



## Crawfordsville Electric Light & Power

808 Lafayette Road, P.O. Box 428  
Crawfordsville, Indiana 47933  
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Fax (765) 364-0447  
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December 12, 2013

Brenda A. Howe  
Secretary of the Commission  
Indiana Utility Regulatory Commission  
PNC Center  
101 West Washington Street, Suite 1500 E  
Indianapolis, Indiana 46204

Re: CEL&P 30-Day Filing Pursuant to 170 IAC 1-6-1 *et seq.*

Dear Ms. Howe:

On behalf of Crawfordsville Electric Light & Power ("CEL&P"), and pursuant to 170 IAC 1-6-1 *et seq.*, I am submitting for Indiana Utility Regulatory Commission ("Commission") approval under the 30-day filing procedure a new rate schedule for use by CEL&P — Rate Schedule DWC (Distribution Wheeling Charge).

### **Distribution Wheeling Charge**

The purpose of this filing is to add to CEL&P's rates and charges for service a new rate — Distribution Wheeling Charge — which will be paid by Crawfordsville Energy, LLC as a result of a transaction in which the CEL&P electricity generating plant ("Power Plant") will be sold to Crawfordsville Energy, LLC. The monthly Distribution Wheeling Charge is \$3,749.

The need for approval of Rate Schedule DWC arises from the terms of the transaction in which Crawfordsville Energy, LLC will purchase the Power Plant. The Distribution Wheeling Charge is required by Section 19(d) of an "Asset Purchase Agreement by and between the City of Crawfordsville, Indiana and Crawfordsville Energy, LLC" ("Asset Purchase Agreement"), which states:

Seller [CEL&P] will provide access to the electricity transmission grid to Purchaser [Crawfordsville Energy, LLC] through its existing transformers. Purchaser shall pay the fee for this service set forth on the non-discriminatory

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tariff to be filed with and approved by the IURC [Commission] and Seller's municipal legislative body [the Common Council of the City of Crawfordsville].]

CEL&P engaged a rate consultant with ISC, Inc. to develop a rate for CEL&P's use under Section 19(d) of the Asset Purchase Agreement. The result of that process is the Distribution Wheeling Charge, for which Commission approval is now sought.

The proposed Rate Schedule DWC qualifies as a "[n]ew rate" as defined in 170 IAC 1-6-2(9) and, therefore, may be submitted to the Commission for its approval as a 30-day filing pursuant to 170 IAC 1-6-3(1).

The following attachments support CEL&P's proposed addition of Rate Schedule DWC to its schedule of rates and charges:

- **Exhibit 1**: Tariff Sheet — Rate Schedule DWC (Distribution Wheeling Charge);
- **Exhibit 2**: Work papers supporting this filing and associated with design of Distribution Wheeling Charge; and
- **Exhibit 3**: Verified Statement

In accordance with 170 IAC 1-6-5(a)(2), contact information for CEL&P regarding this filing is:

Mr. Phillip R. Goode  
Crawfordsville Electric Light & Power  
808 Lafayette Road  
P.O. Box 428  
Crawfordsville, IN 47933-0428  
Phone: (765) 362-1900  
Fax: (765) 364-8224  
[philg@celp.com](mailto:philg@celp.com)

In accordance with 170 IAC 1-6-6, CEL&P provided notice to its customers in Montgomery County on December 12th, 2013. A copy of the Notice that was published is attached hereto, as is a copy of the proof of publication. A copy of this filing is being provided via electronic mail and hand delivery to the Indiana Office of Utility Consumer Counselor.

We appreciate your assistance in processing this request through the Commission's 30-day filing procedure. Once the Commission has approved the proposed Rate Schedule DWC,

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Please return one set of the file-stamped and approved tariff sheet to me in the enclosed self-addressed, stamped envelope. If you have any questions regarding this request or need anything else, please do not hesitate to call.

Sincerely,



Phillip R. Goode, Manager

Enclosures

cc: Indiana Office of Utility Consumer Counselor

**EXHIBIT "A"**

**CRAWFORDSVILLE ELECTRIC LIGHT & POWER**

Rate Schedule DWC  
(Distribution Wheeling Charge)

**Monthly Distribution Wheeling Charge (Incl. IURT)    \$ 3,749**

**CRAWFORDSVILLE ELECTRIC LIGHT & POWER**

**Replacement Cost of 25 MW 138 to 13.8 kV (13.8 to 138 kV) Transformer and New Switchgear**

**Budget Quote 138 - 13.8 kV 15, 20, 25 MVA Transformer with LTC and DTC\***

|  | <u>Cost</u> |
|--|-------------|
| Transformer and Delivery Cost to North American Port | \$ 649,000  |
| Inland Transport including Off-Loading to DDP Pad    | \$ 65,000   |
| Insulating Oil Delivered to JobSite                  | \$ 39,840   |
| Assembly/Oil Fill/Test on-site                       | \$ 62,000   |
| Total Replacement Cost of Transformer                | \$ 815,840  |

**New Switchgear Equipment:**

|   |            |
|---|------------|
| 12 Position Switchgear  | \$ 603,845 |
| Field Services to unload & complete assembly, commissioning and testing | \$ 31,088  |
| Total Switchgear Cost   | \$ 634,933 |

\* Estimate provided on October 31, 2011 from Utility and Industrial Products. Existing transformer was purchased in 1962 and is fully depreciated.

