

LEBANON MUNICIPAL ELECTRIC UTILITY
Lebanon, Indiana

PROPOSED RATE ADJUSTMENT APPLICABLE TO THE FOURTH QUARTER
OF YEAR 2010 AND SUPPORTING SCHEDULES

**Lebanon Municipal Electric Utility
Lebanon, Indiana**

Appendix A

Rate Adjustments

The Rate Adjustments shall be on the basis of a Purchased Power Cost Adjustment Tracking Factor occasioned solely by changes in the cost of purchased power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved on December 13, 1989 in Cause No. 36835-S3 as follows:

Rate Adjustments applicable to the below listed Rate Schedules are as follows:

Residential Service Rate	RS	\$ 0.021379 per kWh
Commercial Service Rate		
Single Phase	CS 10	\$ 0.021192 per kWh
Three Phase	CS 30	\$ 0.020242 per kWh
Municipal Service Rate	MS	\$ 0.018169 per kWh
Primary Power Light Rate	PPL	\$ 3.573751 per kVA
		\$ 0.009937 per kWh
Small General Power Rate	SGP	\$ 0.016527 per kWh
Outdoor Lighting and Street Lighting Rate	OL & SL	\$ 0.014836 per kWh

OCT, NOV, AND DEC 2010

**Lebanon Municipal Electric Utility
Lebanon, Indiana**

**DETERMINATION OF THE RATE ADJUSTMENTS FOR RATE SCHEDULE PPL
FOR THE THREE MONTHS OF OCT, NOV, AND DEC 2010**

Line
No.

Rate PPL

DEMAND RELATED RATE ADJUSTMENT FACTOR:

1	From Page 3 of 3, Attachment B, Column C, Line 5	\$69,316.89
2	From Page 2 of 3, Attachment B, Column C, Line 5	<u>14752.3 kVA</u>
3	Line 1 divided by Line 2	\$ 4.698718
4	Line 3 Multiplied by: 76.0580%	\$ 3.573751
5	Demand Related Rate Adjustment Factor	\$ 3.573751 per kVA

Rate PPL

ENERGY RELATED RATE ADJUSTMENT FACTOR:

1	From Page 3 of 3, Attachment B, Column D, Line 5	\$85,949.00
2	From Page 2 of 3, Attachment B, Column D, Line 5	8,649,784 kWh
3	Line 1 divided by Line 2	\$ 0.009937
4	Energy Related Rate Adjustment Factor	\$ 0.009937 per kWh

Lebanon Municipal Electric Utility
 Lebanon, Indiana

DETERMINATION OF RATE ADJUSTMENT FOR ALL OTHER RATES
 FOR THE THREE MONTHS OF OCT, NOV, AND DEC 2010

LINE NO.	DESCRIPTION	DEMAND RELATED (A)	ENERGY RELATED (B)	LINE NO.
1	INCREMENTAL CHANGE IN BASE RATE (a)	3.918	0.010657	1
2	ESTIMATED SAVINGS FROM DEDICATED CAPACITY PAYMENTS (b)	0.000	--	2
3	ESTIMATED PURCHASED POWER ENERGY COST ADJUSTMENT (c)	0.708	(0.001956)	3
4	ESTIMATED TOTAL CHANGE IN PURCHASED POWER RATE	4.626	0.008701	4
5	EST CHANGE IN PURCHASED POWER RATE ADJ FOR LOSSES & GR INCOME TAX (d)	4.736	0.008908	5
6	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO JANUARY 27, 1983 (e)	0.000	0.000000	6
7	ESTIMATED TOTAL RATE ADJUSTMENT	4.736	0.008908	7
8	ESTIMATED AVERAGE BILLING UNITS (f)	33,408	18,197,356	8
9	ESTIMATED INCREMENTAL CHANGE IN PURCHASED POWER COST (g)	\$158,220.29	\$162,102.05	9

(a) Exhibit I, Line 3
 (b) Exhibit II, Line 9
 (c) Exhibit III, Column E, Lines 3 and 5
 (d) Line 4 divided by (1 - line loss factor)(0.986)
 (e) Tracking Factor effective prior to January 27, 1983. This factor is zero if new rates have been filed and approved since January 27, 1983. Column A equals the demand component of the tracker times Line 8, Column B, divided by Line 8, Column A.
 (f) Exhibit III, Column E, Lines 1 and 2
 (g) Line 7 times Line 8

