123,204,391	\$ 152,299,553	\$ 195,331,831	\$ 223,219,887		Line 17 Accumulated
30	364.00	2.06%	\$ 4,281,117	\$ 41,516,609	\$ 77,403,119	\$ 125,430,694	\$ 178,181,977	\$ 222,968,542	\$ 272,478,351	\$ 313,802,948		Line 18 Accumulated
31	365.00	2.35%	\$ 12,312,934	\$ 40,395,005	\$ 66,856,283	\$ 92,770,900	\$ 121,162,701	\$ 146,667,194	\$ 174,341,261	\$ 189,873,412		Line 19 Accumulated
32	366.00	2.62%	\$ 250,490	\$ 2,485,086	\$ 4,764,178	\$ 7,187,121	\$ 9,745,499	\$ 11,725,662	\$ 14,516,694	\$ 16,987,236		Line 20 Accumulated
33	367.00	2.55%	\$ 428,901	\$ 14,027,340	\$ 27,202,598	\$ 41,308,626	\$ 56,190,274	\$ 70,186,497	\$ 85,338,696	\$ 99,572,683		Line 21 Accumulated
34	368.00	0.65%	\$ 231,365	\$ 12,465,074	\$ 25,037,934	\$ 41,000,657	\$ 58,821,708	\$ 73,920,376	\$ 90,413,798	\$ 105,419,149		Line 22 Accumulated
35	370.01	19.35%	\$ -	\$ 10,603,114	\$ 21,228,414	\$ 32,227,176	\$ 44,244,707	\$ 52,960,186	\$ 52,960,186	\$ 55,868,879		Line 23 Accumulated
36	Total 3/31 Utility Plant Balance		\$ 17,504,807	\$ 132,743,751	\$ 261,246,638	\$ 418,679,109	\$ 591,551,258	\$ 730,728,010	\$ 885,380,818	\$ 1,004,744,194		

Distribution Assets			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14		
Depreciation Expense:			Thru 3/31/20	4/1/20-3/31/21	4/1/21-3/31/22	4/1/22-3/31/23	4/1/23-3/31/24	4/1/24-3/31/25	4/1/25-3/31/26	4/1/26-3/31/27	Total Plan	Reference
Line	FERC Account	Depr Rate										
37	352.00	2.40%										
38	353.00	2.53%										
39	354.00	1.37%										
40	356.00	1.20%										
41	362.00	1.61%	\$ -	\$ 90,575	\$ 402,545	\$ 945,940	\$ 1,625,765	\$ 2,217,807	\$ 2,798,433	\$ 3,369,341		(Line 17 x Column A x 50%) + (Prior Line 29 x Column A)
42	364.00	2.06%	\$ 44,096	\$ 471,717	\$ 1,224,873	\$ 2,089,188	\$ 3,127,211	\$ 4,131,850	\$ 5,103,103	\$ 6,038,697		(Line 18 x Column A x 50%) + (Prior Line 30 x Column A)
43	365.00	2.35%	\$ 144,677	\$ 619,318	\$ 1,260,203	\$ 1,875,619	\$ 2,513,720	\$ 3,147,001	\$ 3,771,849	\$ 4,279,522		(Line 19 x Column A x 50%) + (Prior Line 31 x Column A)
44	366.00	2.62%	\$ 3,281	\$ 35,836	\$ 94,965	\$ 156,562	\$ 221,817	\$ 281,272	\$ 343,775	\$ 412,701		(Line 20 x Column A x 50%) + (Prior Line 32 x Column A)
45	367.00	2.55%	\$ 5,468	\$ 184,317	\$ 525,682	\$ 873,518	\$ 1,243,111	\$ 1,611,304	\$ 1,982,946	\$ 2,357,620		(Line 21 x Column A x 50%) + (Prior Line 33 x Column A)
46	368.00	0.65%	\$ 752	\$ 41,263	\$ 121,885	\$ 214,625	\$ 324,423	\$ 431,412	\$ 534,086	\$ 636,457		(Line 22 x Column A x 50%) + (Prior Line 34 x Column A)
47	370.01	19.35%	\$ -	\$ 1,025,851	\$ 3,079,700	\$ 5,171,828	\$ 7,398,655	\$ 9,404,573	\$ 10,247,796	\$ 10,529,212		(Line 23 x Column A x 50%) + (Prior Line 35 x Column A)
48	Total Depr Exp - Annualized		\$ 198,274	\$ 2,468,877	\$ 6,709,853	\$ 11,327,281	\$ 16,454,700	\$ 21,225,220	\$ 24,781,988	\$ 27,623,552		

Distribution Assets			TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14		
3/31 Accumulated Depreciation:			3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	Total Plan	Reference
Line	FERC Account	Depr Rate										
49	352.00	2.40%										
50	353.00	2.53%										
51	354.00	1.37%										
52	356.00	1.20%										
53	362.00	1.61%	\$ -	\$ (90,575)	\$ (493,120)	\$ (1,439,060)	\$ (3,064,824)	\$ (5,282,631)	\$ (8,081,064)	\$ (11,450,405)		Line 41 Accumulated
54	364.00	2.06%	\$ (44,096)	\$ (515,812)	\$ (1,740,685)	\$ (3,829,874)	\$ (6,957,084)	\$ (11,088,934)	\$ (16,192,037)	\$ (22,230,735)		Line 42 Accumulated
55	365.00	2.35%	\$ (144,677)	\$ (763,995)	\$ (2,024,198)	\$ (3,899,817)	\$ (6,413,537)	\$ (9,560,538)	\$ (13,332,388)	\$ (17,611,910)		Line 43 Accumulated
56	366.00	2.62%	\$ (3,281)	\$ (39,117)	\$ (134,083)	\$ (290,645)	\$ (512,462)	\$ (793,734)	\$ (1,137,509)	\$ (1,550,211)		Line 44 Accumulated
57	367.00	2.55%	\$ (5,468)	\$ (189,786)	\$ (715,467)	\$ (1,588,985)	\$ (2,832,096)	\$ (4,443,400)	\$ (6,426,346)	\$ (8,783,966)		Line 45 Accumulated
58	368.00	0.65%	\$ (752)	\$ (42,015)	\$ (163,900)	\$ (378,526)	\$ (702,948)	\$ (1,134,360)	\$ (1,668,446)	\$ (2,304,903)		Line 46 Accumulated
59	370.01	19.35%	\$ -	\$ (1,025,851)	\$ (4,105,552)	\$ (9,277,380)	\$ (16,676,035)	\$ (26,080,608)	\$ (36,328,404)	\$ (46,857,616)		Line 47 Accumulated
60	Total 3/31 Accum Depr		\$ (198,274)	\$ (2,667,152)	\$ (9,377,005)	\$ (20,704,286)	\$ (37,158,987)	\$ (58,384,206)	\$ (83,166,195)	\$ (110,789,746)		

Distribution Assets												
3/31 Year Rate Base												
61			\$ 152,698,568	\$ 279,798,342	\$ 429,393,259	\$ 579,072,934	\$ 700,242,713	\$ 827,018,320	\$ 893,954,448			

