

**STATE OF INDIANA**  
**BEFORE THE**  
**INDIANA UTILITY REGULATORY COMMISSION**

IN THE MATTER OF THE PETITION )  
 OF WABASH VALLEY POWER )  
 ASSOCIATION, INC. FOR )  
 AUTHORITY TO EXECUTE NOTES AS )  
 EVIDENCE OF INDEBTEDNESS UP TO )  
 \$330 MILLION PAYABLE AT PERIODS )  
 OF MORE THAN TWELVE MONTHS )  
 FOR THE PURPOSE OF FUNDING )  
 THE CONSTRUCTION OR IMPROVEMENT )  
 OF CERTAIN TRANSMISSION, )  
 DISTRIBUTION, AND GENERATION )  
 FACILITIES AND GENERAL PLANT )  
 AND TO ENCUMBER ITS PROPERTY )  
 TO SECURE THE INDEBTEDNESS )

CAUSE NO. 45656

IURC  
 PETITIONER'S  
 EXHIBIT NO. 3-17-22  
 DATE 3-17-22 REPORTER 2

OFFICIAL  
 EXHIBITS

**VERIFIED PETITION**

Wabash Valley Power Association, Inc. dba Wabash Valley Power Alliance (“Wabash Valley”) hereby petitions the Indiana Utility Regulatory Commission (“Commission”) for authority to execute notes as evidence of indebtedness up to \$330 million payable at periods of more than twelve months for the purpose of and to the extent required for obtaining funds sufficient for the construction or improvement of Wabash Valley’s transmission, distribution and generation facilities, and general plant and to encumber its property to secure the indebtedness, and in support of this Verified Petition represents that:

1. Wabash Valley is a generation and transmission cooperative formed as a mutual benefit corporation organized and existing pursuant to the Indiana Nonprofit Corporation Act of 1991, as amended (Ind. Code § 23-17 *et seq.*), with its principal place of business located at 6702 Intech Boulevard, Indianapolis, Indiana 46278.

2. Pursuant to an order issued by this Commission in Cause No. 35091 on January 13, 1978, Wabash Valley was certificated and authorized by the Commission to operate as a public utility, with the authority to, among other things, serve as a power supplier to its member distribution cooperatives and to construct, own, and operate plant and equipment used for generation, transmission, distribution, and the furnishing of such services to its members.

3. Wabash Valley is a “public utility” within the meaning of Ind. Code § 8-1-2-1.

4. Wabash Valley’s members currently include rural electric membership corporations (“REMCs”) located generally in the northern part of the State of Indiana, which REMCs are Boone REMC, Carroll White REMC; Fulton County REMC; Heartland REMC; Hendricks Power Cooperative; Jasper County REMC; Jay County REMC; Kankakee Valley REMC; Kosciusko REMC; LaGrange County REMC; Marshall County REMC; Miami-Cass REMC; Newton County REMC; NineStar Connect; Noble REMC; Parke County REMC; Steuben County REMC; Tipmont REMC; and Warren County REMC. Wabash Valley’s members also include Citizens Electric Corporation, located in Missouri, and M.J.M. Electric Cooperative, Corn Belt Energy Corporation, and EnerStar Electric Cooperative, located in Illinois.

### **Requested Relief**

5. Wabash Valley is requesting authority to execute notes as evidence of indebtedness up to \$330 million payable at periods of more than twelve months for the purpose of and to the extent required for obtaining funds sufficient for the construction or improvement of Wabash Valley’s transmission, distribution and generation facilities, and general plant and to encumber its property to secure the indebtedness.

6. Wabash Valley proposes to finance the construction or improvement of certain

transmission, distribution, and generation facilities and general plant (“Capital Projects”) as part of its annual construction programs in 2022-2024.

7. The promissory notes executed to finance these Capital Projects will be secured by Wabash Valley’s existing Mortgage and Indenture of Trust with Compuserve Trust Company as successor Trustee to Wells Fargo Bank National Association and LaSalle Bank National Association, Chicago, Illinois, dated December 31, 1996.

8. Pursuant to Ind. Code § 8-1-2-79, Wabash Valley attaches to this Petition and incorporates herein by reference its balance sheet and income statement as Exhibits “A” and “B.”

