FILED
August 29, 2024
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANAPOLIS POWER & LIGHT COMPANY D/B/A AES INDIANA ("AES INDIANA") FOR (1) ISSUANCE TO AES INDIANA OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE ACQUISITION AND DEVELOPMENT BY A WHOLLY OWNED AES INDIANA SUBSIDIARY OF A SOLAR POWER GENERATING FACILITY AND BATTERY ENERGY STORAGE SYSTEM PROJECT TO BE KNOWN AS THE CROSSVINE PROJECT ("THE CROSSVINE PROJECT"); (2) APPROVAL OF THE CROSSVINE PROJECT, INCLUDING A JOINT VENTURE STRUCTURE BETWEEN AN AES INDIANA SUBSIDIARY AND ONE OR MORE TAX EQUITY PARTNERS AND A CONTRACT FOR DIFFERENCES BETWEEN AES INDIANA AND THE PROJECT COMPANY THAT HOLDS AND OPERATES THE SOLAR GENERATION AND STORAGE ASSETS, AS A CLEAN ENERGY PROJECT AND ASSOCIATED TIMELY COST RECOVERY UNDER IND. CODE § 8-1-8.8-11; (3) APPROVAL OF ACCOUNTING AND RATEMAKING FOR THE CROSSVINE PROJECT, INCLUDING AN ALTERNATIVE REGULATORY PLAN UNDER IND. CODE § 8-1-2.5-6 TO FACILITATE AES INDIANA'S INVESTMENT IN THE CROSSVINE PROJECT THROUGH A JOINT VENTURE; AND (4) TO THE EXTENT NECESSARY, ISSUANCE OF AN ORDER PURSUANT TO IND. CODE § 8-1-2.5-5 DECLINING TO EXERCISE JURISDICTION OVER THE JOINT VENTURE, INCLUDING THE PROJECT COMPANY, AS A PUBLIC UTILITY.	)	**CAUSE NO.** 46113

SUBMISSION OF DIRECT TESTIMONY OF KIMBERLY ALIFF

Petitioner Indianapolis Power & Light Company d/b/a AES Indiana ("Petitioner" or "AES Indiana"), by counsel, hereby submits the direct testimony and attachments of Kimberly Aliff.

Respectfully submitted,

Mark R. Alson

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<u>**CERTIFICATE OF SERVICE**</u>

The undersigned hereby certifies that a copy of the foregoing was served this 29th day of August 2024, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

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VERIFIED DIRECT TESTIMONY

OF

KIMBERLY ALIFF

ON BEHALF OF

INDIANAPOLIS POWER & LIGHT COMPANY

D/B/A AES INDIANA

SPONSORING AES INDIANA ATTACHMENTS KA-1, KA-2 & KA-2(C), KA-3 & KA-3(C), AND KA-4 & KA-4(C)

VERIFIED DIRECT TESTIMONY OF KIMBERLY ALIFF

ON BEHALF OF AES INDIANA

1. INTRODUCTION

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

A1. My name is Kimberly Aliff. I am employed by Indianapolis Power & Light Company d/b/a AES Indiana ("AES Indiana", "IPL", or "the Company"). My business address is One Monument Circle, Indianapolis, IN 46204.

Q2. What is your position with AES Indiana?

A2. I am Revenue Requirements Manager in Regulatory Affairs.

Q3. On whose behalf are you submitting this direct testimony?

A3. I am submitting this testimony on behalf of AES Indiana.

Q4. Please describe your duties as Revenue Requirements Manager.

A4. As a Revenue Requirements Manager, I provide financial, technical, and regulatory analysis and I manage or am involved with filings to support various regulatory projects and rate recovery mechanisms. Additionally, I am involved with the planning, development, and analysis of Demand Side Management ("DSM") Programs, as well as tracking and reporting program results. I am a member of AES Indiana's DSM Oversight Board ("OSB").

Q5. Please summarize your educational and professional qualifications.

A5. I have a Bachelor of Science Degree in Accounting and Computer Information Systems from Indiana University and a Master of Business Administration from the University of

Indianapolis. I have also attended various regulated utility training courses such as Edison Electric Institute ("EEI") Utilities Accounting Courses and EEI Electric Rates Courses as well as planning, implementation, and evaluation of DSM programs.

Q6. What is your previous work experience?

A6. I have been an employee of the Company since April 25, 2005. During my tenure with the Company, I worked in various accounting staff roles until 2010, when I transferred to Regulatory Affairs as a Research Analyst and later as a Senior Regulatory Analyst and most recently my current position of Revenue Requirements Manager.

Q7. Have you previously testified before this Commission?

A7. Yes, I have previously testified before the Commission regarding accounting and ratemaking treatment for the Company's Electric Vehicle Sharing Program in Cause No. 44478, and in the Company's requests for a portfolio of Electric Vehicle offerings in Cause Nos. 45509 and 45843. I have also testified regarding cost recovery and cost allocation for AES Indiana's DSM Plans in Cause Nos. 44328, 44497, 44792, 44945, 45370, 45898 and 46081. I have been a witness in the Company's prior Demand Side Management Adjustment (Cause No. 43623-DSM-XX) proceedings beginning with DSM-10 and in the Company's RTO Adjustment proceedings (Cause No. 44808 RTO-4 and RTO-5). I also provided testimony in AES Indiana's electric rate case, IURC Cause No. 45911 ("AES Indiana's most recent rate case").

Q8. Are you familiar with the structure of the Crossvine Project?

A8. Yes, I am generally familiar with the structure of the Crossvine Project. AES Indiana witnesses Raney and N. Miller describe the structure and agreements in detail in their testimony, including the Project Company ("ProjectCo") which will ultimately be owned by a Joint Venture comprised of AES Indiana Sponsor and one or more Tax Equity Partners ("TEP").

Q9. Are you familiar with AES Indiana's petition in this proceeding and the relief that it seeks?

A9. Yes.

Q10. What is the purpose of your testimony in this proceeding?

A10. My testimony discusses the following as it relates to the Crossvine Project:

- I discuss the accounting and ratemaking for the Crossvine Project, including AES Indiana's request for approval pursuant to Ind. Code § 8-1-2.5-6 of the alternative regulatory plan ("ARP") to facilitate the establishment of the Crossvine Joint Venture structure and the reflection in AES Indiana's net original cost rate base of its investment in the Project.
- I discuss the proposed deferral and timely cost recovery of carrying charges on and amortization of the regulatory asset in AES Indiana's annual Environmental Compliance Cost Recovery Adjustment proceedings ("ECR").
- I discuss the deferral and recovery of Project Development Costs, that some Project Development Costs AES Indiana will be incurred prior to receiving a Commission Order and the Commission should approve such expenditures for recovery if the Commission does not approve the proposed Project.
- I discuss the request that the Commission (to the extent necessary and pursuant to Ind. Code § 8-1-2.5-5) declines to exercise its jurisdiction over the Joint Venture

and the ProjectCo that owns the solar generation and battery energy storage assets ("BESS") assets as public utilities.