Lebanon Municipal Electric Utility
 Lebanon, Indiana

DETERMINATION OF RATE ADJUSTMENT FOR ALL OTHER RATES
 FOR THE THREE MONTHS OF OCT, NOV, AND DEC 2010

LINE NO.	RATE SCHEDULE	KW DEMAND ALLOCATOR (%) (A)	KWH ENERGY ALLOCATOR (%) (B)	ALLOCATED ESTIMATED KW PURCHASED (b) (C)	ALLOCATED ESTIMATED KWH PURCHASED (c) (D)	INCREMENTAL CHANGE IN PURCHASED POWER COST		TOTAL (G)	LINE NO.
						DEMAND (d) (E)	ENERGY (e) (F)		
1	Residential - RS	36.496%	35.523%	12,192.7	6,464,187	\$57,744.69	\$57,582.98	\$115,327.67	1
2	Commercial - CS 10	8.024%	7.329%	2,680.8	1,333,630	\$12,696.19	\$11,879.98	\$24,576.17	2
3	Commercial - CS 30	0.881%	0.707%	294.2	128,657	\$1,393.15	\$1,146.08	\$2,539.23	3
4	Municipal - MS	0.476%	0.416%	159.0	75,783	\$752.88	\$675.08	\$1,427.96	4
5	Gen. Power - PPL	44.158%	47.533%	14,752.3	8,649,784	\$69,866.77	\$77,052.28	\$146,919.05	5
6	Small Power - SGP	9.553%	7.673%	3,191.5	1,396,358	\$15,114.99	\$12,438.75	\$27,553.74	6
7	Flat Rates	0.412%	0.819%	137.6	148,956	\$651.61	\$1,326.90	\$1,978.51	7
8	Rate 8	0.000%	0.000%	0.0	0	\$0.00	\$0.00	\$0.00	8
9	Rate 9	0.000%	0.000%	0.0	0	\$0.00	\$0.00	\$0.00	9
10	TOTAL	100.000%	100.000%	33,408.0	18,197,356	\$158,220.29	\$162,102.05	\$320,322.34	10

(a) Taken From Exhibit VII.
 (b) Page 1 of 3, Column A, Line 8 times Page 2 of 3, Column A
 (c) Page 1 of 3, Column B, Line 8 times Page 2 of 3, Column B
 (d) Page 1 of 3, Column A, Line 9 times Page 2 of 3, Column A
 (e) Page 1 of 3, Column B, Line 9 times Page 2 of 3, Column B

Lebanon Municipal Electric Utility
 Lebanon, Indiana

DETERMINATION OF RATE ADJUSTMENT FOR ALL OTHER RATES
 FOR THE THREE MONTHS OF OCT, NOV, AND DEC 2010

LINE NO.	RATE SCHEDULE	PLUS VARIANCE (a)		TOTAL CHANGE IN PURCHASED POWER COST ADJ FOR LINE LOSSES & GROSS RECEIPTS TAX	TOTAL		RATE ADJUSTMENT FACTOR PER KWH (d)		LINE NO.	
		DEMAND (A)	ENERGY (B)		DEMAND (b)	ENERGY (c)	DEMAND (F)	ENERGY (G)		DEMAND (H)
1	Residential - RS	\$10,430.80	\$12,439.40	\$68,175.49	\$70,022.38	\$138,197.87	0.010547	0.010832	1	0.021379
2	Commercial - CS 10	\$1,740.80	\$1,945.67	\$14,436.99	\$13,825.65	\$28,262.64	0.010825	0.010367	2	0.021192
3	Commercial - CS 30	\$36.26	\$28.75	\$1,429.41	\$1,174.83	\$2,604.24	0.011110	0.009131	3	0.020242
4	Municipal - MS	(\$21.94)	(\$29.15)	\$730.94	\$645.93	\$1,376.87	0.009645	0.008523	4	0.018169
5	Gen. Power - PPL	(\$549.88)	\$8,896.72	\$69,316.89	\$85,949.00	\$155,265.89	0.008014	0.009937	5	0.017950
6	Small Power - SGP	(\$2,162.55)	(\$2,313.11)	\$12,952.44	\$10,125.64	\$23,078.08	0.009276	0.007251	6	0.016527
7	Flat Rates	\$66.71	\$164.67	\$718.32	\$1,491.57	\$2,209.89	0.004822	0.010014	7	0.014836
8	Rate 8	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.000000	0.000000	8	0.000000
9	Rate 9	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.000000	0.000000	9	0.000000
10	TOTAL	\$9,540.21	\$21,132.95	\$167,760.50	\$183,235.00	\$350,995.49	0.009219	0.010069	10	0.019288

(a) Exhibit IV, Page 4 of 7, Columns D and E divided by (1 - loss factor) (.986) = 0.976762917