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Total TDSIC Assets											
CapEx Additions (incl AFUDC):											
Line	FERC Account	Depr Rate	2020	2021	2022	2023	2024	2025	2026	Total Plan	Reference
1	352.00	2.40%	\$ -	\$ -	\$ -	\$ 2,300,385	\$ 2,844,940	\$ -	\$ 2,632,615	\$ 7,777,940	Sum of Same Lines on p. 1 & p. 2
2	353.00	2.53%	\$ 16,542,692	\$ 19,582,382	\$ 23,096,878	\$ 22,073,157	\$ 19,302,399	\$ 18,615,703	\$ 20,407,195	\$ 139,620,406	Sum of Same Lines on p. 1 & p. 2
3	354.00	1.37%	\$ 1,138,320	\$ 1,111,147	\$ 1,082,432	\$ 850,792	\$ -	\$ -	\$ -	\$ 4,182,691	Sum of Same Lines on p. 1 & p. 2
4	356.00	1.20%	\$ 4,765,917	\$ 6,881,909	\$ 9,502,181	\$ 11,200,958	\$ 11,497,320	\$ 10,679,473	\$ 7,601,921	\$ 62,129,679	Sum of Same Lines on p. 1 & p. 2
5	362.00	1.61%	\$ 7,026,754	\$ 25,672,321	\$ 38,188,063	\$ 49,360,078	\$ 24,862,469	\$ 45,555,289	\$ 32,554,913	\$ 223,219,887	Sum of Same Lines on p. 1 & p. 2
6	364.00	2.06%	\$ 39,069,911	\$ 34,048,557	\$ 47,918,689	\$ 52,531,374	\$ 44,678,960	\$ 49,169,935	\$ 46,385,522	\$ 313,802,948	Sum of Same Lines on p. 1 & p. 2
7	365.00	2.35%	\$ 28,815,380	\$ 27,771,432	\$ 26,078,201	\$ 27,620,140	\$ 25,686,598	\$ 27,204,806	\$ 26,696,855	\$ 189,873,412	Sum of Same Lines on p. 1 & p. 2
8	366.00	2.62%	\$ 2,250,626	\$ 2,346,110	\$ 2,405,220	\$ 2,690,012	\$ 1,809,774	\$ 2,715,591	\$ 2,769,903	\$ 16,987,236	Sum of Same Lines on p. 1 & p. 2
9	367.00	2.55%	\$ 13,966,103	\$ 13,407,560	\$ 14,443,018	\$ 14,226,294	\$ 14,093,313	\$ 14,938,612	\$ 14,497,783	\$ 99,572,683	Sum of Same Lines on p. 1 & p. 2
10	368.00	0.65%	\$ 12,521,414	\$ 12,200,598	\$ 15,845,026	\$ 17,725,277	\$ 15,147,875	\$ 16,296,875	\$ 15,682,084	\$ 105,419,149	Sum of Same Lines on p. 1 & p. 2
11	370.01	19.35%	\$ 10,735,674	\$ 10,950,388	\$ 11,169,395	\$ 11,392,783	\$ 11,620,639	\$ -	\$ -	\$ 55,868,879	Sum of Same Lines on p. 1 & p. 2
12	Total CapEx Additions		\$ 136,832,791	\$ 153,972,404	\$ 189,729,103	\$ 211,971,250	\$ 171,544,287	\$ 185,176,284	\$ 169,228,791	\$ 1,218,454,910	

Total TDSIC Assets			Plan Year		Plan Year		Plan Year		Plan Year		Plan Year		Plan Year		Plan Year		TDSIC 14					
CapEx Additions (incl AFUDC):			TDSIC 1		TDSIC 3		TDSIC 5		TDSIC 7		TDSIC 9		TDSIC 11		TDSIC 13							
Line	FERC Account	Depr Rate	Thru 3/31/20	4/1/20-3/31/21	4/1/21-3/31/22	4/1/22-3/31/23	4/1/23-3/31/24	4/1/24-3/31/25	4/1/25-3/31/26	4/1/26-3/31/27	Total Plan	Reference										
13		352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ 2,300,385	\$ 2,844,940	\$ -	\$ 2,632,615	\$ 7,777,940	Sum of Same Lines on p. 1 & p. 2									
14		353.00	2.53%	\$ -	\$ 16,542,692	\$ 19,582,382	\$ 23,096,878	\$ 22,073,157	\$ 19,302,399	\$ 18,615,703	\$ 20,407,195	\$ 139,620,406	Sum of Same Lines on p. 1 & p. 2									
15		354.00	1.37%	\$ -	\$ 1,138,320	\$ 1,111,147	\$ 1,082,432	\$ 850,792	\$ -	\$ -	\$ -	\$ 4,182,691	Sum of Same Lines on p. 1 & p. 2									
16		356.00	1.20%	\$ -	\$ 4,765,917	\$ 6,881,909	\$ 9,502,181	\$ 11,200,958	\$ 11,497,320	\$ 10,679,473	\$ 7,601,921	\$ 62,129,679	Sum of Same Lines on p. 1 & p. 2									
17		362.00	1.61%	\$ -	\$ 11,251,524	\$ 27,502,588	\$ 39,999,824	\$ 44,450,455	\$ 29,095,162	\$ 43,032,278	\$ 27,888,056	\$ 223,219,887	Sum of Same Lines on p. 1 & p. 2									
18		364.00	2.06%	\$ 4,281,117	\$ 37,235,492	\$ 35,886,510	\$ 48,027,574	\$ 52,751,284	\$ 44,786,565	\$ 49,509,809	\$ 41,324,597	\$ 313,802,948	Sum of Same Lines on p. 1 & p. 2									
19		365.00	2.35%	\$ 12,312,934	\$ 28,082,071	\$ 26,461,278	\$ 25,914,617	\$ 28,391,801	\$ 25,504,493	\$ 27,674,067	\$ 15,532,151	\$ 189,873,412	Sum of Same Lines on p. 1 & p. 2									
20		366.00	2.62%	\$ 250,490	\$ 2,234,596	\$ 2,279,093	\$ 2,422,942	\$ 2,558,378	\$ 1,980,163	\$ 2,791,032	\$ 2,470,542	\$ 16,987,236	Sum of Same Lines on p. 1 & p. 2									
21		367.00	2.55%	\$ 428,901	\$ 13,598,438	\$ 13,175,258	\$ 14,106,029	\$ 14,881,648	\$ 13,996,222	\$ 15,152,199	\$ 14,233,987	\$ 99,572,683	Sum of Same Lines on p. 1 & p. 2									
22		368.00	0.65%	\$ 231,365	\$ 12,233,709	\$ 12,572,860	\$ 15,962,723	\$ 17,821,051	\$ 15,098,668	\$ 16,493,422	\$ 15,005,351	\$ 105,419,149	Sum of Same Lines on p. 1 & p. 2									
23		370.01	19.35%	\$ -	\$ 10,603,114	\$ 10,625,300	\$ 10,998,762	\$ 12,017,531	\$ 8,715,479	\$ -	\$ 2,908,693	\$ 55,868,879	Sum of Same Lines on p. 1 & p. 2									
24	Total CapEx Additions Placed in Service			\$ 17,504,807	\$ 137,685,873	\$ 156,078,325	\$ 191,113,962	\$ 209,297,441	\$ 172,821,412	\$ 183,947,984	\$ 150,005,107	\$ 1,218,454,910										