- I testify that the ARP is in the public interest, is beneficial to customers, and promotes energy utility efficiency.
- I discuss the proposed timely cost recovery for the Contract for Differences ("CfD") to be administered in AES Indiana's Fuel Adjustment Clause ("FAC") proceedings.
- In accordance with Ind. Code § 8-1-8.8-11(B) I explain that the Company's proposed accounting and ratemaking will result in a gross financing costs savings over the life of the Project.
- I present the estimated customer bill impact of the proposed accounting and ratemaking treatment, and testify the proposed accounting and ratemaking reasonably considers affordability consistent with Ind. Code § 8-1-2-0.6.
- Finally, I discuss the ongoing review of the Crossvine Project.

Q11. Are you sponsoring any attachments?

A11. Yes. I am sponsoring the following attachments:

AES Indiana Attachment KA-1 – Publisher's Affidavits.

AES Indiana Attachment KA-2 and KA-2(C)[1] – Estimated Project Development Costs.

AES Indiana Attachment KA-3 and KA-3(C) – Estimated Bill Impact – Project Development Costs in the event the Project is not approved by the Commission.

[1] AES Indiana Attachment KA-2(C) is the confidential version, and this naming convention is used for my other attachments as well.

AES Indiana Attachment KA-4 and KA-4(C) – Crossvine Project Estimated Bill Impact.

Q12. Were these attachments prepared or assembled by you or under your direction and supervision?

A12. Yes.

Q13. Did you submit any workpapers?

A13. Yes. I have submitted workpapers which support my attachments and electronic versions of my attachments in their native format. I have also submitted workpapers that support certain financial information contained in my testimony.

2. ALTERNATIVE REGULATORY PLAN AND TIMELY COST RECOVERY VIA ECR

Q14. Please describe the proposed ARP for the Crossvine Project.

A14. AES Indiana is requesting approval of the following alternative practices, procedures, and mechanisms; and declination of jurisdiction related to the Crossvine Project:

1) Approval of the Joint Venture structure and associated investment. As discussed by AES Indiana witness N. Miller, AES Indiana will not be the owner of the generating and storage assets that make up the Crossvine Project. AES Indiana, through a wholly owned subsidiary, will own a membership interest in the Joint Venture, LLC, which in turn, will own the ProjectCo that owns the solar generation and BESS. This Joint Venture structure ultimately reduces the overall cost of the Project for the benefit of AES Indiana customers.

2) Approval to record the Company's investment in the Crossvine Project as a regulatory asset in FERC Account 182, and record carrying charges on the

regulatory asset balance beginning with AES Indiana's cash investment contribution until such time that the regulatory asset is reflected in customer rates and amortization expense is included in the revenue requirement in a subsequent basic rate case.

3) Authority to include the amortization of the Crossvine regulatory asset and carrying charges for timely cost recovery in the Company's annual ECR filings until the regulatory asset is included in rate base in a subsequent rate case.

4) Approval to include, in its next basic rate case, the unamortized balance of the regulatory asset in net original cost rate base and in the value of its rate base for purposes of Ind. Code § 8-1-2-6 (Valuation of Property).

5) Approval to defer, without carrying charges, approximately $6.4 million of Project Development Costs as a regulatory asset in FERC Account 182. Approval to include, in its next basic rate case, the regulatory asset AES Indiana has recorded for Project Development Costs in net original cost rate base and in the value of its rate base for purposes of Ind. Code § 8-1-2-6. Additionally, if the Crossvine Project is not approved, the Company requests approval to defer, without carrying charges, Project Development Costs incurred prior to the Commission Order, to be included in rate base in AES Indiana's next basic rate case in which the Company requests recovery of through amortization expense and a return on as part of rate base.

6) In addition, to the extent necessary, the Commission is asked to decline to exercise jurisdiction over the Joint Venture, including ProjectCo, as a public utility pursuant to Ind. Code § 8-1-2.5-5.

Q15. In accordance with Ind. Code § 8-1-2.5-6(d), will AES Indiana publish notice of the filing of the petition in this case in a newspaper of general circulation in each county in which AES Indiana provides retail electric service?

A15. Yes. AES Indiana will file the Publisher's Affidavits associated with the notices once all such Affidavits have been received. The Publisher's Affidavits will be offered into evidence as AES Indiana Attachment KA-1.

Q16. Please explain AES Indiana's proposed accounting treatment for its investment in the Crossvine Project.

A16. As just explained, AES Indiana proposes to record its investment in the Crossvine Project as a regulatory asset (Account 182.3), which would be included in rate base in subsequent basic rate cases in order to allow the Company to reflect a return of and return on the investment in its revenue requirement.[2]

AES Indiana proposes to begin the amortization and recovery of the regulatory asset in the Company's existing annual ECR filings. The timely recovery of amortization of the regulatory asset would continue until the regulatory asset is included in rate base in a subsequent rate case. This proposed accounting treatment will reduce the amount of carrying charges accrued to the regulatory asset and the overall balance of the regulatory asset at the time it will be included in rate base in a subsequent rate case and is consistent with the approach approved in AES Indiana's Hardy Hills Project Certificate of Public Convenience and Necessity ("CPCN") case (Cause No. 45493 S1).

[2] See Q/A 14.

Timely recovery of the amortization of the Project investment regulatory asset is consistent with the timely cost recovery afforded to Clean Energy Projects by Ind. Code § 8-1-8.8-11. This statute provides for timely cost recovery as a financial incentive for a Commission-approved renewable energy project.

Q17. What authority is sought with respect to carrying charges?

A17. AES Indiana requests approval to accrue carrying charges on its investment contributions to the Crossvine Project which are recorded as a regulatory asset (Account 182.3) until inclusion in rates. The carrying charges would be calculated using the lower of AES Indiana's weighted average cost of capital ("WACC"), or allowance for funds used during construction ("AFUDC") rate. These rates will be computed and compared quarterly, and any change will be implemented on a prospective basis. As of the time of this filing, the current AFUDC rate is approximately equal to the current WACC and is being used to approximate the carrying charges in this filing.

