

March 11, 2009

Mr Brad Borum, Electric Director
Indiana Utility Regulatory Commission
National City Center
101 W Washington Str, Suite 1500E
Indianapolis, Indiana 46204

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INDIANA UTILITY
REGULATORY COMMISSION

Dear Mr. Borum:

1. The City of Auburn, Indiana, 210 East Ninth Street, Auburn, Indiana, under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's (Commission) Order in Cause No. 40095, hereby files with the Commission for its approval, an average increase in its schedules of rates for electricity sold in the amount of .003498 per kilowatt-hour (KWH).
2. The accompanying changes in schedules of rates are based solely upon the changes in the cost of power and energy, purchased and generated by this utility computed in accordance with the Commission Order in Cause No. 40095, dated April 5, 1995.
3. All of the matters and facts stated herein and in the attached exhibits are true and correct. If approved, this change of rate shall take effect beginning with the April 2009 billing cycle.

City of Auburn, Indiana

By: Patricia M. Miller

STATE OF INDIANA)
)
COUNTY OF DEKALB)

Personally appeared before me, a Notary Public in and for said county and State, this Patricia M. Miller, who, after having been duly sworn according to law, stated that he/she is an officer of the City of Auburn, Indiana, that he/she has read the matters and facts stated above, and in all exhibits attached hereto, and that the same are true; that he/she is duly authorized to execute this instrument for and on behalf of the applicant herein.

Sharon Skipe
NOTARY PUBLIC

My Commission Expires:
July 25, 2015



My County of Residence
DeKalb

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INDIANA UTILITY
REGULATORY COMMISSION

AUBURN MUNICIPAL ELECTRIC UTILITY
Auburn, Indiana

Appendix A

Rate Adjustments

The Rate adjustments shall be on the basis of a Power Cost Adjustment Tracking Factor occasioned solely by changes in the costs of purchased and generated power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved April 5, 1995 in Cause No. 40095, as follows:

Rate Adjustments applicable to the above listed Rates Schedules:

\$.009698 per KWH per month (Positive Factor)

March 11, 2009

April, May and June 2009

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INDIANA UTILITY
REGULATORY COMMISSION

AUBURN MUNICIPAL ELECTRIC UTILITY

Auburn, Indiana

Appendix A

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March 11, 2009

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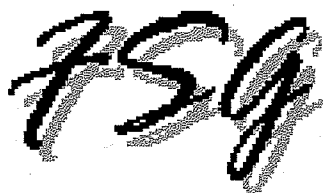
**AUBURN MUNICIPAL
ELECTRIC UTILITY**

Auburn, Indiana

2009

2nd Qtr. Tracker

March 11, 2009



Financial

Solutions

Group,

Inc.

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AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	INCREMENTAL CHANGE IN BASE RATE PURCHASED POWER COST (a)	0.000000	0.0000000
2	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (b)	<u>0.000000</u>	<u>0.0024000</u>
3	ESTIMATED TOTAL CHANGE IN PURCHASED POWER COST (c)	<u>0.000000</u>	<u>0.0024000</u>
4	ESTIMATED CHANGE IN PURCHASED POWER COST ADJUSTED FOR LOSSES & UTILITY RECEIPTS TAX (d)	0.000000	0.0024569
5	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO AEP'S RATE CHANGE (e)	<u>0.000000</u>	<u>0.000000</u>
6	ESTIMATED TOTAL RATE ADJUSTMENT (f)	0.000000	0.0024569
7	ESTIMATED AVERAGE BILLING UNITS (g)	<u>72,177</u>	<u>35,974,986</u>
8	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (h)	<u>0.000000</u>	<u>88,386.94</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
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LINE NO.	ESTIMATED KW PURCHASED	ESTIMATED KWH PURCHASED	INCREMENTAL CHANGE IN PURCHASED POWER COST <u>ADJUSTED FOR LINE LOSS & UTILITY RECEIPTS</u>		
			<u>DEMAND</u>	<u>ENERGY</u>	<u>TOTAL</u>
1	72,177.00 (a)	35,974,986 (b)	- (c)	88,386.94 (d)	88,386.94 (e)