	CWIP Balance 3/31		\$ 28,415,644	\$ 32,380,181	\$ 39,847,691	\$ 44,308,377	\$ 36,586,612	\$ 38,265,691	\$ 24,803,697	\$ -	
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Total TDSIC Assets											
3/31 Utility Plant Balance:											
Line	FERC Account	Depr Rate	TDSIC 1 3/31/2020	TDSIC 3 3/31/2021	TDSIC 5 3/31/2022	TDSIC 7 3/31/2023	TDSIC 9 3/31/2024	TDSIC 11 3/31/2025	TDSIC 13 3/31/2026	TDSIC 14 3/31/2027	Reference
25	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ 2,300,385	\$ 5,145,325	\$ 5,145,325	\$ 7,777,940	Sum of Same Lines on p. 1 & p. 2
26	353.00	2.53%	\$ -	\$ 16,542,692	\$ 36,125,074	\$ 59,221,952	\$ 81,295,109	\$ 100,597,508	\$ 119,213,211	\$ 139,620,406	Sum of Same Lines on p. 1 & p. 2
27	354.00	1.37%	\$ -	\$ 1,138,320	\$ 2,249,467	\$ 3,331,899	\$ 4,182,691	\$ 4,182,691	\$ 4,182,691	\$ 4,182,691	Sum of Same Lines on p. 1 & p. 2
28	356.00	1.20%	\$ -	\$ 4,765,917	\$ 11,647,826	\$ 21,150,007	\$ 32,350,965	\$ 43,848,285	\$ 54,527,758	\$ 62,129,679	Sum of Same Lines on p. 1 & p. 2
29	362.00	1.61%	\$ -	\$ 11,251,524	\$ 38,754,112	\$ 78,753,936	\$ 123,204,391	\$ 152,299,553	\$ 195,331,831	\$ 223,219,887	Sum of Same Lines on p. 1 & p. 2
30	364.00	2.06%	\$ 4,281,117	\$ 41,516,609	\$ 77,403,119	\$ 125,430,694	\$ 178,181,977	\$ 222,968,542	\$ 272,478,351	\$ 313,802,948	Sum of Same Lines on p. 1 & p. 2
31	365.00	2.35%	\$ 12,312,934	\$ 40,395,005	\$ 66,856,283	\$ 92,770,900	\$ 121,162,701	\$ 146,667,194	\$ 174,341,261	\$ 189,873,412	Sum of Same Lines on p. 1 & p. 2
32	366.00	2.62%	\$ 250,490	\$ 2,485,086	\$ 4,764,178	\$ 7,187,121	\$ 9,745,499	\$ 11,725,662	\$ 14,516,694	\$ 16,987,236	Sum of Same Lines on p. 1 & p. 2
33	367.00	2.55%	\$ 428,901	\$ 14,027,340	\$ 27,202,598	\$ 41,308,626	\$ 56,190,274	\$ 70,186,497	\$ 85,338,696	\$ 99,572,683	Sum of Same Lines on p. 1 & p. 2
34	368.00	0.65%	\$ 231,365	\$ 12,465,074	\$ 25,037,934	\$ 41,000,657	\$ 58,821,708	\$ 73,920,376	\$ 90,413,798	\$ 105,419,149	Sum of Same Lines on p. 1 & p. 2
35	370.01	19.35%	\$ -	\$ 10,603,114	\$ 21,228,414	\$ 32,227,176	\$ 44,244,707	\$ 52,960,186	\$ 52,960,186	\$ 55,868,879	Sum of Same Lines on p. 1 & p. 2
36	Total End of Year Utility Plant Balance		\$ 17,504,807	\$ 155,190,680	\$ 311,269,005	\$ 502,382,967	\$ 711,680,408	\$ 884,501,819	\$ 1,068,449,803	\$ 1,218,454,910	

Total TDSIC Assets											
Depreciation Expense:											
Line	FERC Account	Depr Rate	TDSIC 1 Thru 3/31/20	TDSIC 3 4/1/20-3/31/21	TDSIC 5 4/1/21-3/31/22	TDSIC 7 4/1/22-3/31/23	TDSIC 9 4/1/23-3/31/24	TDSIC 11 4/1/24-3/31/25	TDSIC 13 4/1/25-3/31/26	TDSIC 14 4/1/26-3/31/27	Reference
37	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	\$ 27,605	\$ 89,349	\$ 123,488	\$ 155,079	Sum of Same Lines on p. 1 & p. 2
38	353.00	2.53%	\$ -	\$ 209,265	\$ 666,247	\$ 1,206,140	\$ 1,777,541	\$ 2,300,942	\$ 2,780,606	\$ 3,274,245	Sum of Same Lines on p. 1 & p. 2
39	354.00	1.37%	\$ -	\$ 7,797	\$ 23,206	\$ 38,232	\$ 51,475	\$ 57,303	\$ 57,303	\$ 57,303	Sum of Same Lines on p. 1 & p. 2
40	356.00	1.20%	\$ -	\$ 28,596	\$ 98,482	\$ 196,787	\$ 321,006	\$ 457,196	\$ 590,256	\$ 699,945	Sum of Same Lines on p. 1 & p. 2
41	362.00	1.61%	\$ -	\$ 90,575	\$ 402,545	\$ 945,940	\$ 1,625,765	\$ 2,217,807	\$ 2,798,433	\$ 3,369,341	Sum of Same Lines on p. 1 & p. 2
42	364.00	2.06%	\$ 44,096	\$ 471,717	\$ 1,224,873	\$ 2,089,188	\$ 3,127,211	\$ 4,131,850	\$ 5,103,103	\$ 6,038,697	Sum of Same Lines on p. 1 & p. 2
43	365.00	2.35%	\$ 144,677	\$ 619,318	\$ 1,260,203	\$ 1,875,619	\$ 2,513,720	\$ 3,147,001	\$ 3,771,849	\$ 4,279,522	Sum of Same Lines on p. 1 & p. 2
44	366.00	2.62%	\$ 3,281	\$ 35,836	\$ 94,965	\$ 156,562	\$ 221,817	\$ 281,272	\$ 343,775	\$ 412,701	Sum of Same Lines on p. 1 & p. 2
45	367.00	2.55%	\$ 5,468	\$ 184,317	\$ 525,682	\$ 873,518	\$ 1,243,111	\$ 1,611,304	\$ 1,982,946	\$ 2,357,620	Sum of Same Lines on p. 1 & p. 2
46	368.00	0.65%	\$ 752	\$ 41,263	\$ 121,885	\$ 214,625	\$ 324,423	\$ 431,412	\$ 534,086	\$ 636,457	Sum of Same Lines on p. 1 & p. 2
47	370.01	19.35%	\$ -	\$ 1,025,851	\$ 3,079,700	\$ 5,171,828	\$ 7,398,655	\$ 9,404,573	\$ 10,247,796	\$ 10,529,212	Sum of Same Lines on p. 1 & p. 2
48	Total Depr Exp - Annualized		\$ 198,274	\$ 2,714,535	\$ 7,497,789	\$ 12,768,441	\$ 18,632,327	\$ 24,130,008	\$ 28,333,641	\$ 31,810,124	