In order to reduce the carrying charges deferred and included in AES Indiana's next rate case, the Company proposes that pre-commercial operations date ("COD") and post-COD carrying charges will accrue and be included with the regulatory asset for timely recovery in the existing annual ECR filings.

Recovery of carrying charges in the ECR filings would be an efficient mechanism for this purpose. AES Indiana estimates carrying charges to total approximately [redacted] million and [redacted] million to be included in AES Indiana's ECR filings (ECR-39 and ECR-40 respectively) and [redacted] million which would accrue to the regulatory asset as of an anticipated June 2027 in-service date.

This proposal is consistent with the approach approved in AES Indiana's Hardy Hills Project CPCN case (Cause Nos. 45493 and 45493 S1), and Petersburg Energy Center CPCN case (Cause Nos. 45591 and 45832). Such timely cost recovery is also consistent with Ind. Code § 8-1-2-42(a) ("Section 42(a)").

Q18. Why are carrying charges on AES Indiana's investment in the Crossvine Project appropriate?

A18. Carrying charges on the Crossvine Project regulatory asset are consistent with the timely cost recovery afforded to Clean Energy Projects pursuant to Ind. Code § 8-1-8.8-11. As discussed by AES Indiana witness N. Miller, the investment in the Crossvine Project tax equity partnership structure provides value to AES Indiana's customers by, in part, monetizing the investment tax credit ("ITC").[3] The structure of this investment will result in AES Indiana having an investment in the subsidiary entities rather than an investment in Company owned utility plant. Alternatively, AES Indiana could purchase additional generation the traditional way, which would undoubtedly be considered used and useful utility plant, but the value of the ITC would be significantly diminished. In other words, AES Indiana's investment in the Crossvine Project under the traditional approach would be higher, reflecting the full purchase price with significantly lower tax benefit.

Q19. Why is the accounting and ratemaking treatment for AES Indiana's investment in the Crossvine Project reasonable?

A19. Under the proposed Joint Venture structure, AES Indiana is not the direct owner of the Project. Consequently, the generating and storage assets will not reside in AES Indiana's

[3] AES Indiana witness N. Miller Direct Testimony at Q/A 19.

Utility Plant In Service balance to be included in rate base in subsequent rate cases, nor will AES Indiana record depreciation expense on its Income Statement. However, as previously discussed, the Joint Venture structure allows AES Indiana to meet its capacity need at a lower cost by maximizing the benefit of the renewable project's ITC.[4] Maximizing the tax benefit enhances the value of AES Indiana's retail services for customers. The proposed accounting is reasonable and necessary to provide AES Indiana with the opportunity to earn a full return on its investment and recover the investment over time. See AES Indiana witness N. Miller's testimony for an estimate of the value realized from monetizing the ITC.[5]

3. PROJECT DEVELOPMENT COSTS

Q20. What are Project Development Costs?

A20. The Project Development Costs include revenue requirement modeling, document management, RFP support, the interconnection study, legal, and other costs as shown in my attachment.[6] These costs are necessarily incurred to develop the Project to the extent that allows the Commission to assess the reasonableness of the Project, define the Project scope to the point that the Best Estimate can be determined and contracts can be awarded, and allow construction to begin within a reasonable time following Commission approval of the Project. AES Indiana estimates incurring a total of $6.4 million of costs to select, develop, and execute the Crossvine Project. See AES Indiana Attachment KA-2 and KA-2(C) for a list and description of these costs by vendor.

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[4] See Q/A 18.

[5] AES Indiana witness N. Miller Direct Testimony at Q/A 18.

[6] AES Indiana Attachment KA-2 and KA-2(C).

Q21. Please describe the relief AES Indiana seeks with respect to Project Development Costs.

A21. AES Indiana is proposing to defer, without carrying charges, the Project Development Costs, and proposes to amortize the regulatory asset over approximately 25 years to coincide with the estimated useful life of the Project. The amortization would commence at the time the asset is reflected in rate base in AES Indiana's next rate case. This approach is consistent with what would occur if the Company were to own the assets.

For an asset owned directly by the utility, development costs would be recorded to FERC Account 183, Preliminary Survey and Investigation Charges. Upon construction, these costs are then recorded to the same property accounts as the underlying Project. In accordance with Generally Accepted Accounting Principles ("GAAP"), such costs are not able to be capitalized by the ProjectCo which is not a utility. As such and because AES Indiana does not own the assets directly, AES Indiana proposes to record a regulatory asset for costs incurred. This will allow AES Indiana to fully recover the costs associated with making the investment.

Ind. Code § 8-1-8.8-11 provides for "other financial incentives the commission considers appropriate" to encourage Clean Energy Projects. The deferral and future recovery of Project Development Costs are consistent with this part of the statutory framework.

In the event the Commission does not approve the Crossvine Project as proposed by the Company, AES Indiana requests the Commission authorize the deferral of the Project Development Costs, without carrying charges, in a regulatory asset for future recovery via amortization in a future basic rate case. The annual revenue requirement impact of this deferral includes the return on the regulatory asset and recovery of the amortization over three years. See AES Indiana Attachment KA-3 and KA-3(C) (line 34) for the rate impact by customer class on a per MWh basis. In the event the Project is not approved, this estimated revenue requirement impact equates to approximately $0.15 per month for a Residential customer using 1,000 kWh each month, which is an increase over current base rates of approximately 0.1%.

4. DECLINATION OF JURISDICTION

Q22. Please explain AES Indiana's request for the Commission to decline to exercise its jurisdiction over the Joint Venture and ProjectCo.

A22. AES Indiana witness N. Miller discusses the legal structure of the Joint Venture, including ProjectCo.[7] As he explains, the Joint Venture will not be the title owner of the Crossvine Project. The Joint Venture will not own the facilities that provide electricity to AES Indiana. Rather, the Joint Venture will own the Crossvine ProjectCo, which will own the solar generation and energy storage facilities. AES Indiana Sponsor will be the managing member of the Joint Venture, LLC and AES Indiana will control AES Indiana Sponsor with respect to this role.

AES Indiana will pay through the CfD the difference between the MISO market price of energy and the CfD fixed price to the Crossvine ProjectCo. As further discussed by AES Indiana witness Garavaglia, the CfD includes a monthly capacity payment based on the operating capacity of the Project.[8] In AES Indiana Attachment KA-4 and KA-4(C), this amount is reflected in the per MWh CfD price.[9]

[7] AES Indiana witness N. Miller Direct Testimony at Q/A 20.