(b) Page 2 of 3, Column E plus Page 3 of 3, Column A

(c) Page 2 of 3, Column F plus Page 3 of 3, Column B

(d) Page 3 of 3, Columns C, D and E divided by Page 2 of 3, Column D

Exhibit I

Lebanon Municipal Electric Utility
 Lebanon, Indiana

DETERMINATION OF INCREMENTAL CHANGE IN BASE RATE
 FROM IMPA

LINE NO.	DESCRIPTION	DEMAND RELATED	ENERGY RELATED	LINE NO.
1	BASE RATE EFFECTIVE Jan. 1, 2010 (a)	\$16,104	\$0.029276	1
2	BASE RATE EFFECTIVE Jan. 1, 2009 (b)	\$17,063	\$0.028298	2
3	BASE RATE EFFECTIVE Jan. 1, 2008 (c)	\$15,980	\$0.021261	3
4	BASE RATE EFFECTIVE Jan. 1, 2007 (d)	\$14,920	\$0.018921	4
5	BASE RATE EFFECTIVE Jan. 1, 2006 (e)	\$15,086	\$0.017777	5
6	BASE RATE EFFECTIVE Jan. 1, 2005 (f)	\$14,475	\$0.016361	6
7	BASE RATE EFFECTIVE Jan. 1, 2004 (g)	\$12,424	\$0.015893	7
8	BASE RATE EFFECTIVE Jan. 1, 2003 (h)	\$10,860	\$0.016787	8
9	BASE RATE EFFECTIVE Jan. 1, 2002 (j)	\$10,857	\$0.016915	
10	BASE RATE EFFECTIVE Jan. 1, 1994 (k)	\$12,186	\$0.018619	11
11	INCREMENTAL CHANGE IN BASE RATE	\$ 3,918	\$ 0.010657	12

(a) IMPA rate effective for the period covered by this filing. The Base Rate includes the applicable Area Adjustment and Delivery Voltage Adjustment.
 (h) Base purchased power rate including Area and Voltage Adjustments effective at the time of the member's last approved rate case was filed or January 27, 1983, whichever is more recent.
 (i) Line 1 - Line 8

Exhibit II

Lebanon Municipal Electric Utility
 Lebanon, Indiana

ESTIMATION OF SAVINGS FROM DEDICATED CAPACITY PAYMENTS
 FOR THE THREE MONTHS OF OCT, NOV, AND DEC 2010

LINE NO.	DESCRIPTION	DEMAND RELATED	LINE NO.
1	ESTIMATED MONTHLY GENERATING COSTS	\$0.00	1
2	LESS: MONTHLY GEN COSTS IN BASE RATES	0	2
3	EST GENERATING COSTS IN TRACKER (a)	\$0.00	3
4	EST MONTHLY PAYMENT FROM IMPA	\$0.00	4
5	LESS: MONTHLY PAYMENTS IN BASE RATES	0	5
6	EST CAPACITY PAYMENTS IN TRACKER (b)	\$0.00	6
7	ESTIMATED MONTHLY COSTS/(SAVINGS) (c)	\$0.00	7
8	ESTIMATED AVERAGE MONTHLY KW (d)	33,408	8
9	ESTIMATED COSTS/(SAVINGS) PER KW (e)	\$0.000	9

- (a) Line 1 - Line 2
- (b) Line 4 - Line 5
- (c) Line 3 - Line 6
- (d) Exhibit III, Column E, Line 1
- (e) Line 7 divided by Line 8

NOTE: This exhibit is only applicable to members with generation.

Lebanon Municipal Electric Utility
Lebanon, Indiana

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IURC 30-DAY FILING NO.: 2747
Indiana Utility Regulatory Commission

ESTIMATION OF ENERGY COST ADJUSTMENT FOR THE
FOR THE THREE MONTHS OF OCT, NOV, AND DEC 2010

LINE NO.	DESCRIPTION	Oct-10 (A)	Nov-10 (B)	Dec-10 (C)	TOTAL (D)	ESTIMATED 3 MONTH AVERAGE (E)
	PURCHASED POWER FROM IMPA					
1	KW DEMAND	31,715	31,013	37,496	100,224	33,408
2	KWH ENERGY	17,064,833	17,232,761	20,294,473	54,592,067	18,197,356
	INCREMENTAL PURCHASED POWER COSTS					
	DEMAND RELATED					
3	ECA FACTOR PER KW	\$ 0.708	\$ 0.708	\$ 0.708	\$ 0.708	0.708
4	CHARGE (a)	\$22,454.22	\$ 21,957.20	\$26,547.17	\$70,958.59	\$23,652.86
	ENERGY RELATED					
5	ECA FACTOR PER KWH	\$ (0.001956)	\$ (0.001956)	\$ (0.001956)	\$ (0.001956)	(0.001956)
6	CHARGE (b)	\$ (33,378.81)	\$ (33,707.28)	\$ (39,695.99)	\$ (106,782.08)	(\$35,594.03)

(a) Line 1 times Line 3
(b) Line 2 times Line 5

Lebanon Municipal Electric Utility
 Lebanon, Indiana

RECONCILIATION OF VARIANCES FOR THE
 FOR THE THREE MONTHS OF APR, MAY, AND JUN 2010

LINE NO.	DESCRIPTION	(A) DEMAND RELATED	(B) ENERGY RELATED	LINE NO.
1	INCREMENTAL CHANGE IN BASE RATE (a)	\$ 3.918	\$ 0.010657	1
2	ACTUAL SAVINGS FROM DEDICATED CAPACITY PAYMENTS (b)	0.000	--	2
3	ACTUAL PURCHASED POWER ENERGY COST ADJUSTMENT (c)	0.277	(0.000060)	3
4	PLUS TRACKING FACTOR EFFECTIVE PRIOR TO JANUARY 27, 1983 (d)	\$ -	-	4
5	TOTAL RATE ADJUSTMENT (e)	4.195	\$0.010597	5
6	ACTUAL AVERAGE BILLING UNITS (f)	36069.3	17,113,560	6
7	ACTUAL INCREMENTAL CHANGE IN PURCHASED POWER COST (g)	\$151,310.71	\$181,352.40	7

(a) Attachment B, Page 1 of 3, Line 1 of Tracker filing for the three months of APR, MAY, AND JUN 2010

(b) Exhibit IV, Page 5 of 7, Column E, Line 9

(c) Exhibit IV, Page 6 of 7, Column E, Lines 3 and 5

(d) Tracking Factor effective prior to January 27, 1983.