#### **Applicable Law**

9. Ind. Code §§ 8-1-2-1, 76, 77, 78,79, 80, 81 and 84(f), among others, may be applicable to the subject matter of this Verified Petition, and Wabash Valley believes that such statutes provide the Commission authority to approve the requested relief.

#### **Confidential Information**

10. Concurrently with the filing of this Verified Petition, Wabash Valley is filing its Motion for Protection and Nondisclosure of Confidential and Proprietary Information, requesting the Commission to find certain information filed in this Cause as confidential, specifically certain portions of the Direct Testimony of Nisha A. Harke and the exhibits sponsored by Ms. Harke. Upon order of the Commission on its Motion, Wabash Valley will file on a confidential basis the un-redacted Direct Testimony and exhibits.

**Wabash Valley's Counsel**

11. Wabash Valley's attorneys authorized to accept service of papers on its behalf are:

Randolph G. Holt  
PARR RICHEY  
c/o Wabash Valley Power Alliance  
6702 Intech Blvd.  
Indianapolis, IN 46278  
Telephone: (317) 481-2815  
Facsimile: (317) 243-6416  
r\_holt@wvpa.com

Aleasha J. Boling  
PARR RICHEY  
251 N. Illinois Street, Suite 1800  
Indianapolis, IN 46204  
Telephone: (317) 269-2500  
Facsimile: (317) 269-2514  
aboling@parrlaw.com

**Verification**

12. Verifications by Wabash Valley's President and Chief Executive Officer, Jay C. Bartlett, and Wabash Valley's Chief Operating Officer and Assistant Secretary, Jeff A. Conrad, of the truths and facts stated in this Verified Petition is attached hereto.

**Procedural Schedule**

13. Pursuant to 170 IAC 1-1.1-9(a)(8), Wabash Valley will confer with the Indiana Office of the Utility Consumer Counsel and file a proposed procedural schedule within thirty (30) days of the filing of this Petition.

WHEREFORE, Wabash Valley respectfully requests the Commission to:

a. Issue an order authorizing Wabash Valley to execute from time-to-time promissory notes and other debt securities as evidence of indebtedness in amounts up to \$330

million payable at periods of more than twelve (12) months and to encumber its property to secure the indebtedness.

b. Grant Wabash Valley authority to execute such other transaction documents and evidence of indebtedness as are necessary and appropriate to effectuate the issuance of such long term debt;

c. Issue a Certificate of Authority for the issuance of such securities; and

d. Issue such other orders and grant such other relief as may be appropriate and necessary.

Respectfully submitted,

By: /s/ Randolph G. Holt

Randolph G. Holt  
PARR RICHEY  
c/o Wabash Valley Power Association,  
Inc. 6702 Intech Blvd.  
Indianapolis, IN 46278  
Telephone: (317) 481-2815  
Facsimile: (317) 243-6416  
r\_holt@wvpa.com


Jeremy L. Fetty  
PARR RICHEY  
251 N. Illinois Street, Suite 1800  
Indianapolis, IN 46204  
Telephone: (317) 269-2500  
Facsimile: (317) 269-2514  
jffetty@parrlaw.com

Attorneys for Wabash Valley Power  
Association, Inc. dba Wabash Valley  
Power Alliance

### **VERIFICATION**

The undersigned certifies that he has the authority to execute this Verified Petition on behalf of the Wabash Valley, and further certifies that he has read the foregoing Verified Petition in its entirety and that, based on personal knowledge and/or following diligent inquiry, the statements contained in this Verified Petition are true to the best of the undersigned's knowledge and belief.

Wabash Valley Power Association, Inc.  
dba Wabash Valley Power Alliance

By:   
Jay C. Bartlett, President/CEO

VERIFICATION

The undersigned certifies that he has the authority to execute this Verified Petition on behalf of the Wabash Valley, and further certifies that he has read the foregoing Verified Petition in its entirety and that, based on personal knowledge and/or following diligent inquiry, the statements contained in this Verified Petition are true to the best of the undersigned's knowledge and belief.

Wabash Valley Power Association, Inc.  
dba Wabash Valley Power Alliance

By:   
Jeff A. Conrad  
COO/Assistant Secretary

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served upon the Indiana Office of the Utility Consumer Counselor via electronic mail to: [infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov) this 17<sup>th</sup> day of December, 2021.