[8] AES Indiana witness Garavaglia Direct Testimony at Q/A 29.

[9] Attachment KA-4 and KA-4(C) Line 42.

As such, the Commission should find that the Joint Venture, including ProjectCo, is not a "public utility." Joint Venture will own the Crossvine ProjectCo, which will own the facilities and financially contract with AES Indiana through the CfD. Joint Venture will not operate, manage, or control those electric generation facilities. To the extent the Commission disagrees and the Joint Venture, including ProjectCo, could be deemed a "public utility," AES Indiana requests that Joint Venture, including ProjectCo, become subject to Ind. Code § 8-1-2.5-5, and requests the Commission to decline to exercise its jurisdiction over the Joint Venture, including ProjectCo.

Under the circumstances of this arrangement, the Commission's exercise of jurisdiction of AES Indiana, and the regulation by FERC, render the exercise of jurisdiction by this Commission over Joint Venture, including ProjectCo, as a public utility unnecessary or wasteful. Declining to exercise jurisdiction will promote energy utility efficiency by avoiding this unnecessary regulation and allowing AES Indiana to invest in economic renewable generation. Declining to exercise jurisdiction will be beneficial to the Joint Venture, AES Indiana, AES Indiana's customers, and the State of Indiana. Finally, the exercise of the Commission's jurisdiction over the Joint Venture, including ProjectCo as a public utility, would increase the regulation of this entity unnecessarily, and this in turn, would burden AES Indiana's implementation of the Project.

Accordingly, to the extent necessary, the Commission should issue an Order declining to exercise its jurisdiction over Joint Venture, including ProjectCo, as a public utility. Crossvine ProjectCo will become an affiliated interest of AES Indiana. The Commission should maintain the declination of jurisdiction issued to ProjectCo in the Commission's February 21, 2024 Final Order in Cause No. 45977. Granting this relief is consistent with the Commission's Order in Cause No. 45493 approving the Company's Hardy Hills Project, and Cause Nos. 45591/45832 approving the Petersburg Energy Center.

5. PUBLIC INTEREST

Q23. How is "public interest" considered in Ind. Code § 8-1-2.5-5 and Ind. Code § 8-1-2.5-6?

A23. Ind. Code § 8-1-2.5-5(b) provides guidance related to the determination of whether the public interest will be served:

> (b) In determining whether the public interest will be served, the commission shall consider the following:
>
> (1) Whether technological or operating conditions, competitive forces, or the extent of regulation by other state or federal regulatory bodies render the exercise, in whole or in part, of jurisdiction by the commission unnecessary or wasteful.
>
> (2) Whether the commission's declining to exercise, in whole or in part, its jurisdiction will be beneficial for the energy utility, the energy utility's customers, or the state.
>
> (3) Whether the commission's declining to exercise, in whole or in part, its jurisdiction will promote energy utility efficiency.
>
> (4) Whether the exercise of commission jurisdiction inhibits an energy utility from competing with other providers of functionally similar energy services or equipment.

Q24. Is the ARP in the "public interest" as that term is used in Ind. Code § 8-1-2.5-6(a)(1)(A)?

A24. Yes. As explained above, the ARP allows AES Indiana to invest in renewable energy in a way that reduces overall costs of the Project for the benefit of customers.

The ARP promotes energy utility efficiency by reducing the overall cost of the investment while recognizing the need to earn a return of and on the investments. The Crossvine Project also promotes utility efficiency by diversifying AES Indiana's generating portfolio and providing an investment in a generating profile that differs from the Company's existing generation without a direct cost of fuel.

The requested ARP serves the public interest by being beneficial to the Company, customers, and the State of Indiana. Approval of the ARP will allow AES Indiana to move forward with the development of this Indiana-located new solar generation and BESS assets. The renewable project benefits customers by providing energy, capacity, and renewable energy certificates ("RECs"). These RECs can then be utilized to serve customers or monetized to lower the overall cost of the Project to customers. The benefits of this Project are further discussed by AES Indiana witnesses Garavaglia and E. Miller.[10]

Q25. How does AES Indiana's proposed Joint Venture and participation in the Crossvine Project enhance or maintain the value of AES Indiana's retail electric energy services or property as discussed in Ind. Code § 8-1-2.5-6(a)(1)(B)?

A25. In addition to being in the public interest, investing in renewable energy and maximizing the tax benefits enhances the value of AES Indiana's retail services for customers as described above. Without the Joint Venture structure, AES Indiana's investment would be much greater due to reduced tax benefits. As the managing member of the Joint Venture, AES Indiana's wholly owned subsidiary will have operational control of the renewable energy project. The proposed structure provided by the ARP facilitates AES Indiana's economic investment in renewable generation for the benefit of customers, while maintaining operational control of that generation through the AES Indiana Sponsor of the Joint Venture. Having renewable generation investment in AES Indiana's portfolio used to

[10] AES Indiana witness Garavaglia Direct Testimony at Q/As 38-40 and AES Indiana witness E. Miller Direct Testimony at Q/As 38 and 54.

serve customers at a desirable physical location is an enhancement to AES Indiana's retail electric services and property.

Q26. Why is it in the public interest for AES Indiana to include its investment in the Crossvine Project in rate base for ratemaking purposes?

A26. It is only through inclusion in rate base that AES Indiana will be provided the opportunity to earn a return on its investment in the Project. As previously discussed, it is in the public interest for AES Indiana to make the investment under this structure to utilize attractive capital provided by a TEP that can take advantage of the tax benefits offered to renewable energy projects. This structure, and the requested accounting and ratemaking treatment, allows AES Indiana to secure renewable cost-effective generation while mitigating the rate impact on AES Indiana's customers.

Q27. In summary, why should the Commission approve AES Indiana's proposed Joint Venture structure and ARP in order to implement the Crossvine Project?

A27. As stated above, Ind. Code § 8-1-2.5-6 authorizes the adoption of alternative regulatory practices, procedures, and mechanisms found by the Commission to be in the public interest, and to enhance or maintain the value of the energy utility's retail energy services or property. The Joint Venture structure and each element of the requested ARP are in the public interest as previously described. The ARP promotes energy utility efficiency, and Commission approval of the ARP will be beneficial to AES Indiana, customers, and the State of Indiana while reducing overall cost.

6. TIMELY COST RECOVERY FOR CONTRACT FOR DIFFERENCES BETWEEN AES INDIANA AND PROJECT COMPANY

Q28. AES Indiana witnesses Garavaglia and N. Miller describe the CfD associated with the Crossvine Joint Venture. How does AES Indiana propose to recover the costs of the CfD?

