

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**IN THE MATTER OF THE DEVELOPMENT OF A)
TARIFF ALLOWING CUSTOMERS OF INDIANAPOLIS)
POWER & LIGHT COMPANY (“IPL”) TO OPT OUT OF) CAUSE NO. 45264 S1
ADVANCED METERING INFRASTRUCTURE (“AMI”))
TECHNOLOGY PURSUANT TO THE COMMISSION’S)
ORDER IN CAUSE NO. 45264)**

**UNOPPOSED JOINT MOTION FOR LEAVE TO FILE SETTLEMENT
AGREEMENT AND REQUEST FOR SETTLEMENT HEARING**

Petitioner, Indianapolis Power and Light Company (“Petitioner” or “IPL”), by counsel and on behalf of itself and the following parties, Indiana Office of Utility Consumer Counselor (“OUCC”), and Citizens Action Coalition of Indiana, Inc. (“CAC”), (collectively the “Settling Parties” and individually “Settling Party”), in accordance with 170 IAC 1-1.1-12 and 170 IAC 1-1.1-17, respectfully move the Commission for leave to submit a Stipulation and Settlement Agreement (“Settlement Agreement”) and supporting settlement testimony. The Settling Parties further request the Commission proceed to hearing as requested below. In support of this Joint Motion, the Settling Parties state as follows:

1. The Settling Parties have engaged in extensive settlement negotiations.
2. On July 10, 2020, the Settling Parties reached a settlement agreement in principle that resolved all issues pending in this proceeding. Since then, the Settling Parties have finalized the written Settlement Agreement and a copy thereof is attached hereto as Exhibit A.
3. The Settling Parties ask that the prefiling deadline set for July 17, 2020 be vacated and that the Settling Parties be allowed to file testimony supporting the Settlement Agreement on or before August 14, 2020 (the date currently scheduled for the filing of rebuttal).

4. The Settling Parties also ask the Commission to convert the evidentiary hearing scheduled for September 10, 2020 to a settlement hearing.

5. The Settling Parties propose to file an agreed proposed order on or about the date of the settlement hearing. No other post hearing briefing will be necessary.

6. This Joint Motion is not filed for purposes of undue delay. Rather, if approved the process requested herein should facilitate the timely processing of this proceeding.

7. This Joint Motion and the submission of the Settlement Agreement are subject to the condition that if the Commission fails to approve the Settlement Agreement in its entirety and without any change or condition(s) unacceptable to any Settling Party, the Settlement Agreement and supporting evidence shall be deemed withdrawn and the Commission will promptly schedule an evidentiary hearing and continue to hear this Cause with the proceedings resuming at the point they were suspended.

WHEREFORE, the Settling Parties respectfully move this Joint Motion be promptly granted; that the procedural schedule be revised as proposed herein; and that the Commission grant to the Settling Parties all other relief as may be reasonable and appropriate in the premises.

Respectfully submitted on behalf of all Settling Parties,



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ATTORNEYS FOR PETITIONER, INDIANAPOLIS POWER
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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served this 15th day of

July, 2020, via email transmission to:

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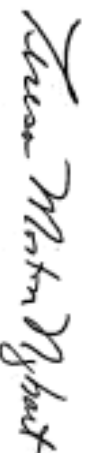
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ATTORNEYS FOR PETITIONER

INDIANAPOLIS POWER & LIGHT COMPANY

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TARIFF ALLOWING CUSTOMERS OF INDIANAPOLIS)
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STIPULATION AND SETTLEMENT AGREEMENT

Indianapolis Power & Light Company (“IPL” or “Company”), the Indiana Office of Utility Consumer Counselor (“OUCC”), and Citizens Action Coalition of Indiana, Inc. (“CAC”), (collectively the “Settling Parties” and individually “Settling Party”), solely for purposes of compromise and settlement and having been duly advised by their respective staff, experts and counsel, stipulate and agree that IPL’s Opt-Out proposal shall be approved as modified below and the terms and conditions set forth below represent a fair, just and reasonable resolution of the matters set forth below, subject to their incorporation by the Indiana Utility Regulatory Commission (“Commission”) into a final, non-appealable order (“Final Order”)¹ without modification or further condition that may be unacceptable to any Settling Party. If the Commission does not approve this Stipulation and Settlement Agreement (“Settlement Agreement”), in its entirety, the entire Settlement Agreement shall be null and void and deemed withdrawn, unless otherwise agreed to in writing by the Settling Parties.

A. TERMS AND CONDITIONS.

1. Advanced Meter Infrastructure (AMI) and Automated Meter Reading (AMR) Meter Opt-out Provision (Residential Customers Only).