Total TDSIC Assets											
3/31 Accumulated Depreciation:											
	FERC Account	Depr Rate	TDSIC 1 3/31/2020	TDSIC 3 3/31/2021	TDSIC 5 3/31/2022	TDSIC 7 3/31/2023	TDSIC 9 3/31/2024	TDSIC 11 3/31/2025	TDSIC 13 3/31/2026	TDSIC 14 3/31/2027	Reference
49	352.00	2.40%	\$ -	\$ -	\$ -	\$ -	(27,605)	(116,953)	(240,441)	(395,520)	Sum of Same Lines on p. 1 & p. 2
50	353.00	2.53%	\$ -	(209,265)	(875,512)	(2,081,652)	(3,859,193)	(6,160,135)	(8,940,740)	(12,214,985)	Sum of Same Lines on p. 1 & p. 2
51	354.00	1.37%	\$ -	(7,797)	(31,004)	(69,236)	(120,711)	(178,014)	(235,317)	(292,620)	Sum of Same Lines on p. 1 & p. 2
52	356.00	1.20%	\$ -	(28,596)	(127,078)	(323,865)	(644,871)	(1,102,066)	(1,692,323)	(2,392,267)	Sum of Same Lines on p. 1 & p. 2
53	362.00	1.61%	\$ -	(90,575)	(493,120)	(1,439,060)	(3,064,824)	(5,282,631)	(8,081,064)	(11,450,405)	Sum of Same Lines on p. 1 & p. 2
54	364.00	2.06%	(44,096)	(515,812)	(1,740,685)	(3,829,874)	(6,957,084)	(11,088,934)	(16,192,037)	(22,230,735)	Sum of Same Lines on p. 1 & p. 2
55	365.00	2.35%	(144,677)	(763,995)	(2,024,198)	(3,899,817)	(6,413,537)	(9,560,538)	(13,332,388)	(17,611,910)	Sum of Same Lines on p. 1 & p. 2
56	366.00	2.62%	(3,281)	(39,117)	(134,083)	(290,645)	(512,462)	(793,734)	(1,137,509)	(1,550,211)	Sum of Same Lines on p. 1 & p. 2
57	367.00	2.55%	(5,468)	(189,786)	(715,467)	(1,588,985)	(2,832,096)	(4,443,400)	(6,426,346)	(8,783,966)	Sum of Same Lines on p. 1 & p. 2
58	368.00	0.65%	(752)	(42,015)	(163,900)	(378,526)	(702,948)	(1,134,360)	(1,668,446)	(2,304,903)	Sum of Same Lines on p. 1 & p. 2
59	370.01	19.35%	\$ -	(1,025,851)	(4,105,552)	(9,277,380)	(16,676,035)	(26,080,608)	(36,328,404)	(46,857,616)	Sum of Same Lines on p. 1 & p. 2
60	Total 3/31 Accum Depr		(198,274)	(2,912,810)	(10,410,599)	(23,179,040)	(41,811,366)	(65,941,375)	(94,275,015)	(126,085,139)	

INDIANAPOLIS POWER & LIGHT COMPANY										
TRANSMISSION DISTRIBUTION STORAGE SYSTEM IMPROVEMENT CHARGE (TDSIC)										
Property Tax Expense Estimate Calculation										
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
Line	Description	Year 2 2021	Year 3 2022	Year 4 2023	Year 5 2024	Year 6 2025	Year 7 2026		Reference	
	Assessment Date	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25		
	Transmission Assets									
	Property Tax Calculation - One Year in Arrears:									
1	Accumulated Additions	\$ 22,446,929	\$ 50,022,367	\$ 83,703,858	\$ 120,129,150	\$ 153,773,809	\$ 183,068,985		TDSIC Plan Filing Attachment CAR-3	
2	less Accumulated Tax Depreciation	\$ 953,591	\$ 3,929,938	\$ 9,263,661	\$ 17,125,014	\$ 27,296,330	\$ 39,309,822		TDSIC Plan Filing Attachment CAR-3	
3	Accumulated Additions Net of Tax Depr	\$ 21,493,338	\$ 46,092,429	\$ 74,440,197	\$ 103,004,136	\$ 126,477,479	\$ 143,759,163		Line 1 - Line 2	
4	Current Year Additions	\$ 22,446,929	\$ 27,575,438	\$ 33,681,491	\$ 36,425,292	\$ 33,644,659	\$ 29,295,176		TDSIC Plan Filing Attachment CAR-3	
5	less Tax Depreciation on CY Spend	\$ 953,591	\$ 1,151,833	\$ 1,461,825	\$ 1,526,714	\$ 1,463,581	\$ 1,259,657		TDSIC Plan Filing Attachment CAR-3	
6	Current Year Additions Net of Tax Depr	\$ 21,493,338	\$ 26,423,605	\$ 32,219,666	\$ 34,898,578	\$ 32,181,078	\$ 28,035,519		Line 4 - Line 5	
7	Credit Amount	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%			
8	60% Credit for Gross Additions	\$ 12,896,003	\$ 15,854,163	\$ 19,331,799	\$ 20,939,147	\$ 19,308,647	\$ 16,821,311		Line 6 x Line 7	
9	Net Assessed Value	\$ 8,597,335	\$ 30,238,267	\$ 55,108,397	\$ 82,064,990	\$ 107,168,832	\$ 126,937,851		Line 3 - Line 8	
10	Property Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		Property Tax Rate	
11	Property Tax Expense - Annualized	\$ 257,920	\$ 907,148	\$ 1,653,252	\$ 2,461,950	\$ 3,215,065	\$ 3,808,136		Line 9 x Line 10	
		TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14	
		11/1/20-10/31/21	11/1/21-10/31/22	11/1/22-10/31/23	11/1/23-10/31/24	11/1/24-10/31/25	11/1/25-10/31/26	11/1/26-10/31/27	11/1/27-10/31/28	
12		\$ -	\$ 257,920	\$ 907,148	\$ 1,653,252	\$ 2,461,950	\$ 3,215,065	\$ 3,808,136	\$ 3,808,136	Calendar Year
			Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		
Line	Description	2021	2022	2023	2024	2025	2026		Reference	
	Assessment Date	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25		
	Distribution Assets									
	Property Tax Calculation - One Year in Arrears:									
13	Accumulated Additions	\$ 114,385,862	\$ 240,782,828	\$ 396,830,440	\$ 572,376,398	\$ 710,276,026	\$ 866,157,134		TDSIC Plan Filing Attachment CAR-3	
14	less Accumulated Tax Depreciation	\$ 5,709,531	\$ 22,526,290	\$ 50,613,292	\$ 90,568,943	\$ 140,535,209	\$ 197,829,920		TDSIC Plan Filing Attachment CAR-3	
15	Accumulated Additions Net of Tax Depr	\$ 108,676,331	\$ 218,256,539	\$ 346,217,149	\$ 481,807,456	\$ 569,740,817	\$ 668,327,214		Line 13 - Line 14	
16	Current Year Additions	\$ 114,385,862	\$ 126,396,966	\$ 156,047,612	\$ 175,545,958	\$ 137,899,628	\$ 155,881,108		TDSIC Plan Filing Attachment CAR-3	
17	less Tax Depreciation on CY Spend	\$ 5,709,531	\$ 6,178,592	\$ 7,321,232	\$ 8,083,486	\$ 6,707,523	\$ 6,157,963		TDSIC Plan Filing Attachment CAR-3	
18	Current Year Additions Net of Tax Depr	\$ 108,676,331	\$ 120,218,374	\$ 148,726,380	\$ 167,462,472	\$ 131,192,105	\$ 149,723,145		Line 16 - Line 17	
19	Credit Amount	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%			
20	60% Credit for Gross Additions	\$ 65,205,799	\$ 72,131,024	\$ 89,235,828	\$ 100,477,483	\$ 78,715,263	\$ 89,833,887		Line 18 x Line 19	
21	Net Assessed Value	\$ 43,470,532	\$ 146,125,514	\$ 256,981,320	\$ 381,329,972	\$ 491,025,554	\$ 578,493,327		Line 15 - Line 20	
22	Property Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		Property Tax Rate	
23	Property Tax Expense - Annualized	\$ 1,304,116	\$ 4,383,765	\$ 7,709,440	\$ 11,439,899	\$ 14,730,767	\$ 17,354,800		Line 21 x Line 22	
		TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14	
		11/1/20-10/31/21	11/1/21-10/31/22	11/1/22-10/31/23	11/1/23-10/31/24	11/1/24-10/31/25	11/1/25-10/31/26	11/1/26-10/31/27	11/1/27-10/31/28	
24		\$ 102,502	\$ 1,406,618	\$ 4,486,267	\$ 7,811,942	\$ 11,542,401	\$ 14,833,269	\$ 17,457,302	\$ 17,457,302	Calendar Year + TDSIC 1 Amount
			Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		
Line	Description	2021	2022	2023	2024	2025	2026		Reference	
	Total TDSIC Assets									
	Property Tax Calculation - One Year in Arrears:									
25	Accumulated Additions	\$ 136,832,791	\$ 290,805,195	\$ 480,534,298	\$ 692,505,548	\$ 864,049,835	\$ 1,049,226,119		TDSIC Plan Filing Attachment CAR-3	
26	less Accumulated Tax Depreciation	\$ 6,663,122	\$ 26,456,227	\$ 59,876,953	\$ 107,693,956	\$ 167,831,539	\$ 237,139,742		TDSIC Plan Filing Attachment CAR-3	
27	Accumulated Additions Net of Tax Depr	\$ 130,169,669	\$ 264,348,968	\$ 420,657,345	\$ 584,811,592	\$ 696,218,296	\$ 812,086,377		Line 25 - Line 26	
28	Current Year Additions	\$ 136,832,791	\$ 153,972,404	\$ 189,729,103	\$ 211,971,250	\$ 171,544,287	\$ 185,176,284		TDSIC Plan Filing Attachment CAR-3	
29	less Tax Depreciation on CY Spend	\$ 6,663,122	\$ 7,330,426	\$ 8,783,057	\$ 9,610,200	\$ 8,171,104	\$ 7,417,620		TDSIC Plan Filing Attachment CAR-3	
30	Current Year Additions Net of Tax Depr	\$ 130,169,669	\$ 146,641,979	\$ 180,946,046	\$ 202,361,050	\$ 163,373,183	\$ 177,758,664		Line 28 - Line 29	
31	Credit Amount	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%			
32	60% Credit for Gross Additions	\$ 78,101,802	\$ 87,985,187	\$ 108,567,628	\$ 121,416,630	\$ 98,023,910	\$ 106,655,198		Line 30 x Line 31	
33	Net Assessed Value	\$ 52,067,868	\$ 176,363,781	\$ 312,089,718	\$ 463,394,962	\$ 598,194,386	\$ 705,431,179		Line 27 - Line 32	
34	Property Tax Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		Property Tax Rate	
35	Property Tax Expense - Annualized	\$ 1,562,036	\$ 5,290,913	\$ 9,362,692	\$ 13,901,849	\$ 17,945,832	\$ 21,162,935		Line 33 x Line 34	
		TDSIC 1	TDSIC 3	TDSIC 5	TDSIC 7	TDSIC 9	TDSIC 11	TDSIC 13	TDSIC 14	
		11/1/20-10/31/21	11/1/21-10/31/22	11/1/22-10/31/23	11/1/23-10/31/24	11/1/24-10/31/25	11/1/25-10/31/26	11/1/26-10/31/27	11/1/27-10/31/28	
36		\$ 102,502	\$ 1,664,538	\$ 5,393,415	\$ 9,465,194	\$ 14,004,351	\$ 18,048,334	\$ 21,265,437	\$ 21,265,437	Line 12 + Line 24

