

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

JD
AB
ARLW
glo

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

CAUSE NO. 45029

APPROVED: JAN 31 2018

PREHEARING CONFERENCE ORDER OF THE COMMISSION

Presiding Officers:

Sarah E. Freeman, Commissioner

Carol Sparks Drake, Administrative Law Judge

On December 21, 2017, Indianapolis Power & Light Company ("IPL" or "Petitioner") filed a *Verified Petition for General Rate Increase and Associated Relief* under Ind. Code § 8-1-2-42.7, *Notice of Provision of Information Required by the Minimum Standard Filing Requirements and Request for Administrative Notice* ("Petition") in the above captioned Cause. In the Petition, IPL requested this matter promptly be set for a prehearing conference and preliminary hearing to develop a procedural schedule that allows completion of the case in accordance with General Administrative Order 2013-5 and Ind. Code § 8-1-2-42.7.

Pursuant to notice and as provided in 170 IAC 1-1.1-15, a prehearing conference was held in this Cause in Hearing Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana, at 10:00 a.m. on January 22, 2018. Proof of publication of the notice of the prehearing conference was incorporated into the record and placed in the official files of the Commission.

Counsel for IPL, the Citizens Action Coalition of Indiana, Inc. ("CAC"), The Kroger Company ("Kroger"), IPL Industrial Group ("Industrial Group"), and the Indiana Office of Utility Consumer Counselor ("OUCC") appeared and participated.

On January 19, 2018, a *Stipulation and Agreement in Lieu of Prehearing Conference* ("Stipulation") was filed in this Cause on behalf of IPL, the OUCC, the Industrial Group, CAC, and Kroger reflecting a proposed agreed schedule and related agreements. Prior to opening the prehearing conference on the record and with the consent of all parties present, including prospective intervenors CAC and Kroger, an informal discussion was held upon procedural matters, including changes in the schedule proposed in the Stipulation. The agreement of the parties upon the procedural schedule, as revised during the informal discussions, was then read into the record. The pending petitions to intervene filed by CAC, Kroger, and Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart") were granted on the record, without objection.

Based upon the discussions with and agreement of the parties, the Commission now enters the following Findings and Order which shall become part of the record in this proceeding:

1. **Negotiated Case-in-Chief Statutory Filing Date.** By agreement of the parties, for purposes of the 300 day schedule and deadlines set forth in Ind. Code § 8-1-2-42.7, day 1 shall be deemed to be Thursday, February 8, 2018. The agreed day 1 recognizes that Petitioner's case-in-chief as originally prefiled on December 21, 2017, must be amended and/or supplemented due to the Tax Cuts and Jobs Act of 2017 ("Act") signed into law by President Donald Trump on December 22, 2017. The 300 day rate case schedule under General Administrative Order 2013-5 and Ind. Code § 8-1-2-42.7 will, therefore, commence on February 8, 2018.

2. **Test Year and Accounting Method.** The test year for determining Petitioner's actual and pro forma operating revenues, expenses, and operating income under present and proposed rates shall be the 12 months ended June 30, 2017, adjusted for changes that are fixed, known, and measurable for ratemaking purposes and that occur within 12 months following the end of the test year.

3. **Cutoff and Major Projects Updates.** The rate base cutoff shall reflect used and useful property at the end of the test year. In addition, for major projects IPL will file monthly investment updates and declare major projects used and useful in accordance with 170 IAC 1-5-5.

4. **IPL Notice to Customers.** IPL shall provide evidence of its compliance with 170 IAC 4-1-18(C) by providing notice to its customers within 45 days of filing the Petition with the Commission for a change in its base rates which fairly summarizes the nature and extent of the changes proposed.

5. **Petitioner's Prefiling Date.** IPL prefiled with the Commission the prepared testimony and exhibits constituting its case-in-chief on December 21, 2017. IPL shall supplement and/or amend its case-in-chief on or before Friday, February 16, 2018, as appropriate due to passage of the Act. Copies of same shall be served upon all parties of record.

6. **Field Hearing.** A field hearing will be held in this Cause at a date, time, and place to be determined.

7. **OUCC's and Intervenors' Prefiling Date.** The OUCC and all Intervenors shall prefile with the Commission the prepared testimony and exhibits constituting their respective cases-in-chief on or before Thursday, May 24, 2018. Copies of same shall be served upon all parties of record.

8. **Petitioner's Rebuttal Prefiling.** IPL shall prefile with the Commission its prepared rebuttal testimony and any cross-answering testimony on or before Thursday, June 21, 2018. Copies of same shall be served upon all parties of record.