¹“Final Order” as used herein means an order issued by the Commission as to which no person has filed a Notice of Appeal within the thirty-day period after the date of the Commission order.

1. To resolve all issues pending in this subdocket, the Settling Parties agree that customers served on a residential tariff can opt-out of having an AMI or AMR meter as provided below.
 - a. Non-Self Read Option: The Settling Parties agree to the up-front charge and a recurring monthly fee as set forth below in Section A.1.1.c for residential customers whose meters will not be read automatically by the Company as part of the Opt-out provision and who do not participate in the self-read program described in Section A.1.1.b below. These charges will take effect coincident with a non-communicating digital meter being installed at the customer's premise. IPL will make this option available beginning 90 days after a Final Order in this Cause and in accordance with the application process set forth in Petitioner's Attachment JGS-1 (which will be revised to reflect the charges and terms agreed to herein). This option is available for residential customers who already have an AMI or AMR meter installed and would like it replaced with a non-communicating digital meter. For purposes of calculating this 90 day period, the order approving the Settlement Agreement is assumed to be issued no earlier than November 1, 2020.² IPL will notify its customers via bill insert, its equivalent for customers receiving electronic billing, or other communication, of the Commission's approval of the agreed Opt-out provision, as discussed below in Section A.3.
 - b. Self-Read Option: The Settling Parties agree to the up-front charge and a recurring monthly fee as set forth below in Section A.1.1.c for residential customers whose meters are self-read. These charges will take effect coincident with a non-communicating digital meter being installed at the customer's premise. IPL will make this option available beginning 90 days after a Final Order in this Cause and in accordance with the application process set forth in Petitioner's Attachment JGS-1 (which will be revised to reflect the charges and terms agreed to herein). This option is available for residential customers who already have an AMI or AMR meter installed and would like it replaced with a non-communicating digital meter. For purposes of calculating this 90 day period, the order approving the Settlement Agreement is assumed to be issued no earlier than November 1, 2020.³ IPL will offer a read your own meter option (self-read) where the customer will supply the customer's own meter readings to IPL provided that IPL shall perform one annual manual meter reading to confirm accuracy of the meter readings and true-up billing as necessary. The self-read program will be available to existing customers who enroll in the self-read option before December 31, 2021. IPL will notify its customers via bill insert, its equivalent for customers receiving electronic billing, or other communication, of the Commission's approval of the agreed Opt-out provision, as discussed below in Section A.3. The self-read option will not be available to customers to enroll after December 31, 2021. The Settling Parties contemplate that the customer will utilize the self-read option by entering their usage into a designated website portal, or by utilizing IPL's

² Should the Commission issue an order sooner or later than expected, the 90 day period will be calculated based on the later of November 1, 2020 and the date of the Commission's order.

³ Should the Commission issue an order sooner or later than expected, the 90 day period will be calculated based on the later of November 1, 2020 and the date of the Commission's order.

Interactive Voice Response (“IVR”) system. Customers selecting the self-read option will be subject to the charges set forth below in Section A.1.1.c. By opting to self-read, the Customer accepts the responsibility to provide accurate and timely readings to the Company. If a customer fails to provide a timely meter reading on the scheduled read date (or within three (3) days prior) as reflected on the customer’s billing statement, IPL will estimate usage for purposes of billing. If a customer’s reported usage deviates greater than 5% of the amount recorded at the annual audit, the customer will be removed from the self-read program and default to the Company-read, AMI Opt-Out tariff provision going forward, with the corresponding charges. If the customer fails to provide a timely meter read three times in a twelve-month period, the customer will be removed from the self-read program and default to the Company-read, AMI Opt-Out tariff provision, with the corresponding charges. At the time a customer is removed from the self-read program, the customer will be given the option to have an AMI meter installed at no cost.

c. IPL Residential Customers’ AMI/AMR Opt-Out Charges:

| | | |
|--|------|--|
| Up Front Charge (no self-read and self-read) | \$48 | One-time charge for Opt-Out including Self-Read. The Up Front Charge will not be charged to customers who enroll in the AMI/AMR Opt-out options within 20 days of the date of IPL’s initial notice of the option as provided in Section A.3.1 below. IPL shall instead be authorized to defer, as a regulatory asset, such Up Front Charges, with carrying charges, for recovery as provided in Section A.7 below. |
| Monthly Charge (no self-read) | \$20 | Per month for each meter (to cover manual monthly-read) |
| Monthly Charge (self-read) | \$0 | |