This factor is zero if new rates have been filed and approved since January 27, 1983.

(e) Sum of Lines 1 through 4

(f) Exhibit IV, Page 6 of 7, Column E, Lines 1 and 2

(g) Line 5 times Line 6

Lebanon Municipal Electric Utility

RECONCILIATION OF VARIANCES FOR THE
 FOR THE THREE MONTHS OF APR, MAY, AND JUN 2010

LINE NO.	RATE SCHEDULE	KW DEMAND ALLOCATOR (%) (a)	KWH ENERGY ALLOCATOR (%) (a)	ALLOCATED ACTUAL KW PURCHASED (b)		ALLOCATED ACTUAL KWH PURCHASED (c)		DEMAND (d) (E)	INCREMENTAL CHANGE IN PURCHASED POWER COST ENERGY (e) (F)		TOTAL (G)	LINE NO.
				(C)	(C)	(D)	(D)		(F)	(F)		
1	Residential - RS	36.496%	35.523%	13,163.9	6,079,250	\$55,222.36	\$64,421.81	\$119,644.17	1			
2	Commercial - CS 10	8.024%	7.329%	2,894.2	1,254,253	\$12,141.17	\$13,291.32	\$25,432.49	2			
3	Commercial - CS 30	0.881%	0.707%	317.8	120,993	\$1,333.05	\$1,282.16	\$2,615.21	3			
4	Municipal - MS	0.476%	0.416%	171.7	71,192	\$720.24	\$754.43	\$1,474.67	4			
5	Gen. Power - PPL	44.158%	47.533%	15,927.5	8,134,588	\$66,815.78	\$86,202.24	\$153,018.02	5			
6	Small Power - SGP	9.553%	7.673%	3,445.7	1,313,123	\$14,454.71	\$13,915.17	\$28,369.88	6			
7	Flat Rates	0.412%	0.819%	148.6	140,160	\$623.40	\$1,485.28	\$2,108.68	7			
8	Rate 8	0.000%	0.000%	0.0	0	\$0.00	\$0.00	\$0.00	8			
9	Rate 9	0.000%	0.000%	0.0	0	\$0.00	\$0.00	\$0.00	9			
10	TOTAL	100.000%	100.000%	36,069.3	17,113,560	\$151,310.71	\$181,352.40	\$332,663.11	10			

(a) Attach. B, Page 2 of 3, Columns A and B of tracker filed for the months of APR, MAY, AND JUN 2010

(b) Exhibit IV, Page 6 of 7, Column E, Line 1 times Exhibit IV, Page 2 of 7, Column A

(c) Exhibit IV, Page 6 of 7, Column E, Line 2 times Exhibit IV, Page 2 of 7, Column B

(d) Exhibit IV, Page 1 of 7, Column A, Line 7 times Exhibit IV, Page 2 of 7, Column A

(e) Exhibit IV, Page 1 of 7, Column B, Line 7 times Exhibit IV, Page 2 of 7, Column B

Lebanon Municipal Electric Utility

RECONCILIATION OF VARIANCES FOR THE
 FOR THE THREE MONTHS OF APR, MAY, AND JUN 2010

LINE NO.	RATE SCHEDULE	ACTUAL AVERAGE KWH SALES (a)	Actual Ave. KVA Sales (a)	DEMAND ADJUSTMENT FACTOR PER KWH (b)	ENERGY ADJUSTMENT FACTOR PER KWH (c)	INCREMENTAL KW DEMAND COST BILLED BY MEMBER (d)	INCREMENTAL KWH ENERGY COST BILLED BY MEMBER (e)	LESS PREVIOUS VARIANCE		LINE NO.
								DEMAND (f)	ENERGY (g)	
1	Residential - RS	4,904,757		0.009003	0.011045	\$43,539.32	\$53,414.62	(\$1,494.41)	\$1,143.40	1
2	Commercial - CS 10	1,067,668		0.009509	0.011049	\$10,010.32	\$11,631.51	(\$430.47)	\$240.69	2
3	Commercial - CS 30	117,287		0.011890	0.012149	\$1,375.02	\$1,404.97	\$77.39	\$150.89	3
4	Municipal - MS	72,645		0.011568	0.012649	\$828.59	\$906.02	\$86.92	\$123.12	4
5	Gen. Power - PPL	7,308,971	21,200.50	2.227462	0.011974	\$46,562.18	\$86,292.37	(\$20,790.71)	\$8,780.29	5
6	Small Power - SGP	1,520,403		0.010167	0.010474	\$15,241.53	\$15,701.76	(\$1,325.52)	(\$472.82)	6
7	Fiat Rates	113,873		0.002313	0.006048	\$259.70	\$679.06	(\$298.54)	(\$645.37)	7
8	Rate 8	0		0.000000	0.000000	\$0.00	\$0.00	\$0.00	\$0.00	8
9	Rate 9	0		0.000000	0.000000	\$0.00	\$0.00	\$0.00	\$0.00	9
10	TOTAL	15,105,604				\$117,816.66	\$170,030.31	(\$24,175.34)	\$9,320.20	10

