

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

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) CAUSE NO. 45029
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.)

PETITIONER'S SUBMISSION OF ADMINISTRATIVE NOTICE DOCUMENT

Indianapolis Power & Light Company ("IPL"), by counsel, hereby submits the following document, in electronic format, for which IPL is seeking Administrative Notice: Cause No. 42170-ECR 30 (February 28, 2018), which was not available at the time of Petitioner's initial filing on December 21, 2017.

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing has been served, this 23rd day of March, 2018, by electronic mail, hand-delivery, or U.S. Postal Service, First Class mail, to:

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[Handwritten signatures and initials]

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANAPOLIS)
POWER & LIGHT COMPANY FOR)
APPROVAL OF: (1) AN ADJUSTMENT TO)
ITS RATES THROUGH ITS APPROVED) CAUSE NO. 42170 ECR 30
ENVIRONMENTAL COMPLIANCE COST)
RECOVERY ADJUSTMENT COMMENCING) APPROVED: FEB 28 2018
WITH THE MARCH 2018 BILLING CYCLE;)
AND (2) ONGOING REVIEW REPORTS,)
CONSTRUCTION AND ASSOCIATED COSTS.)

ORDER OF THE COMMISSION

Presiding Officers:

David E. Ziegner, Commissioner

Loraine L. Seyfried, Chief Administrative Law Judge

On December 1, 2017, Indianapolis Power & Light Company ("IPL") filed a Verified Petition and the direct testimony, attachments, and workpapers of the following witnesses:

- Bradley D. Scott, IPL Senior Vice President, Power Supply;
- Angelique Collier, Director of Environmental Policy at AES US Services, LLC;
- Dale V. Fisher, Manager of Project Construction for the IPL Mercury and Air Toxics Standards ("MATS") Rule Compliance Project and Petersburg National Ambient Air Quality Standards ("NAAQS") Compliance Project;
- Gary Finchum, Construction Manager for the IPL National Pollution Discharge Elimination System ("NPDES") Compliance Project;
- Eugene Spindler, Plant Leader of Maintenance at IPL's Petersburg Station;
- Craig Forestal, Director of Regulatory Accounting at AES US Services, LLC;
- Chad A. Rogers, IPL Senior Regulatory Analyst; and
- Kenneth R. LaMont, Manager of Project Construction for the Coal Combustion Residuals ("CCR") Compliance Project.

On January 8, 2018, IPL prefiled revised schedules and the supplemental testimony of Mr. Rogers and Mr. Forestal, addressing the impact of the Tax Cuts and Jobs Act of 2017 ("TCJA").

On January 26, 2018, the Indiana Office of Utility Consumer Counselor ("OUCC") prefiled the testimony of Wes R. Blakley, Senior Utility Analyst in the OUCC's Electric Division and Lauren M. Aguilar, Utility Analyst in the OUCC's Electric Division.

On February 8, 2018, IPL prefiled the rebuttal testimony of Mr. Scott.

The Commission held an Evidentiary Hearing in this Cause at 1:30 p.m. on February 16, 2018, in Hearing Room 224, 101 W. Washington Street, Indianapolis, Indiana. IPL and the OUCC, by counsel, appeared at and participated in the hearing.

Based on the applicable law and the evidence presented, the Commission finds:

1. **Commission Jurisdiction and Notice.** Notice of the hearing in this Cause was given and published by the Commission as required by law. IPL is a public utility as that term is defined in Ind. Code § 8-1-2-1(a). Under Ind. Code §§ 8-1-2-6.6 and 8-1-2-6.8 and Ind. Code chs. 8-1-8.4, 8-1-8.5, 8-1-8.7 and 8-1-8.8, the Commission has jurisdiction over a public utility's cost recovery related to the use of clean coal technology, compliance projects, and clean energy projects and the ongoing review of powerplant construction. Therefore, the Commission has jurisdiction over IPL and the subject matter of this Cause.

2. **IPL's Characteristics.** IPL is a corporation organized and existing under the laws of the State of Indiana, with its principal office at One Monument Circle, Indianapolis, Indiana. IPL renders electric public utility service in the State of Indiana and owns and operates plant and equipment within the State of Indiana used for the production, transmission, delivery, and furnishing of such service to the public.

