

Indiana Michigan Power
P.O. Box 60
Fort Wayne, IN 46801
IndianaMichiganPower.com



A unit of American Electric Power

Secretary of the Commission
Indiana Utility Regulatory Commission
PNC Center
101 West Washington Street, Suite 1500 East
Indianapolis, Indiana 46204

February 7, 2013

Dear Secretary:

Pursuant to 170 IAC 1-6, Indiana Michigan Power Company (I&M) submits this thirty-day filing requesting approval to withdraw Rider D.L.C.-2 (Experimental Direct Load Control Rider). Rider D.L.C.-2 was developed and used as part of the South Bend Smart Meter Pilot Program (SMPP). This withdraw request has been necessitated by the lack of components necessary to support the smart thermostat and auxiliary communicating device required to effectively continue the load reduction program under Rider D.L.C.-2.

Although the SMPP officially concluded as of September 30, 2010, I&M requested in 30-Day Filing No. 2822 and approved in Conference on March 30, 2011, approval for experimental Rider D.L.C.-2 to be extended until, in part, the supply of necessary components to conduct the experimental rider was exhausted. The smart thermostat including the auxiliary communicating device is an integral component required to conduct the direct load control program. The parts supply required to maintain that component has been exhausted. In addition, although the thermostat to AMI meter communication link is still secure, current standards for IT cyber security have evolved rendering the current technology obsolete.

The SMPP, including Rider D.L.C.-2, was designed and conducted in collaboration with the Indiana Office of Utility Consumer Counselor (OUCC). I&M has met and discussed this matter with the OUCC. The OUCC has indicated its support for the proposed withdraw of Rider D.L.C.-2.

As an incentive to participate in the load reduction program conducted under Rider D.L.C.-2, customers were offered the opportunity to receive a monthly bill credit for the billing months of May to September of up to eight dollars (\$8). Although I&M's current Rider R.P.R. (Residential Peak Reduction Rider) is structured similar to Rider D.L.C.-2 including the \$8 incentive credit, conducting the load reduction program under Rider R.P.R. does not require the use of a smart thermostat and auxiliary communicating device. Once Commission approval to withdraw Rider D.L.C.-2 is received, I&M will contact each customer currently enrolled under Rider D.L.C.-2 and offer them the opportunity to maintain the monthly credit by migrating to Rider R.P.R.

In addition, under the terms and conditions of Rider D.L.C.-2, once Rider D.L.C.-2 is withdrawn, I&M will transfer ownership of the smart thermostat to the customer and deactivate

February 7, 2013
Page 2

the auxiliary communicating devise. So as to not inconvenience the customer, I&M will perform this deactivation at the meter.

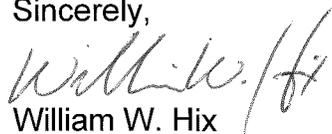
In support of this 30-Day filing, I&M is submitting the following information:

1. Original and three copies of I&M's Rider D.L.C.-2 (Experimental Direct Load Control Rider) Second Revised Sheet 7C.
2. Redline of I&M's Rider D.L.C.-2 (Experimental Direct Load Control Rider) First Revised Sheet 7C
3. Verified Statement of Publication.

Upon completion of your review, please return to us electronic copy of the stamped approved tariff sheet.

If you have any questions regarding I&M's filing please contact me at (260) 408-3503 or wwhix@aep.com.

Sincerely,



William W. Hix
Principal Regulatory Consultant

Enclosures

cc: David Stippler-OUCC

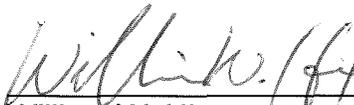
STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

VERIFIED STATEMENT OF PUBLICATION

William W. Hix, being duly sworn upon oath, deposes and says that:

1. I am a Principal Regulatory Consultant for Indiana Michigan Power Company (I&M).
2. Pursuant to 170 IAC 1-6-5(a), I affirm that affected customers have been notified of I&M's thirty-day filing of a request that the experimental Rider D.L.C.-2 (Experimental Direct Load Control Rider) be withdrawn from service as required under 170 IAC 1-6-6.
3. Notification of the thirty-day filing to withdraw Rider D.L.C.-2 (Experimental Direct Load Control Rider) was made by publication of a Legal Notice in a newspaper of general circulation that has a circulation encompassing the highest number of I&M's customers affected by the filing, and posting the notice on I&M's website.
4. A true and correct copy of I&M's Legal Notice is attached hereto as Exhibit "A".

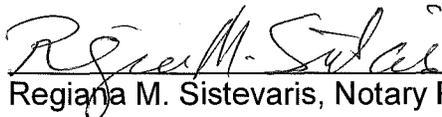
Date: 2-7-13



William W. Hix
Principal Regulatory Consultant
Indiana Michigan Power Company

STATE OF INDIANA)
) ss:
COUNTY OF ALLEN)

Subscribed and sworn to before me, a Notary Public, in and for said County and State this 7th day of February 2013.