A28. AES Indiana requests the Commission to authorize recovery of the CfD costs net of credits from retail customers via a rate adjustment mechanism in accordance with Ind. Code § 8-1-8.8-11. As previously discussed, this statute provides for timely cost recovery as a financial incentive for a Commission-approved renewable energy project. Such timely cost recovery is also consistent with Section 42(a). As discussed above, the CfD includes a monthly capacity payment based on the operating capacity of the Project. In AES Indiana Attachment KA-4 and KA-4(C), this amount is reflected in the per MWh CfD price.

AES Indiana proposes that the timely recovery of the contract costs and credits be administered in conjunction with and contemporaneously with its quarterly FAC proceedings. AES Indiana proposes the timely cost recovery be accomplished by treating the cost of the CfD as a cost to be recovered in a fashion similar to the FAC mechanism, where the cost is recovered based on the forecasted cost for a particular quarter subject to reconciliation in a subsequent quarter.

Although AES Indiana is proposing to have the cost recovery administered through its FAC, this cost recovery would not be subject to the Section 42(d)(1) test or any FAC benchmarks, including the benchmark approved by the Commission in IURC Cause No. 43414.

This timely cost recovery is consistent with the recovery mechanism approved in Cause Nos. 45493 for the Company's Hardy Hills Project and 45591 for the Petersburg Energy

Center. Administering this cost recovery via the FAC proceedings would allow it to be folded into an existing docket rather than the creation of new dockets.

Q29. How does AES Indiana propose treating cash distributions from the Joint Venture to AES Indiana?

A29. As the Joint Venture accumulates distributable cash, it may make cash distributions to its owners. Because a wholly owned AES Indiana subsidiary will be the Sponsor of the Joint Venture, LLC, AES Indiana will receive its ownership share of those distributions. Cash accumulation may be caused by cash inflows for the sales of energy in the MISO market, and from AES Indiana in the CfD exceeding cash expenses for extended periods of time. AES Indiana proposes to record cash distributions to benefit AES Indiana customers. AES Indiana proposes to flow funds distributed to AES Indiana from the Joint Venture to AES Indiana customers in a timely manner administered through AES Indiana's FAC in a similar method as the cash flows for the CfD. AES Indiana witness Garavaglia's Figure 1 illustrates the cash flows between AES Indiana and the other entities in the Crossvine Project corporate structure.

Q30. Will the Crossvine Project impact AES Indiana's Off System Sales margins?

A30. No. Because the Crossvine Project will be selling directly into the MISO market, and the CfD transaction as discussed by AES Indiana witness Garavaglia is a financial one, AES Indiana will not make off system sales from the Crossvine Project.[11] Any Project sales to MISO will be considered in AES Indiana's CfD payment to the ProjectCo.

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[11] AES Indiana witness Garavaglia Direct Testimony at Q/A 26.

Q31. Has AES Indiana calculated the estimated customer bill impact of AES Indiana's requested accounting treatment for the Crossvine Project?

A31. Yes. On AES Indiana Attachment KA-4 and KA-4(C), AES Indiana has estimated the approximate bill impact of the proposed accounting and ratemaking treatment for the following:

1. AES Indiana's investment in the Crossvine Project including carrying charges and total Project Development Costs ([redacted] million).
2. The CfD and ProjectCo cash distributions that would be charged or credited to AES Indiana customers as part of the FAC filings.

This illustrative calculation begins with the first assumed month of Project investment and goes through the approximate in-service date of June 2027 and reflects amortization of the regulatory assets over a period of approximately 25 years. As discussed above, this estimate also assumes that carrying charges would be included in the annual ECR filings starting with ECR-39. Carrying charges of approximately [redacted] million are estimated to accrue on the regulatory asset.[12] While the Company is also proposing to include amortization of the regulatory asset in the ECR filings, amortization in the ECR would begin after the period included in the bill impact calculation. Amortization of the regulatory asset would be included in the ECR filing that occurs after the in-service date of the Project (ECR-41).

For both the calculation of carrying charges and the amortization period, AES Indiana has made an illustrative assumption that the Crossvine Project regulatory asset will be reflected in rates in the ECR filing. As there is not perfect timing of aligning the in-service date with

[12] See Q/A 17.

a next rate case, there would be additional carrying charges that would accrue to the regulatory asset beyond what is captured in the bill impact calculation if a rate case uses a regulatory asset balance as of a date later than assumed.

If AES Indiana were not to recover a portion of the carrying charges through the ECR filings, the amount of carrying charges that would accrue on the regulatory asset is estimated to be $[redacted] million for the same period included in Attachment KA-4 and KA-4(C).

AES Indiana Attachment KA-4 and KA-4(C) also shows an estimate of the rate impact of the CfD and ProjectCo cash distributions that would be charged or credited to AES Indiana customers as part of the FAC filings using 2028 as a basis for this calculation. The calculations assume a CfD price of $[redacted] per MWh as an indicative price and reflect a credit to AES Indiana customers for REC sales. This CfD price includes a monthly capacity payment based on the operating capacity of the BESS.

AES Indiana Attachment KA-4 and KA-4(C) also shows the net bill impact by customer class on a per MWh basis. This estimated revenue requirement equates to approximately $2.29 per month for a Residential customer using 1,000 kWh each month, which is an increase over current base rates of approximately 1.7%. The resulting net impact of the regulatory asset, CfD, and ProjectCo cash distribution treatment, which AES Indiana is requesting, is estimated to result in a revenue requirement of approximately $29.4 million in 2028.

Q32. Has AES Indiana calculated the impact of including carrying charges in the annual ECR filings?

A32. Yes. For a Residential customer using 1,000 kWh each month the impact of recovering carrying charges through the ECR rider is estimated to be 0.6% in ECR-39; and increase to 1.4% impact per month in ECR-40. As a result of the proposed ECR recovery of the amortization and carrying charges, the estimated amount of the regulatory asset will be lower in the Company's next basic rate case than if the amortization and carrying charges were not included in the ECR.

7. INDIANA HOUSE ENROLLED ACT ("HEA") 1421

Q33. Are you familiar with HEA 1421 codified as Ind. Code § 8-1-8.8-11?

A33. Yes. This enrolled Act amended Ind. Code § 8-1-8.8-11 to provide:

> The commission may not approve a financial incentive under this subdivision unless the commission finds that the eligible business has demonstrated that the timely recovery of costs and expenses incurred during the construction and operation of the project:
>
> (A) is just and reasonable; and
> (B) in the case of construction financing costs, will result in a gross financing costs savings over the life of the project.