3. **Background.** IPL's Environmental Compliance Cost Recovery Adjustment ("ECCRA") and the procedures for its implementation were initially approved in the Commission's November 14, 2002 Order in Cause No. 42170. Thereafter, the Commission issued additional Orders authorizing projects and associated cost recovery through the ECCRA.

4. **Relief Requested.** IPL seeks Commission approval of an ECCRA to provide a return on construction costs incurred through October 31, 2017, and to timely recover depreciation, carrying costs, and operating and maintenance ("O&M") expenses as well as the amortization of regulatory assets. The adjustment also reflects a credit for O&M savings, excluding fuel, due to operating Harding Street Unit 7 ("HS7") on natural gas as opposed to coal. In its Verified Petition, IPL proposed this rate adjustment be effective for all bills rendered for electric services commencing with the first billing cycle for the March 2018 billing month, which begins February 28, 2018, or the first full billing cycle following the Commission's Order in this proceeding. Finally, IPL also requests approval of its ongoing review reports and the construction work and costs, including Allowance for Funds Used During Construction ("AFUDC") incurred as of September 30, 2017. Such ongoing review reports include the semi-annual review report filed November 30, 2017 in Cause No. 44339 related to the Eagle Valley Combined Cycle Gas Turbine ("CCGT") and the refueling of Harding Street Station. This report also included information on the status of the Eagle Valley CCGT Project beyond the reporting period.

5. **Ongoing Progress Reports.**

A. **IPL's Evidence.** Mr. Fisher reviewed the implementation of IPL's MATS and NAAQS Compliance Projects and updated the progress attained subsequent to the issuance of the Orders in Cause Nos. 44242 and 44794, respectively, authorizing these projects. He described the work completed during this reporting period and discussed the work planned to be accomplished prior to the next ECR proceeding. Mr. Fisher stated that work undertaken from May 2017 through

October 2017 focused mainly on warranty work and inspections of the installed systems as unit outages allowed without interruption of the operation of any of the units. He explained that a significant potential warranty item is the performance of the bags within the Petersburg Unit 2 baghouse over the May 2017 to October 2017 timeframe. However, he said the extent of the performance issue will not be known until the next regularly scheduled outage in Spring 2018. In addition, he said two water free air compressors that were previously purchased were installed to lessen bag exposure to moisture contamination. Mr. Fisher testified that a warranty reimbursement of \$363,417 was credited to capital maintenance as described by Mr. Forestal.

Mr. Fisher testified that several small projects were also completed that were outside of the scope of the Engineering, Procurement, and Construction (“EPC”) contract. He said IPL will continue to monitor the systems for warranty issues and perform system inspections during the Petersburg Unit 2 scheduled maintenance outage. He also noted that there may be additional work necessary for the MATS Compliance Project that will be completed outside the scope of the EPC contract. He explained that this work is necessary to complete the project and added that IPL expects the total costs of the MATS Project to be approximately \$23 million less than the amount previously approved by the Commission.

Mr. Fisher testified that the Dibasic Acid portion of the NAAQS Project was placed in service late in 2016 to meet a compliance date of January 1, 2017. He said the final contract documents were prepared for the remaining components of the NAAQS Project and a Limited Notice to Proceed was issued in early May 2017 to begin engineering and construction of the approved scope of work. Mr. Fisher testified that a full notice to proceed has been issued and the selected contractor has begun purchasing major components and performing construction work.

Mr. Scott discussed IPL’s estimated O&M savings of using natural gas as a fuel as compared to coal at HS7. He also presented the semi-annual ongoing review report filed in Cause No. 44339 and IPL’s request for Commission approval of the ongoing review report and the construction work and costs incurred as of September 30, 2017. Mr. Scott noted the report also includes information on the status of the Eagle Valley CCGT project beyond the cost reporting period. With respect to the HS7 refueling, Mr. Scott stated that an unforeseen issue arose this past winter during cold weather operation that will require the installation of a heater for the gas supply piping to prevent precipitation of paraffins in the gas and consequent fouling of the regulators. He added that although not yet final, IPL expects the total final costs will be within the estimate approved by the Commission in Cause No. 42170 ECR 26.