(a) Exhibit IV, Page 7 of 7, Column E.

(b) Attachment B, Page 3 of 3, Column F of Tracker Filing for the three months of (see note below) APR, MAY, AND JUN 2010

(c) Attachment B, Page 3 of 3, Column G of Tracker Filing for the three months of APR, MAY, AND JUN 2010

(d) Column A times Column B times the Gross Income Tax Factor of 0.986

(e) Column A times Column C times the Gross Income Tax Factor of 0.986

(f) Exhibit IV, Page 4 of 7, Column D of Tracker Filing for the three months of APR, MAY, AND JUN 2010

(g) Exhibit IV, Page 4 of 7, Column E of Tracker Filing for the three months of APR, MAY, AND JUN 2010

Note: The demand adjustment factor for rate PPL comes from Attachment A and is applied to the kVA value

Lebanon Municipal Electric Utility

RECONCILIATION OF VARIANCES FOR THE
 FOR THE THREE MONTHS OF APR, MAY, AND JUN 2010

LINE NO.	RATE SCHEDULE	NET INCREMENTAL COST BILLED BY MEMBER			TOTAL (C)	DEMAND (D)	VARIANCE ENERGY (E)	TOTAL (F)	RATE SCHEDULE	LINE NO.
		DEMAND (A)	ENERGY (B)	TOTAL						
1	Residential - RS	\$45,033.73	\$52,271.22	\$97,304.95	\$10,188.63	\$12,150.59	\$22,339.22	Residential - RS	1	
2	Commercial - CS 10	\$10,440.79	\$11,390.82	\$21,831.61	\$1,700.38	\$1,900.50	\$3,600.88	Commercial - CS 1	2	
3	Commercial - CS 30	\$1,297.63	\$1,254.08	\$2,551.71	\$35.42	\$28.08	\$63.50	Commercial - CS 3	3	
4	Municipal - MS	\$741.67	\$782.90	\$1,524.57	(\$21.43)	(\$28.47)	(\$49.90)	Municipal - MS	4	
5	Gen. Power - PPL	\$67,352.89	\$77,512.08	\$144,864.97	(\$537.11)	\$8,690.16	\$8,153.05	Gen. Power - PPL	5	
6	Small Power - SGP	\$16,567.05	\$16,174.58	\$32,741.63	(\$2,112.34)	(\$2,259.41)	(\$4,371.75)	Small Power - SGP	6	
7	Flat Rates	\$558.24	\$1,324.43	\$1,882.67	\$65.16	\$160.85	\$226.01	Flat Rates	7	
8	Rate 8	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Rate 8	8	
9	Rate 9	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Rate 9	9	
10	TOTAL	\$141,992.00	\$160,710.11	\$302,702.11	\$9,318.71	\$20,642.30	\$29,961.01	TOTAL	10	

(a) Column D minus Column F from Exhibit IV, Page 3 of 7

(b) Column E minus Column G from Exhibit IV, Page 3 of 7

(c) Columns E, F, and G from Exhibit IV, Page 2 of 7 minus Columns A, B, and C

Lebanon Municipal Electric Utility

DETERMINATION OF ACTUAL DEDICATED CAPACITY PAYMENTS
 FOR THE THREE MONTHS OF APR, MAY, AND JUN 2010

LINE NO.	DESCRIPTION	MONTH (A)	MONTH (B)	MONTH (C)	TOTAL (D)	AVERAGE (E)	LINE NO.
1	ACTUAL MEMBER GENERATING COSTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1
2	LESS: GENERATING COSTS IN BASE RATES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	2
3	DIFFERENCE IN ACTUAL TO BASE RATE COSTS (a)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	3
4	ACTUAL MONTHLY PAYMENT FROM IMPA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	4
5	LESS: ESTIMATED PAYMENT IN BASE RATES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	5
6	DIFFERENCE IN ACTUAL TO BASE RATE PAYMENT (b)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	6
7	ACTUAL CAPACITY PAYMENT SAVINGS TO BE COLLECTED THROUGH THE TRACKER (c)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	7
8	ACTUAL MONTHLY KW BILLED (d)	27,889	38,766	41,553	108,208	36,069	8
9	ACTUAL CAPACITY PAYMENT SAVINGS PER KW (e)	0.000	0.000	0.000	0.000	0.000	9

- (a) Line 1 minus Line 2
- (b) Line 4 minus Line 5
- (c) Line 3 minus Line 6
- (d) Exhibit IV, Page 6 of 7, Line 1
- (e) Line 7 divided by Line 8

NOTE: This exhibit is only applicable to members with generation.