9. **Settlement Agreement and Testimony.** If settlement is reached, the Settlement Agreement and the parties' supporting testimony shall be prefiled with the Commission on or before Thursday, June 28, 2018. Copies of same shall be served upon all parties of record.

10. **Witness Order.** All parties shall submit their intended order of witnesses to the Commission in writing and serve the same upon all other parties of record on or before Tuesday, July 10, 2018, so as to be received at least 72 hours in advance of the evidentiary hearing.

11. **Evidentiary Hearing on the Parties' Cases-In-Chief.** In the event this Cause is not settled, the cases-in-chief of IPL, the OUCC, and all Intervenors shall be presented in an evidentiary hearing to commence at 9:30 a.m. on Monday, July 16, 2018, in Hearing Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Consistent with discussions at the prehearing conference, up to four days will be set aside each of the weeks of July 16 and July 23, along with July 30 and 31, for continuation of the evidentiary hearing after commencing on July 16, 2018. At such time, the direct evidence of the respective parties shall be presented and their respective witnesses examined. Thereafter, IPL shall present its prefiled rebuttal evidence as well as any additional evidence rebutting evidence adduced on cross-examination of the OUCC's or Intervenors' witnesses. If the parties reach settlement, the agreement and supporting testimony and exhibits shall be submitted to the Commission consistent with Paragraph 9 above prior to the evidentiary hearing.

12. **Technical Conference.** No technical conference is being scheduled at this time, but IPL or another party may subsequently propose a technical conference be scheduled.

13. **Discovery.** Discovery is available for all parties and shall be conducted on an informal basis. Any response or objection to a discovery request shall be made within 10 calendar days of the receipt of such request; provided, however, that after May 24, 2018, when the OUCC and Intervenors prefile their respective cases-in-chief, any response or objection to a discovery

request shall be made within five business days of receiving such request. Any discovery communication received after 12 o'clock noon on a Friday or the day before a state holiday or after 5:00 p.m. on any other business day shall be deemed to have been received on the next business day. The parties may conduct discovery through electronic means and agreed to serve all parties with discovery requests and responses. The last discovery response due date shall be three business days before the evidentiary hearing.

14. **Prefiling of Workpapers.** When prefiling technical evidence with the Commission, each party shall file copies of the work papers used to produce that evidence within two business days after the prefiling of such technical evidence. Copies of same shall also be served on the other parties to this Cause.

15. **Number of Copies/Corrections and Service.** Filings with the Commission shall comply with General Administrative Order 2016-2. Any corrections to prefiled testimony shall be made in writing as soon as possible after discovery of the need to make the corrections. The parties agreed to provide same day service of filings via email, hand delivery, or large file transfer.

16. **Objections to Prefiled Testimony and Exhibits.** Any objections to the admissibility of prefiled testimony or exhibits shall be filed with the Commission and served on all parties of record as soon as an objection can be reasonably determined, but no less than 10 days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record.

17. **Post-Hearing Filings.** IPL shall file its proposed Order in this Cause on or before Thursday, August 9, 2018. Proposed Orders, exceptions, or other post hearing submittals by the OUCC and any Intervenor shall be filed with the Commission on or before Thursday, August 30, 2018. IPL shall file its reply brief, and the OUCC and all Intervenors shall file any cross-answering briefs on or before Thursday, September 6, 2018.

18. **Intervenors.** Any party permitted to become an Intervenor in this Cause shall be bound by the record as it stands at the time its Petition to Intervene is granted, pursuant to 170 IAC 1-1.1-11.

19. **Temporary Admission of Counsel.** Consistent with 170 IAC 1-1.1-7(c), an attorney from another state or territory of the United States or the District of Columbia who is not admitted to practice before the Indiana Supreme Court in good standing must apply for and file with the Commission an Order of the Indiana Supreme Court granting temporary admission to appear before the Commission in this proceeding.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

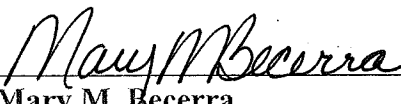
1. The determinations of the prehearing conference set forth in this Order are made a part of the record in this Cause and shall be binding on all present and future parties of record during the proceedings of this Cause.

2. This Order shall be effective on and after the date of its approval.

HUSTON, FREEMAN, WEBER, AND ZIEGNER CONCUR:

APPROVED: JAN 31 2018

I hereby certify that the above is a true
and correct copy of the Order as approved.



Mary M. Becerra
Secretary of the Commission