Mr. Finchum reviewed the implementation of IPL’s NPDES Compliance Project approved in Cause No. 44540 and discussed the work completed through October 2017 as well as the work planned to be accomplished prior to the next ECR proceeding. He stated that start-up activities have occurred during this reporting period for the NPDES Compliance Project as all major construction has been completed. In addition, commissioning has been completed at Harding Street and has started at Petersburg. He discussed the project cost and stated that the project is progressing as scheduled, within budget, and has an extremely good safety record.

Mr. LaMont reviewed the implementation of IPL’s CCR Compliance Project approved in Cause No. 44794. He discussed the work completed through October 2017 as well as the work planned to be accomplished prior to the next ECR proceeding. He explained that during this

reporting period, the focus has been on construction, commissioning, start-up, and operation. He stated that all pumps and equipment have been successfully commissioned and placed into operation. He added that IPL will monitor the new equipment for warranty issues during 2017. Mr. LaMont stated that Substantial Completion of the Bottom Ash system was granted on October 30, 2017, retroactive to September 11, 2017, at which time a two-year warranty period began. He said the project has remained on schedule, within budget, and has an exemplary safety record.

B. OUCC's Evidence. While the OUCC took no exception to the ongoing review reports, it did express concern regarding costs associated with a gas pipeline heater, which we discuss further below.

C. Commission Discussion and Findings. IPL's evidence in this Cause included a status report on the relevant Commission-approved environmental compliance and generation projects. This evidence included IPL's semi-annual review report filed November 30, 2017, in Cause No. 44339 related to the Eagle Valley CCGT Project and the refueling of Harding Street Units 5 & 6. These Projects are not subject to timely cost recovery through the ECCRA.

The report shows that the refueled Harding Street Station Units 5 & 6 have been released for commercial operation since December 2015, and there have not been derates or outages associated with the conversions to date. The induced fan motor change was completed in October 2016. All major construction on this project has concluded, but punch list items continue to be finished and removed from the list. The EPC contractor has finished the HS7 work and this unit was returned to service in June 2016. Some trailing work was completed in 2017.

The report shows the Eagle Valley CCGT Project is behind schedule, and IPL continues working to overcome delays associated with the EPC contractor's failure to meet the Guaranteed Substantial Completion date. IPL has developed its own high level commissioning schedule to be utilized to monitor the progress of the EPC contractor and to provide more accurate schedule projections to the various project stakeholders. The record reflects that while IPL is currently working with the contractor on a revised completion date, the project cost is expected to remain within the Commission-approved estimate. More specifically, the semi-annual review report filed in Cause No. 44339 shows that the current cost estimate for the CCGT is the Commission-approved amount of \$612.7 million. This estimated cost includes ongoing owner's costs for extended project management, additional third-party engineering, and other ratable costs associated with delay. While this amount does not include AFUDC, the Order in Cause No. 44339 (at 23) provides that the actual, accrued amount of AFUDC will be included as part of the approved cost.

Based on the evidence presented, we approve the progress reports, including the semi-annual report dated November 30, 2017, for the projects approved in Cause Nos. 44242, 44339, and 44540 and the construction and costs (including AFUDC) presented therein.

6. ECCRA Factors.

A. Environmental Compliance Costs. The incremental construction costs for which IPL is requesting recovery in this filing are for the MATS, NPDES, HS7 refueling, NAAQS, and CCR compliance projects. The various CF-2 Attachments to IPL Exhibits 6 and 6-S set forth the construction costs as of October 31, 2017, for which IPL seeks ratemaking treatment in this

Cause. Mr. Forestal said the environmental compliance projects for which IPL is seeking recovery have been under construction at least six months, at a cost of \$804 million (inclusive of AFUDC and net of retirements).