Q34. Does the Company's proposed financial incentive satisfy this requirement?

A34. Yes. The financial incentives AES Indiana is seeking related to the Crossvine Project are the proposed deferral of AES Indiana's investment in the Crossvine Project and timely cost recovery of amortization of the regulatory asset and carrying charges on the regulatory asset in the annual ECR, as well as the proposed timely cost recovery of CfD costs net of credits to be administered in AES Indiana's FAC proceedings. These incentives are just and reasonable as described above.[13] In the case of carrying charges accrued to the regulatory asset, timely cost recovery through the ECR results in a carrying charge savings

[13] See Q/As 18, 19, and 27.

of approximately $[redacted] million. In total, $[redacted] million of carrying charges is estimated to be included in future ECR filings. Additionally, timely cost recovery of amortization of the regulatory asset results in gross financing cost savings over the life of the Project by providing the Company recovery of the investment in the Crossvine Project earlier, which reduces interest expense over time. Timely cost recovery also enables rate impacts to be more gradual to help minimize customer rate impact.

8. AFFORDABILITY PILLAR

Q35. Are you familiar with Ind. Code § 8-1-2-0.6?

A35. Yes. AES Indiana witness Garavaglia discusses this Statute and presents the index required by the Commission's General Administrative Order ("GAO") 2023-04.[14] My testimony below discusses the Affordability Pillar in terms of customer bill impact.

Q36. Please elaborate on why the Crossvine Project reasonably considers and is consistent with the Affordability Pillar.

A36. As discussed above, the monthly impact of the Crossvine Project per month for a Residential customer using 1,000 kWh each month is an approximate $2.29 or 1.7% increase over current base rates.[15] The bill impact calculation reflects the cost mitigating impacts of the ITC and demonstrates that the proposed accounting and ratemaking reasonably considers affordability. The Company proposes timely cost recovery through the ECR filing, which utilizes the Commission-approved customer allocation factors from AES Indiana's most recent approved rate case (Cause No. 45911). Additionally, inclusion

[14] AES Indiana witness Garavaglia Direct Testimony at Q/As 36, 42.

[15] See Q/A 31.

of the CfD in the FAC proceedings allows for recovery across all classes through a per MWh charge or credit. As such, the Company's proposals result in rates for retail electric utility service that are competitive across residential, commercial, and industrial customer classes. This approach is consistent with the Affordability Pillar, which is also addressed by Company witnesses Garavaglia and E. Miller.[16]

Q37. How will the Crossvine Project affect AES Indiana's rates as compared to the other Investor Owned Utilities in the State?

A37. Figure 1 below is a chart from the 2024 Electric Utility Residential Bill Survey that demonstrates AES Indiana has the second lowest residential customer bills for 2024 and the lowest residential customer bills for 2023.

Figure 1: July 2023 and 2024 Indiana Investor-Owned Utilities Residential Customer Bills for 1000 kWh Usage

Investor Owned Utilities	2024	2023	% Change
AES Indiana	$ 141.29	$ 126.31	11.86%
CenterPoint Energy Indiana South	$ 176.75	$ 165.00	7.12%
Duke Energy Indiana, LLC	$ 130.06	$ 128.79	0.98%
Indiana Michigan Power Company d/b/a AEP	$ 160.30	$ 163.75	-2.10%
Northern Indiana Public Service Company, LLC	$ 184.33	$ 156.44	17.83%
IOU Averages	**$ 158.55**	**$ 148.06**	**7.09%**

As identified above, the monthly impact of the Crossvine project for a residential customer using 1,000 kWh per month is an approximate $2.29 over base rates, which would result in an approximate $143.58 monthly bill using the July 2024 bill amount. Thus, with the bill impact from the Crossvine Project added, AES Indiana would still have the second lowest residential customer bill for 1,000 kWh amongst the Indiana Investor-Owned Utilities.

[16] AES Indiana witness Garavaglia Direct Testimony at Q/A 38, AES Indiana witness E. Miller Direct Testimony at Q/A 20,21, and 53.

9. ONGOING REVIEW

Q38. Please discuss the Company's proposed ongoing reporting.

A38. AES Indiana proposes that the Commission maintain an ongoing review of the construction of the Project as it proceeds. AES Indiana proposes to submit semi-annual progress reports to the Commission during construction, including any revisions to the cost estimates for the Project cost (subject to protection of confidential information). The final Project report will contain the following information: (a) the actual total cost of construction; (b) the total megawatt output for the Project; and (c) the actual in-service (commercial operation) date for the Project. AES Indiana will also file the executed EPC Agreement, CfD, and the Joint Venture, LLCA, and TEP Membership Interest Purchase Agreement ("MIPA") (subject to protection of confidential information). The Company proposes to file these reports in this docket.

The Company proposes to start filing these reports 90 days after a Commission decision in this proceeding approving the Project and will file semiannually thereafter. Should circumstances arise that in the Company's opinion warrant a Commission decision, the Company reserves the right to file a petition seeking such relief.

10. CONCLUSION

Q39. In your opinion, is the requested accounting and ratemaking relief, including the ARP, declination of jurisdiction, and timely cost recovery as proposed above reasonable?

A39. Yes. The requests made in this filing lower the overall cost of the Project for the benefit of AES Indiana's customers. This Joint Venture structure ultimately reduces the overall cost of the Project for the benefit of AES Indiana customers. The requested ARP serves the public interest by being beneficial to the Company, customers, and the State of Indiana. The Project Development Costs and AES Indiana's proposal to defer these costs as a regulatory asset for future recovery is reasonable and should be approved. The accounting and ratemaking relief allows for AES Indiana to recover the cost of its investment plus a fair return on the investment, allows for the timely recovery of deferred carrying charges and amortization, timely recovery of the CfD payments, and allows for the timely credit to customers of Joint Venture cash distributions.

Q40. Does that conclude your prepared verified direct testimony?

A40. Yes.

VERIFICATION

I, Kimberly Aliff, Revenue Requirements Manager affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information, and belief.

