

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION


VERIFIED PETITION OF INDIANAPOLIS POWER &)
LIGHT COMPANY ("IPL"), AN INDIANA)
CORPORATION, FOR (1) ISSUANCE OF A)
CERTIFICATE OF PUBLIC CONVENIENCE AND)
NECESSITY FOR THE CONSTRUCTION OF A)
COMBINED CYCLE GAS TURBINE GENERATION)
FACILITY ("CCGT"); (2) ISSUANCE OF A)
CERTIFICATE OF PUBLIC CONVENIENCE AND)
NECESSITY TO CONVERT COAL FIRED)
GENERATING FACILITIES TO GAS; (3) APPROVAL)
OF THE CONSTRUCTION OF TRANSMISSION,)
PIPELINE AND OTHER FACILITIES; (4))
APPROVAL OF ASSOCIATED RATEMAKING AND) CAUSE NO. 44339
ACCOUNTING TREATMENT; (5) AUTHORITY TO)
TIMELY RECOVER 80% OF THE COSTS)
INCURRED DURING CONSTRUCTION AND)
OPERATION OF THE GAS REFUELING PROJECT)
THROUGH IPL'S ENVIRONMENTAL)
COMPLIANCE COST RECOVERY ADJUSTMENT;)
(6) AUTHORITY TO CREATE REGULATORY)
ASSETS TO RECORD (A) 20% OF THE REVENUE)
REQUIREMENT FOR COSTS, INCLUDING,)
CAPITAL, OPERATING, MAINTENANCE,)
DEPRECIATION TAX AND FINANCING COSTS ON)
THE REFUELING PROJECT WITH CARRYING)
COSTS AND (B) POST-IN-SERVICE ALLOWANCE)
FOR FUNDS USED DURING CONSTRUCTION,)
BOTH DEBT AND EQUITY, AND DEFERRED)
DEPRECIATION ASSOCIATED WITH THE)
PROJECTS UNTIL SUCH COSTS ARE REFLECTED)
IN RETAIL ELECTRIC RATES; AND (7) ISSUANCE)
OF A NECESSITY CERTIFICATE TO TRANSPORT)
NATURAL GAS IN INDIANA)

**INDIANAPOLIS POWER & LIGHT COMPANY'S SUBMISSION OF
SEMI-ANNUAL PROGRESS SUPPLEMENT AND FINAL REPORT**

Pursuant to the Commission's May 14, 2014 Order in this Cause, Petitioner Indianapolis
Power & Light Company ("IPL"), by counsel, hereby submits the public version of its Eagle

Valley CCGT semi-annual progress supplement and final report. The unredacted page of the report will be submitted to the Commission under seal.

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served upon the following via electronic mail this 19th day of July, 2018.

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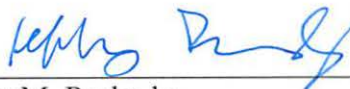
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Indianapolis Power & Light Company

Cause No 44339

Eagle Valley CCGT Construction Project

Semi-Annual Update | May 2018

Supplement and Final Report – July 17, 2018

As of June 30, 2018, IPL and the EPC Contractor entered into a Fourth Amendment of the EPC Contract and Settlement Agreement that resolves all claims and disputes between the parties (“Amendment”), including the dispute regarding Late Substantial Completion Payments and the potential claims arising from the Eagle Valley CCGT engineering, procurement and construction project. The terms of the parties’ negotiated settlement are confidential and competitively sensitive. [REDACTED]

The estimated cost of the Eagle Valley CCGT (exclusive of AFUDC) approved by the Commission in Cause No. 44339 is \$612.7 million. In IPL’s May 2018 Semi Annual Report, IPL projected that the [REDACTED]

[REDACTED] As reflected in IPL’s rebuttal testimony (IPL Financial Exhibit IPL-RB, Schedule RB4-R) and in IPL’s Sixth Monthly Investment Update and In-Service Declaration filed in Cause No. 45029 (IPL’s pending rate case) the cost of the Eagle Valley CCGT (excluding AFUDC) as of May 31, 2018 was \$595.179 million.

This updated progress report, the cost construction work and costs, inclusive of AFUDC, and resolution of issues with the EPC Contractor set forth in the Amendment, are reasonable and should be approved by the Commission.

As stated in IPL’s May 2018 report, the Eagle Valley CCGT reached commercial operation on April 28, 2018. A Settlement Agreement has been filed in IPL’s pending general rate case (Cause No. 45029) which provides for the inclusion of the Eagle Valley CCGT in IPL’s rate base and resolves all related ratemaking issues, including issues regarding the treatment of AFUDC and Late Substantial Completion Payments under the EPC Contract.

IPL asks the Commission to approve IPL’s progress report, including this update, and conclude the ongoing review process.