OUCG witness Aguilar testified regarding IPL's request to recover costs for a gas supply piping heater at HS7. She stated that based on discovery responses received from IPL, the need for a gas pipeline heater is related to the precipitation of paraffins in the natural gas received by IPL from Citizens Gas. She stated that Citizens Gas has installed filtration to raise the quality of gas supplied to HS7, but that according to IPL, the pipeline heater will still be needed. Ms. Aguilar stated the OUCG recommends IPL seek further remedy from Citizens Gas for the installation of the gas pipeline heater. She explained that while the OUCG recognizes that this is a necessary cost for IPL to incur, the costs incurred for the project should be subject to refund pending the outcome of any settlement between IPL and Citizens Gas. She further recommended that ratepayers be credited with any benefit IPL receives from Citizens Gas.

In rebuttal, IPL witness Scott testified that the OUCG's recommendation to make the costs associated with the gas pipeline heater subject to refund was unnecessary. He testified that Citizens Gas has provided IPL with "pipeline quality" natural gas and so far is meeting and exceeding the requirements under the natural gas supply contract. He explained that the issue of paraffin buildup arose due to cold ambient temperatures as well as the large volume and pressure drop required to operate HS7. He noted that Citizens Gas has been very responsive to the issues that IPL is experiencing and has already installed a gas filtration station at the location where the pipeline enters IPL's property. Mr. Scott stated that IPL has met and continues to meet with Citizens Gas to address this issue. He explained that IPL does not expect to receive any other reimbursement from Citizens Gas and that the addition of the pipeline heater should help alleviate this issue completely.

Based on the evidence discussed above, we find that the costs incurred through October 31, 2017, for the environmental compliance projects used in the computation of the proposed ECCRA are reasonable and appropriate. While the OUCG recommended that the costs associated with the gas pipeline heater installed at HS7 be made subject to refund, the record shows that there is no dispute that these costs are reasonable and necessary costs appropriate for recovery through the ECCRA. Further, the evidence shows that IPL is working with Citizens Gas regarding the paraffin issue and that Citizens Gas has installed a filtration system to help resolve this issue going forward despite its provision of gas in compliance with the natural gas supply contract. As no further compensation is expected from Citizens Gas, we decline to adopt the OUCG's recommendation to make the gas pipeline heater costs subject to refund. Accordingly, we approve the construction work through October 31, 2017, and the reflection of such costs in the ECCRA as proposed by IPL.

B. Recovery of Depreciation, Carrying Costs, and O&M Expenses. The Orders in Cause Nos. 44242 (MATS), 44540 (NPDES and HS7 refueling), and 44794 (NAAQS and CCR) authorize the timely recovery of depreciation, carrying costs, and O&M expenses. Mr. Forestal's Attachments CF-2 include the depreciation, carrying costs, O&M expenses, and amortization of regulatory assets to be reflected in the ECCRA factors for the billing period of March through August 2018. IPL's filing includes \$18.88 million of depreciation expense applicable to jurisdictional retail customers and \$15.18 million of O&M expenses applicable to jurisdictional retail customers. After adjustment for the revenue conversion factor and the 20% regulatory asset deferral (where applicable), these amounts become \$17.9 million and \$14.2 million,

respectively. Mr. Forestal said that the estimated O&M expenses include chemicals for the operation of the baghouses and precipitators and for equipment maintenance.

Mr. Scott testified that the costs of operating HS7 on coal are reflected in the cost of service used to establish IPL's base rates approved by the Commission in Cause No. 44576. He said IPL recognizes there are O&M savings, excluding fuel, due to operating the unit on natural gas. In Cause No. 42170 ECR 27, the Commission approved IPL's proposal to credit these O&M savings through the ECR proceedings. Mr. Scott stated that a credit of \$6.251 million is included in the filing and explained how the O&M savings were determined. Mr. Forestal also testified that the forecasted O&M includes the incremental savings or expenses for the maintenance associated with the HS7 refueling and amortization of previously deferred costs under the terms of the applicable Commission Orders authorizing such amortization.

Mr. Rogers testified that in Cause No. 42170 ECR 27, IPL proposed to provide an update on the NPDES costs. He stated that the NPDES and CCR bottom ash projects were placed in service in 2017 and it was determined that the \$5.5 million acceleration is properly recorded to Utility Plant in Service. However, he said IPL has not yet received the full itemized details. He stated that once IPL has received that information and unitization is completed, IPL will provide a final report on the status of these costs in a subsequent ECCRA filing.