INDIANAPOLIS POWER & LIGHT COMPANY																					
TRANSMISSION DISTRIBUTION STORAGE SYSTEM IMPROVEMENT CHARGE (TDSIC)																					
TDSIC Retirements Depreciation Expense Estimate Calculation																					
TDSIC Plan		(A)	(B)		(C)		(D)		(E)		(F)		(G)	(H)	(I)	(J)	(K)				
Projected Retirements			Calendar		Calendar		Calendar		Calendar		Calendar		Calendar								
			Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7						
Line	FERC Account	Depr Rate	2020		2021		2022		2023		2024		2025		2026		Total Plan	Reference			
1	352.00	2.40%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	IPL Fixed Assets Accounting Estimate		
2	353.00	2.53%	\$	1,231,941	\$	3,954,309	\$	1,644,555	\$	341,603	\$	916,047	\$	620,044	\$	1,048,727	\$	9,757,226	IPL Fixed Assets Accounting Estimate		
3	354.00	1.37%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	IPL Fixed Assets Accounting Estimate		
4	356.00	1.20%	\$	51,662	\$	83,569	\$	52,677	\$	60,877	\$	61,263	\$	55,789	\$	38,933	\$	404,770	IPL Fixed Assets Accounting Estimate		
5	362.00	1.61%	\$	1,146,021	\$	2,654,604	\$	1,409,638	\$	1,053,622	\$	1,320,470	\$	1,153,473	\$	537,942	\$	9,275,770	IPL Fixed Assets Accounting Estimate		
6	364.00	2.06%	\$	7,415,217	\$	5,720,125	\$	7,560,967	\$	7,374,609	\$	7,114,649	\$	6,443,123	\$	5,789,027	\$	47,417,717	IPL Fixed Assets Accounting Estimate		
7	365.00	2.35%	\$	1,125,231	\$	863,094	\$	1,305,598	\$	1,418,379	\$	1,168,250	\$	1,258,873	\$	1,134,708	\$	8,274,133	IPL Fixed Assets Accounting Estimate		
8	366.00	2.62%	\$	57,632	\$	57,632	\$	57,632	\$	100,856	\$	86,448	\$	100,856	\$	100,856	\$	561,912	IPL Fixed Assets Accounting Estimate		
9	367.00	2.55%	\$	6,232,198	\$	6,342,870	\$	6,389,583	\$	6,351,738	\$	6,310,125	\$	6,353,246	\$	6,351,297	\$	44,331,057	IPL Fixed Assets Accounting Estimate		
10	368.00	0.65%	\$	1,584,238	\$	1,567,558	\$	2,097,123	\$	2,232,092	\$	1,932,754	\$	2,041,205	\$	1,892,610	\$	13,347,580	IPL Fixed Assets Accounting Estimate		
11	370.00	3.90%	\$	3,899,910	\$	3,899,910	\$	3,899,910	\$	3,899,910	\$	3,899,910	\$	-	\$	-	\$	19,499,550	IPL Fixed Assets Accounting Estimate		
12	Total Estimated Projected Retirments		\$	22,744,050	\$	25,143,671	\$	24,417,683	\$	22,833,686	\$	22,809,916	\$	18,026,609	\$	16,894,100	\$	152,869,715			
TDSIC Plan			TDSIC 1		TDSIC 3		TDSIC 5		TDSIC 7		TDSIC 9		TDSIC 11		TDSIC 13		TDSIC 14				
Projected Retirments			Thru 3/31/20		4/1/20-3/31/21		4/1/21-3/31/22		4/1/22-3/31/23		4/1/23-3/31/24		4/1/24-3/31/25		4/1/25-3/31/26		4/1/26-3/31/27		Total Plan	Reference	
Line	FERC Account	Depr Rate																			
13	352.00	2.40%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
14	353.00	2.53%	\$	13,461	\$	2,207,057	\$	3,376,870	\$	1,318,817	\$	485,214	\$	842,046	\$	727,215	\$	786,545	\$	9,757,226	
15	354.00	1.37%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
16	356.00	1.20%	\$	-	\$	72,554	\$	75,846	\$	54,727	\$	60,974	\$	59,895	\$	51,575	\$	29,200	\$	404,770	
17	362.00	1.61%	\$	-	\$	1,809,672	\$	2,343,363	\$	1,320,634	\$	1,120,334	\$	1,278,721	\$	999,590	\$	403,457	\$	9,275,770	
18	364.00	2.06%	\$	225,925	\$	8,619,323	\$	6,180,336	\$	7,514,378	\$	7,309,619	\$	6,946,768	\$	6,279,599	\$	4,341,770	\$	47,417,717	
19	365.00	2.35%	\$	252,191	\$	1,088,813	\$	973,720	\$	1,333,793	\$	1,355,847	\$	1,190,906	\$	1,227,832	\$	851,031	\$	8,274,133	
20	366.00	2.62%	\$	2,184	\$	69,856	\$	57,632	\$	68,438	\$	97,254	\$	90,050	\$	100,856	\$	75,642	\$	561,912	
21	367.00	2.55%	\$	8,877	\$	7,809,039	\$	6,354,548	\$	6,380,122	\$	6,341,335	\$	6,320,905	\$	6,352,759	\$	4,763,473	\$	44,331,057	
22	368.00	0.65%	\$	387,462	\$	1,588,665	\$	1,699,949	\$	2,130,865	\$	2,157,258	\$	1,959,867	\$	2,004,056	\$	1,419,458	\$	13,347,580	
23	370.00	3.90%	\$	-	\$	4,874,888	\$	3,899,910	\$	3,899,910	\$	3,899,910	\$	2,924,933	\$	-	\$	-	\$	19,499,550	
24	Total CapEx Additions Placed In Service		\$	890,101	\$	28,139,866	\$	24,962,174	\$	24,021,684	\$	22,827,744	\$	21,614,089	\$	17,743,482	\$	12,670,575	\$	152,869,715	
Retired Assets																					