- d. Customers will be given reasonable notice of the AMI/AMR Opt-out and Self-Read options as described in Section A.3.1 below.
- e. To be eligible to opt-out of having an AMI or AMR meter or to utilize Self-Read, the customer shall have no documented instances, within the past 24 months, of known unauthorized use, theft, or fraud. Further, the customer will have zero instances of documented threats of violence toward Company employees or its agents. The Company may refuse to provide service under this option if such service: a) creates a safety hazard to customers, their premises, the public, or the electric utility’s personnel or facilities; and/or b) customer does not allow the electric utility’s employees or agents access to the meter at the customer’s premises for maintenance, connection/disconnection, meter reading or any other utility need. The service desired to be opted-out is required to have a meter and residence on the same joined property

- (excluding apartments, condos, and similar multi-unit dwellings). The residence is also required to be on a residential rate with less than or equal to 400 amps service.
- f. Customers who desire to opt-out of an advanced meter must submit an AMI Opt-Out application, as set forth in Petitioner's Attachment JGS-1 (which will be revised to reflect the charges and terms agreed to herein), which will be accessible on IPL's dedicated opt-out webpage with this webpage noted in IPL's bill insert described in Section A.3 below. The opt-out application will include information about advanced communicating meters and the requirements and associated charges for opting out.
 - g. This option is not available to customers taking service under a net metering rider or other time-based rate. Customers electing this provision will not be able to access the benefits of having an AMI meter.
 - h. All charges and provisions of the customer's applicable tariff shall apply.
 - i. These charges and Opt-out provision will be reflected in IPL's Rules and Regulations for Electric Service section of IPL's tariff.

2. Legacy Meters.

- 1. For customers who object to having an AMI or AMR meter, as provided in Section A.1 above, the Company will replace the AMI or AMR meter with a non-communicating digital meter. If a non-communicating digital meter is not immediately available to the customer, the Company will thereafter use commercially reasonable efforts to change out the meter with a non-communicating digital meter within thirty (30) days of the customer's request.
- 2. IPL agrees to maintain a small inventory of non-communicating digital meters for the valid and necessary change out of meters of Opt-Out customers that request such meter type.

3. Customer Communications. IPL and the other Settling Parties will reasonably work together on the content and method of providing notice to IPL's current and new customers of IURC approval of the Opt-Out provision, associated charges and the self-read meter option. IPL will provide the communications listed below:

- 1. The Company agrees to provide notice to all residential customers of the approved optional Opt-out program, including an explanation of what AMI does, via bill insert, or its equivalent for customers receiving electronic billing, or other communication. The bill insert, its equivalent for customers receiving electronic billing, or other communication, will include a webpage reference to the AMI Opt-Out application.
- 2. The Company will enhance the information on its website to reflect the approved Opt-out provision information.

3. IPL will provide to each customer an email or other written confirmation that the customer is enrolled in the Opt-out program.
4. If requested by the customer or otherwise appropriate during the deployment of AMI, a Company representative will communicate (free of charge) with a customer to discuss the customer's AMI meter, explain options regarding AMI/AMR Opt-out, and assist the customer in confirming that a non-communicating digital meter has been installed at the customer's premises.

4. Rulemaking. IPL agrees not to oppose a request by any other Settling Party for the IURC to open a rulemaking proceeding on AMI and AMI opt-out related issues, including but not limited to: (1) involuntary remote service disconnection, and (2) the optionality of rate structures. IPL can otherwise take any position it feels prudent if the Commission establishes a rulemaking on these issues.

5. Semi-Annual Updates. IPL will file semi-annual progress reports as a compliance filing in this subdocket through the end of the AMI deployment on the status of AMI deployment, which reports will include a deployment map and projected deployment schedule, the number of customers who have selected the AMI/AMR Opt-outs and the number of customers who are participating in the self read option. The first report will be due at the end of the month following the first calendar quarter close after approval of the Settlement, and subsequent reports occurring every other quarter.

6. Post-Deployment Changes.

1. After IPL's AMI deployment has been completed, the Company agrees to continue to make the Opt-out provision listed in Section A.1.1.a above available under the terms of this Settlement Agreement unless modified by final order in the Company's next retail electric base rate case. All Settling Parties reserve the right to seek Commission approval to modify the Opt-out provision in the Company's such future proceeding.
2. If a residential service location does not already have a communicating AMI meter, and a customer decides to request a communicating AMI meter, that customer should not be required to pay for installation of an AMI meter.
3. As to customers new to the IPL service territory, IPL will make available on its website the availability of the Opt-out provision and pertinent terms and conditions.