Kimberly Aliff

Kimberly Aliff
Dated: August 29, 2024

AES Indiana Attachment KA-1

Publisher's Affidavits

(WILL BE FILED ONCE RECEIVED)

AES Indiana
Project Development Costs for Crossvine Project

Column	(a)	(b)	(c)	(d)	(e)	(f)
			Actual Costs Incurred			
				Remaining Forecast -		
				Through End May	Remaining Forecast -	
Line	**Vendor**	**Description**	**As of 7/31/2024**	**2025**	**After May 2025**	**Total**
1	Concentric Energy Advisors	Revenue Requirement Modeling - RFP	[redacted]			
2	Concentric Energy Advisors	Revenue Requirement Modeling - CPCN				
3	Datasite	Document Management				
4	Sargent & Lundy	All Source RFPs and New Generation Project Support				
5	Siemens	Interconnection Study				
6	Barnes & Thornburg LLP	New Generation Project Development Legal Contract Negotiation, Due Diligence and Closing Work				
7	Deloitte (Tax & Other)	Tax and Accounting Modeling and Review				
8	Tax Equity Partnership Law Firms	Tax Equity Partnership Legal Work				
9	To Be Determined	Appraisal & Cost Segregation Report				
10	To Be Determined	TEP Insurance Consultant Report				
11	To Be Determined	Engineering Development Cost (30%)				
12	To Be Determined	Supplemental studies (Geotech, Corrosion study, Drain tile, surveys and others)				
13	To Be Determined	Land survey and Title Company work				
14	AES US Services /AES Clean Energy	Due Diligence/Pre-Construction Internal Labor				
15	To be Determined	MISO Material Modification Study Fees				
	Total		**$ 1,144,832**	**$ 3,462,292**	**$ 1,750,000**	**$ 6,357,124**

AES Indiana
Crossvine Project
Project Development Costs Bill Impact

Line	Estimated Impact of Regulatory Asset		Amount	Reference
	(a)		(b)	(c)
1	**Allowed Return on Rate Base**			
2	Rate Base Impact	$	4,607,124	Regulatory Asset Total KA-2
3	AES Indiana Weighted Average Cost of Capital (Cause No. 45911)		6.75%	WP2.1
4	Annual Allowed Return on Rate Base	$	310,981	Line 2 * Line 3
5	Revenue Conversion Factor		1.22077	AES Indiana ECR-37
6	**Adjusted For Revenue Conversion Factor - Annual Allowed Return on Rate Base**	**$**	**379,636**	**Line 4 * Line 5**
7	**Amortization Expense**			
8	Annual Amortization Expense	$	1,535,708	Annual Amortization (3 yr amortization)
9	Revenue Conversion Factor		1.00505	AES Indiana ECR-37
10	**Adjusted For Revenue Conversion Factor - Annual Amortization Expense**	**$**	**1,543,463**	**Line 8 * Line 9**
11	**Project Impact - Annual Revenue Requirement**	**$**	**1,923,099**	**Line 6 + Line 10**
12	**Customer Class Allocation**			
13	Residential		44.00%	Cause No. 45911
14	Small Commercial & Industrial		14.39%	Cause No. 45911
15	Large Commercial & Industrial Secondary Rate (Other)		24.06%	Cause No. 45911
16	Large Commercial & Industrial Primary Rate (PL, HL)		17.31%	Cause No. 45911
17	Lighting		0.24%	Cause No. 45911
18	**Total**		**100.00%**	**Sum Lines 13 through 17**
19	**Annual Revenue Requirement by Class**			
20	Residential	[redacted]		Line 11 * Line 13
21	Small Commercial & Industrial			Line 11 * Line 14
22	Large Commercial & Industrial Secondary Rate (Other)			Line 11 * Line 15
23	Large Commercial & Industrial Primary Rate (PL, HL)			Line 11 * Line 16
24	Lighting			Line 11 * Line 17
25	**Total**			**Sum Lines 20 through 24**
26	**Annual Forecasted Usage Volume (MWh) by Class (Jan 2028 - Dec 2028)**			
27	Residential	[redacted]		WP3 - 12 ME 2028 (Total Residential Sales)
28	Small Commercial & Industrial			WP3 - 12 ME 2028 (Total Small C&I Sales)
29	Large Commercial & Industrial Secondary Rate (Other)			WP3 - 12 ME 2028 (Total Large C&I Secondary Sales)
30	Large Commercial & Industrial Primary Rate (PL, HL)			WP3 - 12 ME 2028 (Total Large C&I Primary Sales)
31	Lighting			WP3 - 12 ME 2028 (Total Lighting Sales)
32	**Total**			**Sum Lines 27 through 31**
33	**Forecasted Bill Impact per MWh by Class**			
34	Residential	$	0.150	Line 20 / Line 27
35	Small Commercial & Industrial	$	0.152	Line 21 / Line 28
36	Large Commercial & Industrial Secondary Rate (Other)	$	0.135	Line 22 / Line 29
37	Large Commercial & Industrial Primary Rate (PL, HL)	$	0.120	Line 23 / Line 30
38	Lighting	$	0.084	Line 24 / Line 31
39	**Total**	**$**	**0.140**	**Line 25 / Line 32**
40	**Residential Bill (no riders)**	**$**	**136.62**	**Cause No. 45911**
41	**Percent Impact of Project on Monthly Residential Bill for 1,000 kWI**		**0.1%**	**Line 34 / Lin 40**