3/31 Cumulative Retired Plant Balance:			TDSIC 1		TDSIC 3		TDSIC 5		TDSIC 7		TDSIC 9		TDSIC 11		TDSIC 13		TDSIC 14				
			3/31/2020		3/31/2021		3/31/2022		3/31/2023		3/31/2024		3/31/2025		3/31/2026		3/31/2027		Reference		
25	352.00	2.40%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	Line 13 Accumulated		
26	353.00	2.53%	\$	13,461	\$	2,220,518	\$	5,597,389	\$	6,916,205	\$	7,401,419	\$	8,243,466	\$	8,970,681	\$	9,757,226	Line 14 Accumulated		
27	354.00	1.37%	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	Line 15 Accumulated		
28	356.00	1.20%	\$	-	\$	72,554	\$	148,400	\$	203,127	\$	264,101	\$	323,995	\$	375,570	\$	404,770	Line 16 Accumulated		
29	362.00	1.61%	\$	-	\$	1,809,672	\$	4,153,035	\$	5,473,669	\$	6,594,003	\$	7,872,724	\$	8,872,314	\$	9,275,770	Line 17 Accumulated		
30	364.00	2.06%	\$	225,925	\$	8,845,248	\$	15,025,584	\$	22,539,961	\$	29,849,580	\$	36,796,348	\$	43,075,947	\$	47,417,717	Line 18 Accumulated		
31	365.00	2.35%	\$	252,191	\$	1,341,005	\$	2,314,725	\$	3,648,518	\$	5,004,365	\$	6,195,270	\$	7,423,102	\$	8,274,133	Line 19 Accumulated		
32	366.00	2.62%	\$	2,184	\$	72,040	\$	129,672	\$	198,110	\$	295,364	\$	385,414	\$	486,270	\$	561,912	Line 20 Accumulated		
33	367.00	2.55%	\$	8,877	\$	7,817,916	\$	14,172,464	\$	20,552,586	\$	26,893,920	\$	33,214,826	\$	39,567,584	\$	44,331,057	Line 21 Accumulated		
34	368.00	0.65%	\$	387,462	\$	1,976,128	\$	3,676,077	\$	5,806,942	\$	7,964,200	\$	9,924,066	\$	11,928,123	\$	13,347,580	Line 22 Accumulated		
35	370.00	3.90%	\$	-	\$	4,874,888	\$	8,774,798	\$	12,674,708	\$	16,574,618	\$	19,499,550	\$	19,499,550	\$	19,499,550	Line 23 Accumulated		
36	Total 3/31 Utility Plant Balance		\$	890,101	\$	29,029,968	\$	53,992,142	\$	78,013,826	\$	100,841,569	\$	122,455,659	\$	140,199,140	\$	152,869,715			
Retired Assets																					
Depreciation Expense:			TDSIC 1		TDSIC 3		TDSIC 5		TDSIC 7		TDSIC 9		TDSIC 11		TDSIC 13		TDSIC 14				
			Thru 3/31/20		4/1/20-3/31/21		4/1/21-3/31/22		4/1/22-3/31/23		4/1/23-3/31/24		4/1/24-3/31/25		4/1/25-3/31/26		4/1/26-3/31/27		Reference		
37	352.00	2.40%			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	(Line 13 x Col A x 50%) + (Prior Line 25 x Col A)		
38	353.00	2.53%			\$	28,260	\$	98,897	\$	158,297	\$	181,118	\$	197,908	\$	217,759	\$	236,908	(Line 14 x Col A x 50%) + (Prior Line 26 x Col A)		
39	354.00	1.37%			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	(Line 15 x Col A x 50%) + (Prior Line 27 x Col A)		
40	356.00	1.20%			\$	435	\$	1,326	\$	2,109	\$	2,803	\$	3,529	\$	4,197	\$	4,682	(Line 16 x Col A x 50%) + (Prior Line 28 x Col A)		
41	362.00	1.61%			\$	14,568	\$	48,000	\$	77,495	\$	97,145	\$	116,457	\$	134,798	\$	146,092	(Line 17 x Col A x 50%) + (Prior Line 29 x Col A)		
42	364.00	2.06%			\$	93,433	\$	245,870	\$	386,925	\$	539,612	\$	686,453	\$	822,685	\$	932,085	(Line 18 x Col A x 50%) + (Prior Line 30 x Col A)		
43	365.00	2.35%			\$	18,720	\$	42,955	\$	70,068	\$	101,671	\$	131,596	\$	160,016	\$	184,443	(Line 19 x Col A x 50%) + (Prior Line 31 x Col A)		
44	366.00	2.62%			\$	972	\$	2,642	\$	4,294	\$	6,465	\$	8,918	\$	11,419	\$	13,731	(Line 20 x Col A x 50%) + (Prior Line 32 x Col A)		
45	367.00	2.55%			\$	99,792	\$	280,377	\$	442,744	\$	604,943	\$	766,387	\$	927,976	\$	1,069,708	(Line 21 x Col A x 50%) + (Prior Line 33 x Col A)		
46	368.00	0.65%			\$	7,682	\$	18,370	\$	30,820	\$	44,756	\$	58,137	\$	71,020	\$	82,146	(Line 22 x Col A x 50%) + (Prior Line 34 x Col A)		
47	370.00	3.90%			\$	95,060	\$	266,169	\$	418,265	\$	570,362	\$	703,446	\$	760,482	\$	760,482	(Line 23 x Col A x 50%) + (Prior Line 35 x Col A)		
48	Total Depr Exp - Annualized		\$	14,320	\$	358,922	\$	1,004,605	\$	1,591,018	\$	2,148,875	\$	2,672,830	\$	3,110,351	\$	3,430,277			
Total Depr Exp - Annualized - Transmission			\$	-	\$	28,695	\$	100,222	\$	160,406	\$	183,921	\$	201,436	\$	221,956	\$	241,590	Sum of Lines 37 - 40		
Total Depr Exp - Annualized - Distribution			\$	14,320	\$	330,227	\$	904,382	\$	1,430,612	\$	1,964,954	\$	2,471,394	\$	2,888,395	\$	3,188,687	Sum of Lines 41 - 47		