Lebanon Municipal Electric Utility

DETERMINATION OF ACTUAL ENERGY COST ADJUSTMENT
 FOR THE THREE MONTHS OF APR, MAY, AND JUN 2010

LINE NO.	DESCRIPTION	Apr-10 (A)	May-10 (B)	Jun-10 (C)	TOTAL (D)	ACTUAL 3 MONTH AVERAGE (E)	LINE NO.
PURCHASED POWER FROM IMPA							
1	KW DEMAND (a)	27,889	38,766	41,553	108,208	36,069	1
2	KWH ENERGY (a)	14,655,695	16,517,529	20,167,457	51,340,681	17,113,560	2
INCREMENTAL PURCHASED POWER COSTS							
DEMAND RELATED							
3	ECA FACTOR PER KW (a)	0.277	0.277	0.277	0.277	0.277	3
4	CHARGE (b)	\$7,725.25	\$10,738.18	\$11,510.18	\$29,973.62	\$9,991.21	4
ENERGY RELATED							
5	ECA FACTOR PER KWH (a)	(0.000060)	(0.000060)	(0.000060)	(0.000060)	(0.000060)	5
6	CHARGE (c)	(\$879.34)	(\$991.05)	(\$1,210.05)	(\$3,080.44)	(\$1,026.81)	6

(a) From IMPA bills for the months of APR, MAY, AND JUN 2010
 (b) Line 1 times Line 3
 (c) Line 2 times Line 5

LEBANON MUNICIPAL ELECTRIC UTILITY

Lebanon, Indiana

Flat Rates Consumption Calculation

April-10

		# of Customers (a)	kWh Apr.	kWh Consumption
<u>Security Lights</u>				
175MV	EO1	519	71	36,849
250MV	EO2	25	102	2,550
400MV	EO3	31	159	4,929
100HPS	EO4	12	35	420
200HPS	EO5	69	69	4,761
400HPS	EO6	25	142	3,550
250HPS	EO8	7	89	623
<u>Street Lights</u>				
100MV	EP1	13	40	520
175MV	EP2	352	71	24,992
250MV	EP3	5	102	510
100HPS	EP5	0	35	0
200HPS	EP6	402	69	27,738
400HPS	EP7	53	142	7,526
150HPS	EP8	27	51	1,377
250HPS	EP9	150	89	13,350
<u>Flat Sales</u>				
	Lebanon Utilities LS#3 (KFC)	1		250
	Lebanon Bowling	1		0
Total Flat Rate Consumption				<u><u>129,945</u></u>

LEBANON MUNICIPAL ELECTRIC UTILITY
 Lebanon, Indiana

Flat Rates Consumption Calculation
 May-10

		<u># of Customers (a)</u>	<u>kWh May</u>	<u>kWh Consumption</u>
<u>Security Lights</u>				
175MV	EO1	514	63	32,382
250MV	EO2	25	91	2,275
400MV	EO3	31	141	4,371
100HPS	EO4	12	31	372
200HPS	EO5	69	61	4,209
400HPS	EO6	25	26	650
250HPS	EO8	8	79	632
<u>Street Lights</u>				
100MV	EP1	13	35	455
175MV	EP2	352	63	22,176
250MV	EP3	5	91	455
100HPS	EP5	0	31	0
200HPS	EP6	402	61	24,522
400HPS	EP7	53	126	6,678
150HPS	EP8	27	46	1,242
250HPS	EP9	150	79	11,850
<u>Flat Sales</u>				
	Lebanon Utilities LS#3 (KFC)	1		250
	Lebanon Bowling	1		0
Total Flat Rate Consumption				<u><u>112,519</u></u>

LEBANON MUNICIPAL ELECTRIC UTILITY
 Lebanon, Indiana

Flat Rates Consumption Calculation
 June-10

		<u># of Customers</u> (a)	<u>kWh Jun.</u>	<u>kWh Consumption</u>
<u>Security Lights</u>				
175MV	EO1	513	54	27,702
250MV	EO2	25	79	1,975
400MV	EO3	31	122	3,782
100HPS	EO4	12	27	324
200HPS	EO5	69	53	3,657
400HPS	EO6	25	109	2,725
250HPS	EO8	9	68	612
<u>Street Lights</u>				
100MV	EP1	13	30	390
175MV	EP2	352	54	19,008
250MV	EP3	5	79	395
100HPS	EP5	0	27	0
200HPS	EP6	402	53	21,306
400HPS	EP7	53	109	5,777
150HPS	EP8	27	39	1,053
250HPS	EP9	150	68	10,200
<u>Flat Sales</u>				
	Lebanon Utilities LS#3 (KFC)	1		250
	Lebanon Bowling	1		0
Total Flat Rate Consumption				<u><u>99,156</u></u>