AES Indiana
Crossvine Project Estimated Bill Impact

Column	(a)	(b)	(c)
	Estimated Impact of Regulatory Assets		
Line	**Annual Amortization Expense**		**Reference**
1	Investment In Crossvine Regulatory Asset Balance	[redacted]	AES Indiana Witness KA Confidential Workpaper 1
2	Less Substation Land Purchase	$ -	Not Applicable for Crossvine
3	Investment In Crossvine Regulatory Asset Balance (Net of Land Purchase)	[redacted]	ine 1 + Line 2
4	Crossvine Project Development Costs Regulatory Asset Balance	$ 6,357,124	AES Indiana Attachment KA-2
5	Total Crossvine Regulatory Assets Balance for Amortization	[redacted]	ine 3 + Line 4
6	Amortization Period - Useful life (years)	25	
7	Annual Amortization Expense	[redacted]	Line 5/Line 6
8	Revenue Conversion Factor for Expense	1.00505	AES Indiana ECR-37
9	**Adjusted For Revenue Conversion Factor - Annual Amortization Expense**	[redacted]	ine 7 x Line 8
	Allowed Return on Regulatory Asset in Rate Base		
10	Total Crossvine Regulatory Assets Balance for Amortization	[redacted]	ine 5
11	Substation Land Purchase	$ -	Not Applicable for Crossvine
12	Total Crossvine Regulatory Assets Balance including Land Purchase	[redacted]	ine 10 + Line 11
13	AES Indiana Weighted Average Cost of Capital as of 9/30/2023	6.75%	AES Indiana Witness KA Workpaper 2.1
14	Allowed Return on Regulatory Asset in Rate Base	[redacted]	ine 12 x Line 13
15	Revenue Conversion Factor for Capital	1.2077	AES Indiana ECR-37
16	**Adjusted For Revenue Conversion Factor - Allowed Return on Regulatory Asset in Rate Base**	[redacted]	Line 14 x Line 15
17	**Regulatory Asset Impact - Annual Revenue Requirement**	[redacted]	Line 9 + Line 16
	Customer Class Allocation from AES Indiana ECR Filings		
18	Residential	44.00%	AES Indiana Cause No. 45911 Settlement Agreement
19	Small Commercial & Industrial	14.39%	AES Indiana Cause No. 45911 Settlement Agreement
20	Large Commercial & Industrial Secondary Rate (Other)	24.06%	AES Indiana Cause No. 45911 Settlement Agreement
21	Large Commercial & Industrial Primary Rate (PL, HL)	17.31%	AES Indiana Cause No. 45911 Settlement Agreement
22	Lighting	0.24%	AES Indiana Cause No. 45911 Settlement Agreement
23	**Total**	100.00%	Sum of Lines 18 - 22
	Regulatory Asset Impact - Annual Revenue Requirement by Class		
24	Residential	[redacted]	Line 17 x Line 18
25	Small Commercial & Industrial		Line 17 x Line 19
26	Large Commercial & Industrial Secondary Rate (Other)		Line 17 x Line 20
27	Large Commercial & Industrial Primary Rate (PL, HL)		Line 17 x Line 21
28	Lighting		Line 17 x Line 22
29	**Total**		Sum of Lines 24 - 28
	Annual Forecasted Usage Volume (MWh) by Class (Jan 2028 - Dec 2028)		
30	Residential	[redacted]	AES Indiana Witness KA Confidential Workpaper 3
31	Small Commercial & Industrial		AES Indiana Witness KA Confidential Workpaper 3
32	Large Commercial & Industrial Secondary Rate (Other)		AES Indiana Witness KA Confidential Workpaper 3
33	Large Commercial & Industrial Primary Rate (PL, HL)		AES Indiana Witness KA Confidential Workpaper 3
34	Lighting		AES Indiana Witness KA Confidential Workpaper 3
35	**Total**		Sum of Lines 30 - 34
	Regulatory Asset Impact - Forecasted Rate Impact per MWh by Class		
36	Residential	$ 2.127	Line 24 / Line 30
37	Small Commercial & Industrial	$ 2.152	Line 25 / Line 31
38	Large Commercial & Industrial Secondary Rate (Other)	$ 1.912	Line 25 / Line 32
39	Large Commercial & Industrial Primary Rate (PL, HL)	$ 1.693	Line 25 / Line 33
40	Lighting	$ 1.192	Line 25 / Line 34
41	**Overall**	**$ 1.985**	Line 29 / Line 35

PUBLIC VERISON

AES Indiana
Crossvine Project Estimated Bill Impact

Column	(a)	(b)	(c)
	Estimated Impact of Charges/Credits through the FAC for 2028		
Line	**Contract for Differences Charge**		**Reference**
42	2028 CfD Price ($/MWh)	[redacted]	Combined Energy & Capacity CfD price per MWh (AES Indiana Witness Garavaglia Testimony)
43	2028 MISO Sales (MWh)		PVRR Model - AES Indiana Witness Stone WPs
44	CfD Revenues		Line 42 x Line 43
45	MISO Market Revenues		PVRR Model - AES Indiana Witness Stone WPs
46	**CfD Charge or (Credit)**		Line 44 - Line 45
	Renewable Energy Credit Sales for 2028		
47	Total REC Generation (MWh)	[redacted]	PVRR Model - AES Indiana Witness Stone WPs
48	Wood Mackenzie REC Price for 2028 ($/MWh)		PVRR Model - AES Indiana Witness Stone WPs
49	**2025 REC Revenues (Credit)**		Line 47 x Line 48
	Project Cash Distributions to AES Indiana Sponsor for 2028		
50	Revenues	[redacted]	Line 44
51	Fixed O&M		PVRR Model - AES Indiana Witness Stone WPs
52	Battery Charging Costs (netted with Revenue)		PVRR Model - AES Indiana Witness Stone WPs
53	Insurance Expense		PVRR Model - AES Indiana Witness Stone WPs
54	Property Tax Expense		PVRR Model - AES Indiana Witness Stone WPs
55	EBITDA		Sum Line 50 - Line 54
56	Sponsor Portion of Dist		AES Indiana Witness N. Miller
57	**Project Cash Distribution to AES Indiana Sponsor (Credit) for 2028**		Line 55 x Line 56
58	**Net Charge or (Credit) through FAC for 2028**	[redacted]	Line 46 + Line 49 + Line 57
59	Annual Forecasted Usage Volume (Jan 2028-Dec 2028) (MWh)		Line 35
60	Estimated Impact of Charges/Credits through the FAC for 2028 ($/MWh)		Line 58 x Line 59
61	Gross up Factor for Utility Receipts Tax in FAC - No longer applies		
62	**Estimated Impact of Charges/Credits through the FAC for 2028 ($/MWh)**	**$ 0.161**	Line 60 / Line 61
	Net Crossvine Estimated Bill Impact for 2028 - Forecasted Rate Impact per MWh by Class		
63	Residential	$ 2.288	Line 62 + Line 36
64	Small Commercial & Industrial	$ 2.313	Line 62 + Line 37
65	Large Commercial & Industrial Secondary Rate (Other)	$ 2.073	Line 62 + Line 38
66	Large Commercial & Industrial Primary Rate (PL, HL)	$ 1.854	Line 62 + Line 39
67	Lighting	$ 1.353	Line 62 + Line 40
68	**Overall**	**$ 2.146**	Line 62 + Line 41
	Net Crossvine Estimated Rate Impact for 2028 - Residential Monthly Bill Impact (for 1000 kWh)		
69	Residential Monthly Bill (no riders) from FAC-144	$ 136.62	AES Indiana FAC-144
70	Net Bill impact of Crossvine Project	$ 2.288	Line 63
71	Adjusted Bill	$ 138.91	Line 69 + Line 70
72	Net Residential Bill Impact	1.68%	Line 70 / Line 69
73	**Net Revenue Requirement**	**$ 29,445,476**	Line 17 + Line 58