REGULATORY MECHANISMS

IPL Witness AMM Attachment 3

ELECTRIC GROUP

IPL 2017 Basic Rates Case

Page 1 of 5

		Type of Adjustment Clause										
		Elec. Fuel/ Purch. Pwr	Conserv. Program Expense	Decoupling		Renew- ables Expense	Environ- mental Compliance	New Capital		Trans- mission Expense	Other	Future Test Year
				Full	Partial			Gener- ation Capacity	Generic Infra- structure			
Holding Company												
1	Algonquin Pwr & Util	√	--	--	√	--	√	--	√	√	Taxes, franchise fees; Renewables mechanism available	P
2	ALLETE	√	√	--	--	√	√	--	--	√		C
3	Alliant Energy	√	√	--	--	√	√	√	√	√	Taxes, franchise fees	C
4	Ameren Corp.	√	√	--	√	√	√	--	√	√	Taxes, franchise fees, bad debts	O,P
5	American Elec Pwr	√	√	--	√	√	√	√	√	√	Taxes, franchise fees, bad debts, vegetation management costs	C,O,P
6	AVANGRID, Inc.	D	√	√	--	√	--	D	--	--	Storm costs	C
7	Black Hills Corp.	√	√	--	√	√	√	√	√	√		O
8	CenterPoint Energy	D	√	--	--	--	--	D	√	√	Franchise fees	--
9	CMS Energy Corp.	√	√	--	--	√	--	--	--	√		C
10	Consolidated Edison	D	--	√	--	√	--	--	--	--		C
11	Dominion Energy	√	√	--	--	√	√	√	--	√	Taxes, franchise fees	--
12	DTE Energy Co.	√	√	--	--	√	--	--	--	√		C
13	Duke Energy Corp.	√	√	--	√	√	√	√	√	√	Taxes, franchise fees, bad debts, storm costs	C,O,P
14	Edison International	√	--	√	--	--	--	--	--	--		C
15	El Paso Electric Co.	√	√	--	--	--	--	√	--	--	Military base discounts	--
16	Entergy Corp.	√	√	--	√	--	√	√	√	√	Taxes, franchise fees, storm costs	O,P
17	Exelon Corp.	D	√	√	√	√	√	D	√	√	Taxes, franchise fees, bad debts, nuclear decomm., societal benefits	O,P
18	IDACORP, Inc.	√	√	√	--	--	--	--	--	--		P
19	NextEra Energy, Inc.	√	√	--	--	--	√	√	--	--	Taxes, franchise fees	C
20	NorthWestern Corp.	√	√	--	--	--	--	--	--	--	Purchased power contracts	--
21	OGE Energy Corp.	√	√	--	√	√	√	--	√	√	Taxes, franchise fees, storm costs, security/safety related costs	--
22	Otter Tail Corp.	√	√	--	--	√	√	--	--	√		C
23	PG&E Corp.	√	--	√	--	--	--	--	--	--		C
24	Pinnacle West Capital	√	√	--	√	√	√	√	--	√	Franchise fees	--
25	Portland General Elec.	√	√	--	√	√	--	--	--	--		C
26	PPL Corp.	√	√	--	√	√	√	--	√	√	Taxes, franchise fees, universal service program costs	O
27	Pub Sv Enterprise Grp.	D	√	--	--	√	√	D	√	--	Taxes, franchise fees, societal benefits	P
28	Southern Company	√	√	--	√	--	√	√	--	--	Taxes, franchise fees, storm costs	C,O
29	Vectren Corp.	√	√	--	√	--	--	--	√	√		--
30	WEC Energy Group	√	--	--	--	--	--	--	--	--	Taxes, franchise fees	C
31	Xcel Energy Inc.	√	√	√	--	√	√	√	√	√	Taxes, franchise fees, university discounts	C

Sources:

IPL Witness AMM Attachment 3, pages 2-5, contain operating company data that are aggregated into the parent company data on this page.

Notes:

D - Delivery-only utility.

C - Fully-forecasted test years commonly used in the state listed for this operating company.

O - Fully-forecasted test years occasionally used in the state listed for this operating company.

P - Partially-forecasted test years commonly or occasionally used in the state listed for this operating company.

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Type of Adjustment Clause (a)														
Holding Company/ Operating Company	Type of Svc	State	Elec. Fuel/ Gas/ Purch. Pwr	Conserv. Program Expense	Decoupling		Renew- ables Expense	Environ- mental Compliance	New Capital		Trans- mission Expense	Other	Future Test Year (b)	
					Full	Partial			Gener- ation Capacity	Generic Infra- structure				
ALGONQUIN PWR. & UTIL.														
Empire District Electric	Elec.	MO	√	--	--	--	--	√	--	--	√	√	P	
Liberty Utilities	Elec.	NH	D	--	--	√	--	--	--	--	√	--	--	
ALLETE														
Minnesota Pwr	Elec.	MN	√	√	--	--	√	√	--	--	√	--	C	
ALLIANT ENERGY														
Interstate P&L	Elec.	IA	√	√	--	--	√	√	--	--	√	√	--	
Wisconsin P&L	Elec.	WI	√	--	--	--	--	--	LIR	LIR	--	√	C	
AMEREN														
Ameren Illinois	Elec.	IL	D	√	--	--	√	√	D	--	√	√	O	
Union Electric	Elec.	MO	√	√	--	√	--	√	--	√	√	√	P	
AMERICAN ELEC PWR														
AEP Texas Central	Elec.	TX	D	√	--	--	--	--	D	√	√	--	--	
AEP Texas North	Elec.	TX	D	√	--	--	--	--	D	√	√	--	--	
Appalachian Pwr	Elec.	VA	√	√	--	--	√	--	√	--	√	√	--	
Indiana Michigan Pwr	Elec.	IN	√	√	--	√	√	√	--	√	√	√	--	
Kentucky Pwr	Elec.	KY	√	√	--	√	√	√	√	--	--	√	O	
Kingsport Power Co.	Elec.	TN	√	--	--	--	--	--	--	--	--	--	C	
Ohio Pwr	Elec.	OH	D	√	--	√	√	--	D	√	√	√	P	
Public Svc Co. of OK	Elec.	OK	√	√	--	√	--	√	--	√	√	√	--	
Southwestern Elec Pwr	Elec.	AR	√	√	--	√	--	√	√	--	--	√	P	
Wheeling Pwr	Elec.	WV	√	√	--	--	√	--	--	√	--	√	--	
AVANGRID														
Central Maine Pwr	Elec.	ME	D	--	√	--	--	--	D	--	--	√	C	
NY State E&G	Elec.	NY	D	--	√	--	√	--	D	--	--	--	C	
Rochester G&E	Elec.	NY	D	--	√	--	√	--	D	--	--	--	C	
United Illuminating	Elec.	CT	D	√	√	--	--	--	D	--	√	--	C	
BLACK HILLS CORP.														
BH Power	Elec.	SD	√	√	--	√	--	√	--	--	√	√	--	
Cheyenne Light	Elec.	WY	√	√	--	√	√	--	--	--	--	√	O	
BH Colorado Elec	Elec	CO	√	√	--	--	√	--	√	√	--	√	--	