LEBANON MUNICIPAL ELECTRIC UTILITY
 Lebanon, Indiana

CALCULATION OF LINE LOSS FACTOR
FOR YEAR 2009

Month	Metered kWh Sold	IMPA Metered kWh Purchased
January	19,335,202	21,239,324
February	19,055,010	17,506,436
March	17,145,657	17,006,454
April	15,191,392	15,892,874
May	15,957,706	15,989,115
June	15,326,237	18,557,766
July	18,725,638	17,934,066
August	20,648,047	19,157,304
September	17,771,952	16,297,365
October	15,903,171	15,562,095
November	14,820,965	15,602,702
December	16,472,800	19,350,192
Subtotal	206,353,777	
Unmetered Sales	1,777,951	
Total	208,131,728 *	210,095,693
Estimated Losses kWh		1,963,965
Line Loss as percent of total purchases		0.9348%

Based on customer count 12 months average not monthly actual.

Unmetered Sales Calculation for 2008

Exhibit VI
Page 2 of 2

Description	Average Customers at 12/13/07	Annual kWh Consumption per Lamp	Total kWh Consumption per Lamp Type
<u>Security Lights</u>			
175MV	516	966	498,456
250MV	27	1,401	37,827
400MV	31	2,174	67,394
100HPS	12	484	5,808
200HPS	70	940	65,800
400HPS	25	1,940	48,500
250HPS	8	1,220 *	9,760
Total Security Lights	689	1,065	733,545
<u>Street Lights</u>			
100MV	13	540	7,020
175MV	352	966	340,032
250MV	5	1,401	7,005
100HPS	0	484	0
200HPS	402	940	377,880
400HPS	53	1,940	102,820
150HPS	27	704	19,008
250HPS	150	1,220	183,000
Total Security Lights	1,002	1,035	1,036,765
<u>Flat Sales</u>			
Lebanon Utilities LS#3 (KFC)	1	6457	6457
Lebanon Bowling Sign	1	1,184	1,184
Total Flats	2	3,821	7,641
Total 2000 Unmetered Sales	1,693	1,050	1,777,951

* SHOULD BE 1220

Exhibit VII

LEBANON MUNICIPAL ELECTRIC UTILITY

Lebanon, Indiana

VERIFICATION FOR FUTURE USE OF KW DEMAND ALLOCATION AND KWH ENERGY ALLOCATION FACTORS IN COMPLIANCE
 WITH ORDERING PARAGRAPH 7 OF IURC CAUSE NO. 36835-S2, DATED MAY 2, 1984

Line No.	Month	Residential			Commercial		Commercial		Commercial		Small General Power		Flat Rates SL & OL		Total (H)
		Rate RS (A)	Single Phase Rate CS (B)	Three Phase Rate CS (C)	Single Phase Rate CS (D)	Three Phase Rate CS (E)	Rate MS (D)	Rate PPL (E)	Rate SGP (F)	Rate SGP (F)	Rate SGP (F)	Rate SGP (F)	SL & OL (G)	SL & OL (G)	
1	January, 2009	7,966,990	1,381,096	117,995	96,976	8,302,776	1,289,963	179,406	1,289,963	179,406	19,335,202				19,335,202
2	February	7,609,746	1,378,869	125,264	89,425	8,350,497	1,351,279	149,930	1,351,279	149,930	19,055,010				19,055,010
3	March	5,756,274	1,056,868	107,104	64,092	8,882,865	1,128,413	150,051	1,128,413	150,051	17,145,657				17,145,657
4	April	4,986,784	1,154,083	112,175	55,520	7,511,295	1,248,190	123,345	1,248,190	123,345	15,191,392				15,191,392
5	May	4,766,688	1,063,565	123,179	42,660	8,563,417	1,291,133	107,064	1,291,133	107,064	15,957,706				15,957,706
6	June	4,894,943	1,155,931	130,449	74,886	7,650,471	1,325,192	94,365	1,325,192	94,365	15,326,237				15,326,237
7	July	6,465,776	1,279,080	146,783	80,774	9,198,617	1,449,106	103,502	1,449,106	103,502	18,725,638				18,725,638
8	August	9,287,209	1,940,643	147,421	83,846	8,176,840	1,508,513	103,575	1,508,513	103,575	20,648,047				20,648,047
9	September	5,198,094	1,995,848	103,698	87,026	8,809,987	1,441,022	136,277	1,441,022	136,277	17,771,952				17,771,952
10	October	5,718,628	1,115,623	134,986	50,221	7,430,745	1,285,018	167,948	1,285,018	167,948	15,903,171				15,903,171
11	November	4,236,959	1,002,631	108,477	61,115	7,995,773	1,236,803	179,207	1,236,803	179,207	14,820,965				14,820,965
12	December	6,414,286	1,198,830	99,412	72,824	7,213,251	1,279,737	194,460	1,279,737	194,460	16,472,800				16,472,800
13	Total	73,302,377	15,123,057	1,458,945	859,365	98,086,534	15,834,369	1,689,130 *	15,834,369	1,689,130 *	206,353,777				206,353,777
14	Percent of Total	35.5227%	7.3287%	0.7070%	0.4165%	47.5332%	7.6734%	0.8186%	7.6734%	0.8186%	100.0000%				100.0000%
15	KWh Energy Factors (a)	35.850%	9.491%	1.453%	0.659%	43.915%	7.555%	1.077%	7.555%	1.077%	100.0000%				100.0000%
16	Percent Variance (c)	-0.913%	-22.783%	-51.341%	-36.805%	8.239%	1.567%	-23.996%	1.567%	-23.996%					
17	kW Demand Factors (a)	36.638%	10.337%	1.800%	0.749%	40.581%	9.356%	0.539%	9.356%	0.539%	100.0000%				100.0000%
18	Adjusted Factors (d)	36.303%	7.982%	0.876%	0.473%	43.924%	9.503%	0.410%	9.503%	0.410%	99.471%				99.471%
19	Percent of Total (e)	36.496%	8.024%	0.881%	0.476%	44.158%	9.553%	0.412%	9.553%	0.412%	100.0000%				100.0000%