**CRAWFORDSVILLE ELECTRIC LIGHT & POWER**  
**Testing Procedures and Operating & Maintenance Costs**

| <u>Procedures and Operating &amp; Maintenance</u>                | <u>Frequency of Testing</u> | <u>Cost Per Test</u> | <u>Annual Cost</u> |
|--|-----------------------------|----------------------|--------------------|
| CELP Transformer Testing Procedures:                             |                             |                      |                    |
| 1 Oil Sampling - \$85 plus one CELP Staff for 1 hour @ \$30/hour | Semi-Annually               | \$ 115.00            | \$ 230.00          |
| 2 PM Testing by Consultant                                       | Every 4 years               | \$ 5,000.00          | \$ 1,250.00        |
| 3 Battery Testing  | Annually                    | \$ 525.00            | \$ 525.00          |
| 4 Weekly Visual Checks - 2 CELP Staff for 1 hour at \$30/hour    | Weekly                      | \$ 60.00             | \$ 3,000.00        |
| 5 Monthly Visual Checks - 2 CELP Staff for 3 hours at \$30/hour  | Monthly                     | \$ 60.00             | \$ 2,160.00        |
| Meter Testing - 2 CELP Staff for 1 hour at \$30/hour             | Every 2 years               | \$ 60.00             | \$ 30.00           |
| Billing Preparation - 1 CELP Staff for 2 hours at \$17.82/hour   | Monthly                     | \$ 35.64             | \$ 427.68          |
| Total Operating and Maintenance Expenses                         |                             |                      | <u>\$ 7,622.68</u> |

**CRAWFORDSVILLE ELECTRIC LIGHT & POWER  
 ELECTRIC PLANT IN SERVICE & PILOT**

| <u>Electric Plant Required for Wheeling<br/>Power for Crawfordsville Energy LLC</u> | <u>Cost</u> | <u>Percent Used<br/>to Wheel Power</u> | <u>Cost of Plant<br/>to Wheel Power</u> |
|---|-------------|--|---|
| 1 25 MW 138 kV/13.8 kV Transformer  | \$ 815,840  | 70.6% *                                | \$ 575,983                              |
| 2 Advanced Meter Equipment at Switchgear  | \$ 3,000    | 100.0%                                 | \$ 3,000                                |
| 3 New Switchgear Equipment  | \$ 634,933  | 8.3% **                                | \$ 52,911                               |
| Total   |             |  | <u>\$ 631,894</u>                       |

**Payment in Lieu of Taxes (PILOT)**

|   |                   |            |
|---|-------------------|------------|
| CELP Annual PILOT Payment to City:              |                   | \$ 425,000 |
| Gross Plant as of December 31, 2012             | \$ 53,043,992     |            |
| Plant Required for Wheeling Power to 138 System | <u>\$ 631,894</u> |            |
| Ratio of Plant for Wheeling                     | 1.19%             | 1.19%      |

**PILOT Related to Wheeling Power to 138 kV System** \$ 5,063

\* **Potential Loading on Transformer**

|   | <u>MW</u>    | <u>Percent</u> |
|---|--------------|----------------|
| 138 kV to 13.6 kV to CELP Retail Customers    | 10 MW        | 29.4%          |
| Maximum Capacity of Crawfordsville Energy LLC | <u>24 MW</u> | <u>70.6%</u>   |
| Total Loading                                 | 34 MW        | 100.0%         |

\*\* One position of 12 position switchgear used for Crawfordsville Energy LLC

**CRAWFORDSVILLE ELECTRIC LIGHT & POWER  
COMPUTATION OF 2012 LEVELIZED  
FIXED CHARGE RATE (LFCR)  
DISTRIBUTION FACILITIES**

|   |   |                            |
|---|---|----------------------------|
| 1) Return on Net Plant*                         | = | 4.63%                      |
| 2) Property Insurance - P (See Exhibit A)       | = | 0.38%                      |
| <b>Total Levelized Fixed Charge Rate (LFCR)</b> |   | <u><u><b>5.01%</b></u></u> |

**Return on Electric Plant for Wheeling Power from Crawfordsville Energy LLC**

|  |    |                      |
|--|----|----------------------|
| Gross Electric Plant Used for Wheeling Power | \$ | 631,894              |
| Levelized Fixed Charge Rate (LFCR)           |    | <u>5.01%</u>         |
| Annual Return on Plant                       | \$ | <u><b>31,678</b></u> |

\* Return on Net Plant based on the IURC Rate Order on Cause No. 43773 approved July 28, 2010.