AUBURN MUNICIPAL ELECTRIC UTILITY
DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009

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REGULATORY COMMISSION

LINE NO.	PLUS VARIANCE WITH LINE LOSS & GROSS REC.		TOTAL CHANGE IN PURCHASED POWER COST ADJ. FOR LINE LOSS & GROSS RECEIPTS TAX			RATE ADJUSTMENT FACTOR PER KWH		
	DEMAND	ENERGY	DEMAND	ENERGY	TOTAL	DEMAND	ENERGY	TOTAL
1	-	(a) 260,484.13 (b)	-	(c) 348,871.07 (d)	348,871.07 (e)	-	(f) 0.009698 (g)	0.009698 (h)

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AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	BASE RATE EFFECTIVE	\$ 13.060	\$ 0.01252
2	BASE RATE EFFECTIVE	<u>13.060</u>	<u>0.01252</u>
3	INCREMENTAL CHANGE IN BASE RATE	<u>\$ -</u>	<u>\$ -</u>

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EXHIBIT 2

INDIANA UTILITY
REGULATORY COMMISSION

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009

ESTIMATED POWER PURCHASES AND COSTS FROM AEP

<u>LINE NO.</u>		<u>January 2008</u>	<u>February 2008</u>	<u>March 2008</u>	<u>TOTAL</u>	<u>ESTIMATED 3-MONTH AVERAGE</u>
	<u>PURCHASE</u>					
1	DEMAND (KW) (a)	69,153	69,342	78,036	216,531	72,177
2	ENERGY (KWH) (b)	35,351,139	35,708,072	36,865,747	107,924,958	35,974,986
	<u>COST</u>					
3	FACTOR PER KWH (c)	0.0024000	0.0024000	0.0024000		
4	CHARGE (d)	<u>\$ 84,842.73</u>	<u>\$ 85,699.37</u>	<u>\$ 88,477.79</u>	<u>\$ 259,019.89</u>	<u>\$ 86,339.96</u>

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INDIANA UTILITY
REGULATORY COMMISSION

EXHIBIT 3

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AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF

October, November, and December 2008

<u>LINE NO.</u>		<u>DEMAND RELATED</u>	<u>ENERGY RELATED</u>
1	ACTUAL PURCHASED POWER ENERGY COST ADJUSTMENT (a)	0.000000	0.0103362
2	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO (b)	<u>0.000000</u>	<u>0.000000</u>
3	TOTAL RATE ADJUSTMENT (c)	0.000000	0.0103362
4	ACTUAL AVERAGE BILLING UNITS (d)	<u>65,786</u>	<u>31,785,505</u>
5	ACTUAL INCREMENTAL CHANGE IN PURCHASED POWER COST (e)	<u>0.000000</u>	<u>\$ 328,542.46</u>

AUBURN MUNICIPAL ELECTRIC UTILITY
RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
October, November, and December 2008

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LINE NO.	ACTUAL KW PURCHASED	ACTUAL KWH PURCHASED	INCREMENTAL CHANGE IN PURCHASED POWER COST		
			DEMAND	ENERGY	TOTAL
1	65,786 (a)	31,785,505 (b)	- (c)	328,542.46 (d)	328,542.46 (e)

AUBURN MUNICIPAL ELECTRIC UTILITY
RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
October, November, and December 2008

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REGULATORY COMMISSION

LINE NO.	ACTUAL AVERAGE KWH SALES	DEMAND ADJUSTMENT FACTOR PER KWH	ENERGY ADJUSTMENT FACTOR PER KWH	INCREMENTAL KW DEMAND COST BILLED BY UTILITY	INCREMENTAL KWH ENERGY COST BILLED BY UTILITY	LESS PREVIOUS VARIANCE	
						DEMAND	ENERGY
1	31,174,625 (a)	- (b)	0.0058960 (1) (c)	- (d)	181,232.39 (1) (e)	- (f)	107,138.69 (g)

(1) See Attachment B for detail.