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Type of Adjustment Clause (a)														
Holding Company/ Operating Company	Type of Svc	State	Elec. Fuel/ Gas/ Purch. Pwr	Conserv. Program Expense	Decoupling		Renew- ables Expense	Environ- mental Compliance	New Capital		Trans- mission Expense	Other	Future Test Year (b)	
					Full	Partial			Gener- ation Capacity	Generic Infra- structure				
CENTERPOINT ENERGY														
Houston Electric	Elec.	TX	D	√	--	--	--	--	D	√	√	√	--	
CMS ENERGY														
Consumers Energy	Elec.	MI	√	√	--	--	√	--	--	--	√	--	C	
CONSOLIDATED EDISON														
Con Ed of NY	Elec.	NY	D	--	√	--	√	--	D	--	--	--	C	
Orange & Rockland	Elec.	NY	D	--	√	--	√	--	D	--	--	--	C	
DOMINION RESOURCES														
Virginia Electric Power	Elec.	VA	√	√	--	--	√	√	√	--	√	√	--	
DTE ENERGY														
DTE Electric	Elec.	MI	√	√	--	--	√	--	--	--	√	--	C	
DUKE ENERGY														
Duke Energy Carolinas	Elec.	NC	√	√	--	--	√	√	--	--	--	--	--	
Duke Energy Florida	Elec.	FL	√	√	--	--	--	√	√	--	--	√	C	
Duke Energy Indiana	Elec.	IN	√	√	--	√	√	√	√	√	√	√	--	
Duke Energy Kentucky	Elec.	KY	√	√	--	√	√	--	--	--	--	√	O	
Duke Energy Ohio	Elec.	OH	D	√	--	√	√	--	--	√	√	√	P	
Duke Energy Progress	Elec.	SC	√	--	--	--	--	√	--	--	--	--	--	
EDISON INT'L														
Southern California Ed.	Elec.	CA	√	--	√	--	--	--	--	--	--	--	C	
EL PASO ELECTRIC														
El Paso Electric	Elec.	TX	√	√	--	--	--	--	--	√	--	√	--	
ENTERGY CORP.														
Entergy Arkansas Inc.	Elec.	AR	√	√	--	√	--	--	√	√	√	√	P	
Entergy Louisiana LLC	Elec.	LA	√	√	--	√	--	√	√	--	√	√	O	
Entergy Mississippi Inc.	Elec.	MS	√	√	--	√	--	√	--	--	√	√	O	
Entergy New Orleans Inc.	Elec.	LA	√	√	--	√	--	√	√	--	√	√	O	
Entergy Texas Inc.	Elec.	TX	√	√	--	--	--	--	--	√	√	√	--	

REGULATORY MECHANISMS

IPL 2017 Basic Rates Case

ELECTRIC OPERATING COS.

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Type of Adjustment Clause (a)														
Holding Company/ Operating Company	Type of Svc	State	Elec. Fuel/ Gas/ Purch. Pwr	Conserv. Program Expense	Decoupling		Renew- ables Expense	Environ- mental Compliance	New Capital		Trans- mission Expense	Other	Future Test Year (b)	
					Full	Partial			Gener- ation Capacity	Generic Infra- structure				
EXELON CORP.														
Baltimore G&E	Elec.	MD	D	√	√	--	--	--	D	√	--	√	P	
Commonwealth Edison	Elec.	IL	D	√	--	--	√	√	D	√	√	√	O	
PECO Energy	Elec.	PA	D	√	--	--	--	--	D	√	--	√	O	
Atlantic City Electric	Elec.	NJ	D	√	--	--	√	√	D	--	--	√	P	
Delmarva P&L	Elec.	MD	D	√	√	--	--	--	D	√	--	--	P	
Potomac Electric Pwr	Elec.	DC	D	--	--	√	√	--	D	√	--	√	P	
IDACORP														
Idaho Power	Elec.	ID	√	√	√	--	--	--	--	--	--	--	P	
NEXTERA ENERGY, INC.														
Florida Power & Light	Elec.	FL	√	√	--	--	--	√	√	--	--	√	C	
NORTHWESTERN CORP.														
NorthWestern Corp.	Elec.	MT	√	√	--	--	--	--	--	--	--	√	--	
OGE ENERGY														
Oklahoma G&E	Elec.	OK	√	√	--	√	√	√	--	√	√	√	--	
OTTER TAIL CORP.														
Otter Tail Power	Elec.	MN	√	√	--	--	√	√	--	--	√	--	C	
PG&E CORP.														
Pacific G&E	Elec.	CA	√	--	√	--	--	--	--	--	--	--	C	
PINNACLE WEST														
Arizona Public Service	Elec.	AZ	√	√	--	√	√	√	√	--	√	√	--	
PORTLAND GEN. ELEC.														
Portland General Electric	Elec.	OR	√	√	--	√	√	--	--	--	--	--	C	
PPL CORP.														
Kentucky Utilities	Elec.	KY	√	√	--	√	√	√	--	--	--	√	O	
Louisville G&E	Elec.	KY	√	√	--	√	√	√	--	--	--	√	O	
PPL Electric Utilities	Elec.	PA	D	√	--	--	--	--	D	√	√	√	O	
PUB SV ENTERPRISE GRP														
Pub Service E&G	Elec.	NJ	D	√	--	--	√	√	D	√	--	√	P	

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Type of Adjustment Clause (a)														
Holding Company/ Operating Company	Type of Svc	State	Elec. Fuel/ Gas/ Purch. Pwr	Conserv. Program Expense	Decoupling		Renew- ables Expense	Environ- mental Compliance	New Capital		Trans- mission Expense	Other	Future Test Year (b)	
					Full	Partial			Gener- ation Capacity	Generic Infra- structure				
SOUTHERN CO.														
Alabama Power	Elec.	AL	√	--	--	--	--	√	√	--	--	√	C	
Georgia Power	Elec.	GA	√	--	--	--	--	--	√	--	--	--	C	
Gulf Power	Elec.	FL	√	√	--	--	--	√	√	--	--	√	C	
Mississippi Power	Elec.	MS	√	√	--	√	--	√	--	--	--	√	O	
VECTREN CORP.														
Southern Indiana G&E	Elec.	IN	√	√	--	√	--	--	--	--	√	√	--	
WEC ENERGY GROUP														
Wisconsin Electric Pwr	Elec.	WI	√	--	--	--	--	--	--	--	--	√	C	
Wisconsin Public Service	Elec.	WI	√	--	--	--	--	--	--	--	--	√	C	
XCEL ENERGY														
Northern States Pwr	Elec.	MN	√	√	√	--	√	√	--	--	√	--	C	
Northern States Pwr	Elec.	WI	√	--	--	--	--	--	--	--	--	√	C	
Public Svc. Co. of Colorado	Elec.	CO	√	√	--	--	√	√	√	√	--	√	--	
Southwestern Public Svc.	Elec.	TX	√	√	--	--	--	--	--	√	√	√	--	

Sources:

(a) Regulatory Research Associates, Regulatory Focus, "Adjustment Clauses-A State-by-State Overview," Sep. 12, 2017.

(b) Edison Electric Institute, "Alternative Regulation for Emerging Utility Challenges: 2015 Update," Nov. 11, 2015.

Notes:

D - Delivery-only utility.

C - Fully-forecasted test years commonly used in the state listed for this operating company.

O - Fully-forecasted test years occasionally used in the state listed for this operating company.

P - Partially-forecasted test years commonly or occasionally used in the state listed for this operating company.

LIR - Limited issue reopeners.

IPL Attachment CAR-6

Verified Petition – Not Duplicated Herein