The record also shows that, consistent with the Commission's Order in Cause No. 42170 ECR 29, IPL has provided a credit to O&M for warranty reimbursements received by IPL related to the replacement of bags within the Petersburg Unit 2 baghouse.

Accordingly, we find IPL's estimated depreciation, carrying costs, O&M expenses, and amortization of deferred costs are reasonable and approve the inclusion of these expenses in the ECCRA revenue requirement.

C. Revenue Requirement. In accordance with 170 IAC 4-6-12(5), IPL submitted evidence regarding the derivation of its revenue requirement, including tax calculations, associated with the ratemaking treatment for the environmental compliance construction costs. The revisions to Attachment CF-2 of IPL Exhibit 6-S, provide details of the costs that have been incurred through October 31, 2017.

IPL also reconciled estimated expenses and revenues to actual for the period of March 2017 through August 2017, resulting in a total variance of \$0.89 million.

In his supplemental testimony, Mr. Forestal explained that he incorporated the impact of the TCJA, which reduced the corporate income tax rate of 35% to 21%, to support revised ECCRA rates. He testified that IPL's weighted average cost of capital calculation is impacted by the TCJA because IPL has two outstanding variable-rate, tax-exempt debt issues. As a result, the weighted average cost of long-term debt increased from 4.97% to 5.03%, which increased the total weighted average cost of capital rate from 6.32% to 6.34%. He explained that rate is utilized as IPL's Allowed Rate of Return of Environmental Compliance Utility Plant, which is used in the calculations on each Attachment CF-2. IPL Exhibit 6-S, Attachment CF-1 Revised reflects the calculation of IPL's gross revenue conversion factors utilizing an allowed rate of return of 6.34% and a gross rate for borrowed funds of 2.40%.

Mr. Forestal testified that as a result of the new federal income tax rate of 21%, the revenue requirement IPL is seeking was reduced from \$63.3 million to \$59.6 million for a decrease of \$3.7 million, representing a savings to IPL's customers. Based on IPL Exhibit 6-S, Attachment CF-3 Revised, the total jurisdictional revenue requirement associated with earning a return and recovering operating expenses and depreciation on the environmental compliance construction costs as of October 31, 2017, is \$59.586 million.

OUCC witness Blakley testified regarding the proposed ECR factors. He noted that IPL filed supplemental testimony with respect to the corporate tax change resulting from the TCJA. He testified that the change in tax rate has decreased IPL's requested ECR revenue requirement by approximately \$3.7 million. He further testified that nothing came to his attention that would indicate that IPL's calculation of estimated ECR adjustment factors for the relevant period is unreasonable. Mr. Blakley recommended that the Commission approve IPL's proposed revised ECR adjustment factors, subject to refund, pending the outcome of the Commission's pending investigation in Cause No. 45032 into the impacts of the TCJA.

The evidence demonstrates, and we so find, that IPL has properly calculated its revenue requirement. Mr. Blakley suggested that the Commission approve IPL's proposed factors on a subject to refund basis pending the outcome of the Commission's investigation in Cause No. 45032. However, the record shows that IPL has appropriately accounted for the impact of the TCJA on its proposed ECCRA factors. Both Mr. Forestal and Mr. Rogers explained the specific impacts of the TCJA on IPL's filing, which resulted in a reduction of \$3.7 million in IPL's requested revenue requirement. Mr. Blakley did not identify any concerns with IPL's proposed factors, nor did he identify any issues which would need further consideration as a result of the Commission's investigation in Cause No. 45032. Accordingly, we decline to make IPL's ECCRA factors subject to refund pending the outcome of Cause No. 45032 and approve IPL's jurisdictional revenue requirement of \$59.586 million as shown on IPL Exhibit 6-S, Attachment CF-3 Revised.