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EXHIBIT 3
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INDIANA UTILITY
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AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
October, November, and December 2008

LINE NO.	NET INCREMENTAL COST BILLED BY UTILITY			VARIANCE		
	DEMAND	ENERGY	TOTAL	DEMAND	ENERGY	TOTAL
1	- (a)	74,093.70 (b)	74,093.70 (c)	- (d)	254,448.76 (e)	254,448.76 (f)

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AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
October, November, and December 2008

ACTUAL POWER PURCHASES AND COSTS FROM AEP

LINE NO.			October 2008	November 2008	December 2008	TOTAL	ESTIMATED 3-MONTH AVERAGE
	<u>PURCHASE</u>						
1	DEMAND (KW)	(a)	66,066	65,562	65,730	197,358	65,786
2	ENERGY (KWH)	(b)	31,378,019	31,294,673	32,683,823	95,356,515	31,785,505
	<u>COST</u>						
3	BASE RATE ADJUSTMEN (c)		-	-	-	-	-
4	CHARGE	(d)	\$ -	\$ -	\$ -	\$ -	\$ -
5	FACTOR PER KWH	(e)	0.0106217	0.0105383	0.0098687		
6	CHARGE	(f)	<u>\$333,287.90</u>	<u>\$329,792.65</u>	<u>\$322,546.84</u>	<u>\$985,627.39</u>	<u>\$ 328,542.46</u>
	Average Factor	(g)					<u>0.0103362</u>

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AUBURN MUNICIPAL ELECTRIC UTILITY

RECONCILIATION OF VARIANCES FOR THE
THREE MONTHS OF
October, November, and December 2008

ACTUAL AVERAGE KWH SALES

<u>LINE NO.</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>	<u>Average</u>
1	33,438,368 (a)	32,720,814 (b)	27,364,692 (c)	93,523,874 (d)	31,174,625 (e)

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INDIANA UTILITY
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ATTACHMENT A

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009CALCULATION OF INCREMENTAL ENERGY RELATED
PURCHASED POWER COST FACTOR

	<u>October</u>	<u>November</u>	<u>December</u>
FUEL COST ESTIMATE BY I&M PER KWH	(a) 0.0024000	0.0024000	0.0024000

Note: Based on FSG Corp.'s estimate and the impact of one Nuclear Unit down.

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INDIANA UTILITY
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ATTACHMENT B

AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009

**CALCULATION OF INCREMENTAL ENERGY COST
BILLED BY AUBURN**

<u>MONTHS</u>	<u>KWH</u> <u>SALES</u>	(a)	<u>FACTOR</u>	(b)	<u>DOLLAR</u> <u>AMOUNT</u>	(c)
2008						
April	33,438,368		0.0058960		\$ 197,153.00	
May	32,720,814		0.0058960		192,922.00	
June	<u>27,364,692</u>		0.0058960		<u>161,342.00</u>	
Total	<u>93,523,874</u>				<u>\$ 551,417.00</u>	
Average	<u>31,174,625</u>				<u>\$ 183,805.67</u>	
Utility Receipts Tax					<u>\$ 0.986</u>	
Monthly Amount without Utility Receipts					<u><u>\$ 181,232.39</u></u>	

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AUBURN MUNICIPAL ELECTRIC UTILITY

DETERMINATION OF RATE ADJUSTMENT FOR THE
THREE MONTHS OF
April, May, and June 2009

Impact of Tracker

	<u>Average Usage</u> (a)	<u>Current Tracker</u> (b)	<u>Proposed Tracker</u> (c)	<u>Difference</u> (d)
		0.006200 (e)	0.009698 (f)	0.003498
Residential	2,000	\$ 12.40	\$ 19.40	\$ 7.00
Commercial	8,500	52.70	82.43	29.73
Industrial (Small)	88,300	547.46	856.33	308.87
Industrial (Large)	15,025,000	93,155.00	145,712.45	52,557.45