**CRAWFORDSVILLE ELECTRIC LIGHT & POWER**  
**Calculation of Distribution Wheeling Charge to Crawfordsville Energy LLC**

**Annual Operating Costs to Wheel Power for Generating Plant**

|  |           |                     |
|--|-----------|---------------------|
| Operating and Maintenance Costs                          | \$        | 7,623               |
| Property Tax (PILOT)                                     | \$        | 5,063               |
| Return on Gross Plant Used for Wheeling Power            | \$        | 31,678              |
| Total Costs  | \$        | <u>44,363</u>       |
| Monthly Average Cost                                     | \$        | 3,697               |
| Adjustment for Indiana Utility Receipts Tax (IURT)       |           | <u>1.40%</u>        |
| <b>Monthly Distribution Wheeling Charge (Incl. IURT)</b> | <b>\$</b> | <b><u>3,749</u></b> |

**CRAWFORDSVILLE ELECTRIC LIGHT & POWER  
COMPUTATION OF 2012 LEVELIZED  
FIXED CHARGE RATE(LFCR)  
2012 PROPERTY INSURANCE RATE  
TRANSMISSION/DISTRIBUTION**

**EXHIBIT A**

|   |           |                     |
|---|-----------|---------------------|
| <b>A. Property Insurance Expense*</b>                     | <b>\$</b> | <b>203,222</b>      |
| <b>B. Gross Utility Plant in Service (as of 12/31/12)</b> | <b>\$</b> | <b>53,043,992</b>   |
| <b>Property Insurance Rate[(A)/(B)]</b>                   |           | <b><u>0.38%</u></b> |

\* Crawfordsville Electric Light & Power Class A-B 2012 Municipal Electric Utility  
Annual Report to the Indiana Utility Regulatory Commission


**Verified Statement of Crawfordsville Electric Light & Power (CEL&P)  
Concerning Notification of Customers of CEL&P's  
Proposed New Rate Schedule DWC (Distribution Wheeling Charge)**

Crawfordsville Electric Light & Power ("CEL&P") has notified affected customers under, and complied with the Notice Requirements of, 170 IAC §1-6-6 in the following manner:

- beginning on December 12th, 2013 and continuing through the filing date, the attached notice was posted in CEL&P's offices located at 808 Lafayette Road, Crawfordsville, Indiana;
- beginning on December 12th, 2013 and continuing through the filing date, the same notice was posted on CEL&P's website on the home page, [www.celp.com](http://www.celp.com);
- a legal notice was published in the Journal-Review and the Paper of Montgomery County newspapers on December 12th, 2013, as evidenced by the attached Publisher's Affidavit; and
- Beginning on the filing date, a copy of the 30-day filing will be included on CEL&P's website on the home page [www.celp.com](http://www.celp.com).

I affirm under the penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 12th day of December, 2013.

  
Phillip R. Goode  
Manger  
Crawfordsville Electric Light & Power

## PUBLIC NOTICE

### Crawfordsville Electric Light & Power

PUBLIC NOTICE is hereby given pursuant to 170 Ind. Admin. Code 1-6-6, that on or about December 12th, 2013, the City of Crawfordsville, by its municipal electric utility, Crawfordsville Electric Light & Power ("CEL&P"), expects to file with the Indiana Utility Regulatory Commission, under its 30-day filing procedure, a request seeking Commission approval of a new rate — Distribution Wheeling Charge — to be added to CEL&P's schedule of rates and charges. CEL&P proposes to add Rate Schedule DWC (Distribution Wheeling Charge), which is a new rate that will be paid by Crawfordsville Energy, LLC as a result of a transaction in which the CEL&P electricity generating plant will be sold to Crawfordsville Energy, LLC. The monthly Distribution Wheeling Charge to be paid by Crawfordsville Energy, LLC is \$3,749. Crawfordsville Energy, LLC is the only customer to which the Distribution Wheeling Charge applies. The date by which approval of the filing is expected is on or about January 12th, 2014. The contact information for the persons to whom an objection should be made is below:

Brenda A. Howe  
Secretary of the Commission  
Indiana Utility Regulatory Commission  
PNC Center  
101 West Washington Street, Suite 1500 E  
Indianapolis, Indiana 46204  
Telephone: (317) 232-2701

Indiana Office of Utility Consumer Counselor  
PNC Center  
115 W. Washington Street, Suite 1500 South  
Indianapolis, IN 46204  
Telephone: 1-888-441-2494