D. Allocation of Jurisdictional Revenue Requirement. 170 IAC 4-6-15 requires IPL to allocate the jurisdictional revenue requirement among the utility's customer classes in accordance with the allocation parameters established in its last general rate case. Mr. Rogers testified that the retail allocation factor is based on the retail jurisdictional share of the 12-month average system peaks used to allocate production plant, operating expenses, and depreciation expenses respectively from IPL's cost of service study as used in IPL's last general rate proceeding. He said there are no non-jurisdictional customers based upon the cost of service study in Cause No. 44576, which is why the jurisdictional retail allocation percentages are 100%. Mr. Rogers also explained how the reconciled O&M and depreciation expense variances from Cause No. 42170 ECR 28 are allocated between jurisdictional and non-jurisdictional customers.

Based on the evidence presented, we find IPL has complied with 170 IAC 4-6-15 and we approve IPL's allocation factors.

E. Amount of ECCRA Adjustments. As shown on Exhibit A Revised of IPL Exhibit 7-S and discussed by Mr. Rogers, the proposed ECCRA factors for each customer class, after consideration of the impacts of the TCJA, are:

\$0.010635	per KWH for Rates RS, CW (with associated Rate RS service)
\$0.009110	per KWH for Rates SS, SH, OES, UW, CW (with associated Rate SS service)
\$0.008837	per KWH for Rate PL
\$0.007005	per KWH for Rate HL
\$0.007698	per KWH for Rates SL, PH
\$0.003217	per KWH for Rates APL, MU-1

F. Approval of ECCRA Adjustments. The Commission finds that IPL has complied with the rules and procedures applicable to its request, including the requirements of 170 IAC 4-6 and our subsequent Orders regarding the ECCRA. The Commission further finds that the proposed ECCRA factors are properly calculated and comply with the provisions of the Settlement Agreement approved in Cause No. 44242 and other applicable Commission Orders. Therefore, the Commission approves the ECCRA factors set forth above and contained in Exhibit A Revised of IPL Exhibit 7-S, effective for all bills rendered for electric services beginning with the first full billing cycle following the Commission's Order in this proceeding.

G. Net Operating Income for Fuel Adjustment Clause. 170 IAC 4-6-21, Ind. Code § 8-1-8.8-11(a)(5), and the Commission's Orders regarding IPL's environmental compliance projects authorize IPL to add the approved return on its environmental compliance investment to its net operating income authorized by the Commission for the purposes of Ind. Code § 8-1-2-42(d)(3) in all subsequent Fuel Adjustment Charge proceedings. However, the Commission requires that, for purposes of computing the authorized net operating income for Ind. Code § 8-1-2-42(d)(3), the jurisdictional portion of the increased return shall be phased-in over the appropriate period of time that IPL's net operating income is affected by the earnings modification resulting from the Commission's approval of this ECCRA.

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

1. The environmental compliance projects construction work and construction costs used in the computation of the proposed ECCRA, incurred as of October 31, 2017, are approved.

2. IPL's proposed rate adjustments in its ECCRA as set out in Paragraph 6.E. of this Order are approved.

3. In accordance with 170 IAC 4-6-21 and Ind. Code §§ 8-1-8.8-11(a) and 8-1-8.4-7(c)(1), and as set forth above in Paragraph 6.G., IPL shall add the approved return on its environmental compliance investment to its net operating income authorized by the Commission for the purposes of Ind. Code § 8-1-2-42(d)(3) in all subsequent Fuel Adjustment Charge proceedings. However, for purposes of computing the authorized net operating income for Ind. Code § 8-1-2-42(d)(3), the jurisdictional portion of the increased return shall be phased-in over the appropriate period of time that IPL's net operating income is affected by this earnings modification resulting from the Commission's approval of this ECCRA.

4. Prior to implementing the authorized rate adjustment, IPL shall file the applicable rate schedules under this Cause for approval by the Commission's Energy Division. Such rates shall be effective on or after the date of this approval.


5. IPL's November 30, 2017 semi-annual ongoing review report filed in Cause No. 44339 is approved. The construction work and costs associated with the projects approved in Cause No. 44339, incurred as of September 30, 2017 (inclusive of AFUDC), are approved.

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

HUSTON, FREEMAN, WEBER, AND ZIEGNER CONCUR:

APPROVED: FEB 28 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