7. Accounting and Ratemaking. IPL shall be authorized to defer, as a regulatory asset, up to \$350,000 of AMI/AMR Opt-out related costs, with carrying charges, and to recover the deferred costs as provided below. In addition, IPL shall also be authorized to defer, as a regulatory asset, the Up Front Charges incurred during the 20 day grace period as provided in Section A.1.c. above; these deferred costs will also be recovered as provided below. These regulatory assets shall be allocated to the residential customer class and recovered over a one year period through future IPL annual ECR filings (expected to commence with Cause No. 42170 ECR 35). The recovery of these regulatory assets will also be subject to reconciliation process. The carrying charges on the

deferral shall be calculated using only IPL's average cost of long term debt from its capital structure which is reflected in the allowance for funds used during construction ("AFUDC") rate calculation. IPL will be authorized to record carrying charges on the regulatory assets until such time as the deferred costs are reflected in the Company's rates.

8. Other. Matters not addressed by this Settlement Agreement will be as proposed by IPL in its direct case.

B. PRESENTATION OF THE SETTLEMENT AGREEMENT TO THE COMMISSION.

1. The Settling Parties shall support this Settlement Agreement before the Commission and request that the Commission expeditiously accept and approve the Settlement Agreement.

2. The Settling Parties may file testimony specifically supporting the Settlement Agreement. The Settling Parties agree to provide each other with an opportunity to review drafts of testimony supporting the Settlement Agreement and to consider the input of the other Settling Parties. Such evidence, together with the evidence previously prefiled in this Cause, will be offered into evidence without objection and the Settling Parties hereby waive cross-examination of each other's witnesses. The Settling Parties propose to submit this Settlement Agreement and evidence conditionally, and that, if the Commission fails to approve this Settlement Agreement in its entirety without any change or with condition(s) unacceptable to any Settling Party, the Settlement and supporting evidence shall be withdrawn and the Commission will continue to hear the matters pending in this subdocket with the proceedings resuming at the point they were suspended by the filing of this Settlement Agreement.

3. A Commission Order approving this Settlement Agreement shall be effective immediately, and the agreements contained herein shall be unconditional, effective and binding on all Settling Parties as an Order of the Commission.

C. EFFECT AND USE OF SETTLEMENT AGREEMENT.

1. It is understood that this Settlement Agreement is reflective of a negotiated settlement and neither the making of this Settlement Agreement nor any of its provisions shall constitute an admission by any Settling Party in this or any other litigation or proceeding except to the extent necessary to implement and enforce its terms. It is also understood that each and every term of this Settlement Agreement is in consideration and support of each and every other term.

2. Neither the making of this Settlement Agreement (nor the execution of any of the other documents or pleadings required to effectuate the provisions of this Settlement Agreement), nor the provisions thereof, nor the entry by the Commission of a Final Order approving this Settlement Agreement, shall establish any principles or legal precedent applicable to Commission proceedings other than those resolved herein.

3. This Settlement Agreement shall not constitute and shall not be used as precedent by any person or entity in any other proceeding or for any other purpose, except to the extent necessary to implement or enforce this Settlement Agreement.

4. This Settlement Agreement is solely the result of compromise in the settlement process and except as provided herein, is without prejudice to and shall not constitute a waiver of any position that any Settling Party may take with respect to any or all of the items resolved here and in any future regulatory or other proceedings.

5. The evidence in support of this Settlement Agreement constitutes substantial evidence sufficient to support this Settlement Agreement and provides an adequate evidentiary basis upon which the Commission can make any findings of fact and conclusions of law necessary for the approval of this Settlement Agreement, as filed. The Settling Parties shall prepare and file an agreed proposed order with the Commission as soon as reasonably possible after the filing of this Settlement Agreement and the final evidentiary hearing.

6. The communications and discussions during the negotiations and conferences and any materials produced and exchanged concerning this Settlement Agreement all relate to offers of settlement and shall be confidential, without prejudice to the position of any Settling Party, and are not to be used in any manner in connection with any other proceeding or otherwise.

7. The undersigned Settling Parties have represented and agreed that they are fully authorized to execute the Settlement Agreement on behalf of their respective clients, and their successor and assigns, which will be bound thereby.

8. The Settling Parties shall not appeal or seek rehearing, reconsideration or a stay of the Commission Order approving this Settlement Agreement in its entirety and without change or condition(s) unacceptable to any Settling Party (or related orders to the extent such orders are specifically implementing the provisions of this Settlement Agreement).

9. The provisions of this Settlement Agreement shall be enforceable by any Settling Party first before the Commission and thereafter in any state court of competent jurisdiction as necessary.

10. This Settlement Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

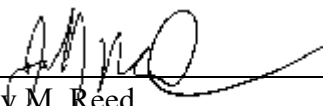
ACCEPTED and AGREED as of the 15th day of July, 2020.

INDIANAPOLIS POWER & LIGHT COMPANY



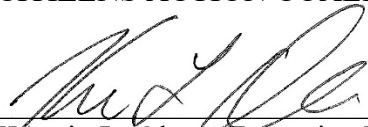
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