/s/ Randolph G. Holt  
Randolph G. Holt

Randolph G. Holt  
PARR RICHEY  
c/o Wabash Valley Power Alliance  
6702 Intech Boulevard  
Indianapolis, IN 46278  
Telephone: (317) 481-2815  
Facsimile: (317) 243-6416  
[r\\_holt@wvpa.com](mailto:r_holt@wvpa.com)



**WABASH VALLEY POWER ASSOCIATION, INC.****CONSOLIDATED BALANCE SHEETS  
AS OF DECEMBER 31, 2020 AND 2019  
(In thousands)**

	2020	2019
<b>ASSETS</b>		
<b>PLANT:</b>		
In service—at cost	\$1,201,624	\$1,159,483
Construction work in progress	75,748	44,942
Plant held for future use	243	243
Less accumulated depreciation	<u>(409,354)</u>	<u>(384,921)</u>
	<u>868,261</u>	<u>819,747</u>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	125,947	80,538
Restricted cash	1,718	10,215
Short-term investments	25,000	-
Accounts receivable	77,728	96,895
Fuel stock and material inventory—at average cost	16,584	18,995
Other	<u>4,662</u>	<u>5,886</u>
	<u>251,639</u>	<u>212,529</u>
<b>OTHER ASSETS:</b>		
Investments	24,968	23,802
Deferred charges	<u>140,197</u>	<u>163,393</u>
	<u>165,165</u>	<u>187,195</u>
<b>TOTAL ASSETS</b>	<u><u>\$1,285,065</u></u>	<u><u>\$1,219,471</u></u>
<b>CAPITALIZATION AND LIABILITIES</b>		
<b>CAPITALIZATION:</b>		
Patronage capital equity	\$ 256,803	\$ 240,303
Accumulated other comprehensive (loss) income	(973)	(987)
Solar financing obligations	6,718	7,062
Long-term debt	<u>795,558</u>	<u>720,466</u>
	<u>1,058,106</u>	<u>966,844</u>
<b>CURRENT LIABILITIES:</b>		
Current portion of long-term debt	46,047	45,941
Accounts payable	61,525	55,145
Accrued interest	6,756	6,588
Accrued taxes other than income	4,812	4,561
Over collected power costs	10,489	20,453
Other	<u>9,658</u>	<u>18,787</u>
	<u>139,287</u>	<u>151,475</u>
<b>DEFERRED CREDITS</b>	<u>87,672</u>	<u>101,152</u>
<b>TOTAL CAPITALIZATION AND LIABILITIES</b>	<u><u>\$1,285,065</u></u>	<u><u>\$1,219,471</u></u>

See notes to consolidated financial statements.

**WABASH VALLEY POWER ASSOCIATION, INC.****CONSOLIDATED STATEMENTS OF OPERATIONS AND PATRONAGE CAPITAL  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019  
(In thousands)**

	2020	2019
OPERATING REVENUES:		
Member	\$ 571,355	\$ 577,865
Other	<u>72,047</u>	<u>67,657</u>
Total revenues	<u>643,402</u>	<u>645,522</u>
OPERATING EXPENSES:		
Fuel	43,120	40,918
Operation and maintenance	65,587	64,958
Purchased power	396,257	406,749
Administrative and general	21,359	19,412
Other taxes	706	714
Depreciation and amortization	<u>57,570</u>	<u>54,871</u>
Total operating expenses	<u>584,599</u>	<u>587,622</u>
OPERATING MARGIN	<u>58,803</u>	<u>57,900</u>
OTHER EXPENSES (INCOME):		
Interest expense—net of amounts capitalized	40,773	39,546
Interest income	(3,967)	(5,427)
Miscellaneous income and deductions—net	<u>(3,003)</u>	<u>(1,219)</u>
Total other expenses (income)	<u>33,803</u>	<u>32,900</u>
NET MARGIN	25,000	25,000
PATRONAGE CAPITAL—Beginning of year	240,303	223,803
PATRONAGE CAPITAL RETIREMENT	<u>(8,500)</u>	<u>(8,500)</u>
PATRONAGE CAPITAL—End of year	<u>\$ 256,803</u>	<u>\$ 240,303</u>

See notes to consolidated financial statements.