* Based on customer count 12 month average not monthly actual.

- (a) Taken from Cost of Service Study based on Twelve Month Period Ended September, 1999
- (b) KWh sales by rate classification expressed as a percent of total KWh sales for the year 2000. Proposed kWh Energy allocator for year 2001.
- (c) (Line 14/Line 15)-1
- (d) (1+ Line 16) * Line 17.
- (e) (Line 18) / (Line 18, column H). Proposed kW Demand allocator for year 2001.

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RECEIVED ON: SEPTEMBER 7, 2010
IURC 30-DAY FILING NO.: 2747
Indiana Utility Regulatory Commission

To: The Lebanon Reporter
117 E. Washington St
Lebanon, IN 46052

Lebanon
Boone

PUBLISHER'S CLAIM

LINE COUNT

Display Master (Must not exceed two actual lines, neither of which shall total more than four solid lines of the type in which the body of the advertisement is set) - number of equivalent lines _____
Head - number of lines _____
Body - number of lines _____
Tail - number of lines _____
Total number of lines in notice _____

COMPUTATION OF CHARGES

31 lines, 2 columns wide equals
62 equivalent lines at 0.397 cents per line \$ 24.61
Additional charge for notices containing rule or tabular work (50 percent of above amount) _____
Charge for extra proofs of publication (\$1.00 for each proof in excess of two) _____
Total Amount of Claim \$ 24.61

DATA FOR COMPUTING COST

Width of single column in picas 9.9 Size of type 7 point.
Number of insertions 1

Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper 1 times. The dates of publication being as follows:
August 23, 2010

Additionally, the statement checked below is true and correct:

- Newspaper does not have a Web site.
- Newspaper has a Web site and this public notice was posted on the same day as it was published in the newspaper.
- Newspaper has a Web site, but due to technical problem or error, publish notice was posted on _____
- Newspaper has a Web site but refuses to post the public notice.

Amber Hieston

Date: 8/23/2010

Title Amber Hieston-Legal Advertising Manager

LEGAL NOTICE

The City of Lebanon, Indiana Utilities has made a filing for a purchase power and energy tracking factor with the Indiana Utility Regulatory Commission in order to implement an average change in its rates for electric service charged by its supplier, Indiana Municipal Power Agency, pursuant to the Indiana Utility Regulatory Commission Order in Cause Number 36835-63. The filing, if approved by the Commission, will be effective for energy consumed on or after the date of approval.

Rate R5	\$ 0.021379 per kWh
Rate C5 10	\$ 0.021192 per kWh
Rate C5 30	\$ 0.020242 per kWh
Rate M5	\$ 0.018169 per kWh
Rate PPL	\$ 3.573751 per kVA
	\$ 0.009937 per kWh
Rate 5GP	\$ 0.016527 per kWh
Rate OL & 5L	\$ 0.014836 per kWh

Any Objection to this filing may be addressed to the following Indiana Office of Utility Consumer Counselor(OUCC)

115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204
Toll Free: 1-888-441-2494
Voice/TDD: (317)232-2494
Fax: (317)232-5923
www.in.gov/oucc

Indiana Utility Regulatory Commission (IURC)
101 W Washington St, Suite 1500 East
Indianapolis, IN 46204
Toll Free: 1-800-851-4268
Voice/TDD: (317)232-2701
Fax: (317)233-2410
www.in.gov/iurc

Claim No. Warrant No.

**IN FAVOR OF
THE BOONE COUNTY
Lebanon, IN 46052
Tax ID# 35-0464470**

\$
On Account of Appropriation For
.....
Appropriation No.

Allowed
In the sum of \$
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I have examined the within claim and hereby
certify as follows:

That it is in proper form.

That it is duly authenticated as required by law.

That it is based upon statutory authority.
(correct)

That it is apparently
(incorrect)

I certify that the within claim is true and correct;
that the services there in itemized and for which
charge is made were ordered by me and were
necessary to the public business.

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