Regina M. Sistevaris, Notary Public

I am a resident of Allen County, Indiana.
My commission expires: March 6, 2015

LEGAL NOTICE
STATE OF INDIANA
INDIANA UTILITY

REGULATORY COMMISSION
Indiana Michigan Power Company, an Indiana corporation, gives notice that on or before February 8, 2013, it will submit for approval under the Indiana Utility Regulatory Commission's thirty-day filing process, a request that the experimental Rider D.L.C.-2 (Experimental Direct Load Control Rider) be withdrawn from service effective upon Commission approval. Customers affected by this filing include approximately 100 I&M residential customers that are currently enrolled under Rider D.L.C.-2 and located in the former Smart Metering Pilot Program area, which is an area northeast and west of the South Bend, Indiana central business district. Affected customers will no longer be subject to thermostat temperature setbacks for air conditioning purposes during load management events and will no longer receive the Rider D.L.C.-2 Rate Credit, but will assume ownership of the programmable controlling thermostat (PCT) as-is and with wireless communication from the utility electric meter to the PCT disabled. Affected customers will be offered the option of migrating to Rider R.P.R. (Residential Peak Reduction Rider) which includes a similar Rate Credit as Rider D.L.C.-2. A decision on the proposed withdrawal of Rider D.L.C.-2 should be received from the Indiana Utility Regulatory Commission on or before March 13, 2013.

Please direct inquiries to:
Indiana Michigan Power Company
Attn: Director of Regulatory Services
P.O. Box 60
Fort Wayne, IN 46801
Objections to this filing can be made to the following:
Indiana Utility Regulatory Commission
Attn: Commission Secretary
PNC Center
101 West Washington Street
Suite 1500 East
Indianapolis, Indiana 46204

Indiana Office of Utility Consumer Counselor
PNC Center
115 W. Washington Street
Suite 1500 South
Indianapolis, Indiana 46204

1t: 1: 29

State of Indiana
St. Joseph County ss:

Personally appeared before me, a notary public in and for said county and state, the undersigned Kim Wilson who, being duly sworn says that she is of competent age and is President & Publisher of the South Bend Tribune, a daily newspaper which for at least five (5) consecutive years has been published in the City of South Bend, county of St. Joseph, State of Indiana, and which during the time, has been a newspaper of general circulation, having a bona fide paid circulation, printed in the English Language and entered, authorized and accepted by the post office department of the United States of America as mailable matter of the second-class as defined by the act of Congress of the United States of March 3, 1879, and that the printed matter attached hereto is a true copy, which was duly published in said newspaper.

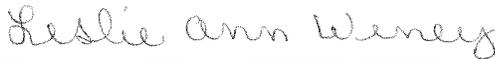
1 time(s), the dates of publication being as follows:

January 29, 2013



Subscribed and sworn to before me this 29th day

of January 2013



Leslie Ann Winey

Notary Public

Resident of St. Joseph County

My commission expires December 21, 2016

Charges: \$25.84

**RIDER D.L.C. - 2
(Experimental Direct Load Control Rider)**

This rider is withdrawn from service effective March 31, 2013

N
N
N

This rider is withdrawn except for the present installations of customers receiving service under this rider or Rider D.L.C. at premises served prior to September 30, 2010.

Availability of Service.

Available on a voluntary experimental basis for residential electric service. Availability is limited to customers who are served by the South Bend area circuits designated for the Company's former Smart Metering pilot program.

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At the Company's option, this rider may be made available to more than 100 customers. Upon request by the Company and approval by the Indiana Utility Regulatory Commission in a future filing, additional customers may be responsible for the Commission-approved cost of the smart thermostat device.

For non-owner occupied multi-family dwellings, the Company may require permission from the owner to install auxiliary communicating equipment. Customers will not be eligible for this rider if the owner does not allow installation of auxiliary communicating equipment.

Program Description.

To participate, customers must allow the Company, or its authorized agents, to install a smart thermostat device and, if necessary, auxiliary communicating devices to control the customer's central electric cooling unit(s). All such devices shall be installed at a time that is consistent with the orderly and efficient deployment of this program.

The Company will utilize the smart thermostat device to reduce customer's energy use during load management events. The smart thermostat device may employ either a temperature setback or cycling methodology.

Under a temperature setback methodology, the Company may increase the preset temperature on the customer's thermostat by no more than four (4) degrees during load management events.

Under a cycling methodology, the Company may cycle off the central electric cooling unit(s) for generally up to one-half of every hour of a load management event.

Company planned load management events shall not exceed five (5) hours per day. Such non-emergency load management events shall not exceed 15 events and shall occur only during the months of May through September between Noon and 8 pm.

(Cont'd on Sheet No. 7C.1)

**ISSUED BY
PAUL CHODAK III
PRESIDENT
FORT WAYNE, INDIANA**

**EFFECTIVE FOR ELECTRIC SERVICE RENDERED
ON AND AFTER MARCH 31, 2013**

**ISSUED UNDER AUTHORITY OF THE
INDIANA UTILITY REGULATORY COMMISSION
CONFERENCE DATED MARCH, 2013
30-DAY FILING NO.**

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