

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
26 SOUTH WASHINGTON STREET  
KNIGHTSTOWN, INDIANA 46148**

**Telephone 765-345-5977  
Fax 765-345-2212**

**Date: September 9, 2014**

**Brenda A. Howe  
Secretary of the Commission  
Indiana Utility Regulatory Commission  
101 West Washington St., Suite 1500 E  
Indianapolis, IN 46204**

**RE: Knightstown Municipal Electric Utility 30 Day Filing  
Pursuant to 170 IAC 1-6-1 et seq.**

**Dear Ms. Howe:**

**Pursuant to 170 IAC 1-6-5, please find enclosed the following 30 Day Filing by Knightstown Municipal Electric Utility for the 4th quarter tracker filing for 2014. The tariff sheets and work papers are attached. The purpose of this filing is to secure authorization for an approval of the change in the fuel cost adjustment charges. This filing is necessary because of an increase or (decrease) for electricity purchased from our power supplier. The filing is allowed under 170 IAC 1-6-3 for the following reasons: authorizing such increase or (decrease) to be effective on all customer bills rendered by Applicant for electricity subsequent to the date of the Commission's approval.**

**The person at Knightstown Municipal Electric Utility to be contacted regarding this filing is: Betsy Wilkerson, Office Manager; telephone 765-345-5977; 26 South Washington Street, Knightstown, Indiana 46148. E-mail address is [bwilkerson@myinestar.net](mailto:bwilkerson@myinestar.net).**

**Affected customers have been notified as required under 170 IAC 1-6-6. Notice was published in The Knightstown Banner which has a general circulation encompassing the highest number of affected customers on September 10, 2014. Notice has been posted in a public place in the Knightstown Municipal Electric Utility Customer Service Office. We do not have a website to post the legal notice on. A copy of the publication and public notice is attached.**

**I verify that the notice has been provided as stated in this letter and that this letter and the attached documents are true and accurate to the best of my knowledge, information, and belief.**

**Sincerely,**

**Betsy Wilkerson, Office Manager  
Town of Knightstown, Knightstown Utilities**

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
26 SOUTH WASHINGTON STREET  
KNIGHTSTOWN, INDIANA 46148**

**APPENDIX A**

**RATE ADJUSTMENT (Applicable to all metered rates)**

**The Rate Adjustment 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 December 13, 1989 in Cause No. 36835-S3, as follows:**

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

<b><u>Rate Code</u></b>	<b><u>ECA Tracking Factor</u></b>
<b>ALL</b>	<b>\$0.004528</b>

**MONTH'S EFFECTIVE:**

**October - 2014      November - 2014      December - 2014**

**LEGAL NOTICE**

**The Knightstown Electric Utility has calculated an energy tracking factor to implement a change in the rates for electric service charged by its supplier the Indiana Municipal Power Agency.**

**This tracker will be effective for all energy consumed during the billing period.**

<b>Billing Period:</b>	<b><u>Oct-2014</u></b>	<b><u>Nov-2014</u></b>	<b><u>Dec-2014</u></b>
<b>Tracker \$Kwh</b>	<b>\$0.004528</b>	<b>\$0.004528</b>	<b>\$0.004528</b>

**This tracker results in a decrease of 0.038056.**

**For questions or objections, you may contact the Indiana Utility Regulatory commission (IURC) at PNC Center, 101 W. Washington St., Suite 1500 E., Indianapolis, In. 46204-3407 or call toll free 1-800-851-4268; Voice/Too: 317-232-2701 or [www.in.gov/iurc](http://www.in.gov/iurc). You may also contact the Office of Utility Consumer Counselor (OUCC) at PNC Center, 115 W. Washington St., Suite 1500 South, Indianapolis, In. 46204-3407 or call 1-888-441-2494; Voice/Too: 1-317-232-2494 or [www.in.gov/oucc](http://www.in.gov/oucc).**

## KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY

### APPENDIX "A"

**VOID THIS APPENDIX A**

### RATE ADJUSTMENT

The Knightstown Electric Utility has calculated an energy tracking factor to implement a change in the rates for electric service charged by its supplier the Indiana Municipal Power Agency.

This tracker will be effective for all energy consumed during the billing period.

Tracker:

**\$0.004528** per kWh per month

Effective: 4th Quarter 2014

For Billing Periods: Oct-14, Nov-14, and Dec-14

EXHIBIT I

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
 DETERMINATION OF THE RATE ADJUSTMENT**

LINE NO.	DESCRIPTION	FOR THE PERIOD OF			TOTAL	ESTIMATED 3 MONTH AVERAGE
		Oct-14 (A)	Nov-14 (B)	Dec-14 (C)		
<b><u>ESTIMATED PURCHASED POWER FROM IMPA</u></b>						
1	DEMAND (kW)	3,638	3,381	4,082	11,101	3,700
2	ENERGY (kWh)	1,752,875	1,943,897	2,316,952	6,013,724	2,004,575
3	ESTIMATED SALES (kWh) (a)	1,596,298	1,770,257	2,109,988	5,476,543	1,825,514
<b><u>ESTIMATED TOTAL RATE ADJUSTMENT</u></b>						
4	DEMAND (b)	\$9,313.28	\$8,655.36	\$10,449.92	\$28,418.56	\$9,472.85
5	ENERGY (c)	\$986.87	\$1,094.41	\$1,304.44	\$3,385.73	\$1,128.58
6	TOTAL	\$10,300.15	\$9,749.77	\$11,754.36	\$31,804.29	\$10,601.43
<b><u>VARIANCE</u></b>						
7	VARIANCE IN RECONCILIATION PERIOD (d)					(\$2,450.42)
8	TOTAL ESTIMATED INCREMENTAL PURCHASED POWER COST (e)					\$8,151.01
9	TOTAL ESTIMATED INCREMENTAL PURCHASED POWER COST PER kWh (f)					\$0.004465
10	TOTAL ESTIMATED INCREMENTAL PURCHASED POWER COST PER KWH ADJUSTED FOR I.G.I.T. (g)					\$0.004528
11	<b>TOTAL TRACKING FACTOR (h)</b>					<b>\$0.004528</b>

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- (a) Line 2 times (1 - current line loss factor) (See Exhibit V)
  - (b) Line 1 times Exhibit II, Line 5, Column A.
  - (c) Line 2 times Exhibit II, Line 5, Column B.
  - (d) Exhibit III, Line 7, Column E.
  - (e) Line 6 plus Line 7
  - (f) Line 8 divided by Line 3
  - (g) Line 9 divided by the Indiana Gross Income Tax Factor of 0.9860
  - (h) Line 10

**EXHIBIT II**

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
 DETERMINATION OF THE RATE ADJUSTMENT  
 For the 4th Quarter 2014**

LINE NO.	DESCRIPTION		DEMAND (A)	ENERGY (B)
<b><u>INCREMENTAL CHANGE IN BASE RATES</u></b>				
1	CURRENT RATE EFFECTIVE 1-Jan-14	(a)	\$21.564	\$0.029551
2	BASE RATE EFFECTIVE 6-Aug-14	(b)	<u>\$19.278</u>	<u>\$0.031800</u>
3	INCREMENTAL CHANGE IN BASE RATES	(c)	\$2.286	(\$0.002249)
<b><u>ENERGY COST ADJUSTMENT</u></b>				
4	ECA Effective with Current Rates		\$ 0.274	\$ 0.002812
5	ECA Effective in Base Rates		<u>\$ -</u>	<u>\$ -</u>
6	ESTIMATED ENERGY COST ADJUSTMENT		\$0.274	\$0.002812
7	ESTIMATED TOTAL RATE ADJUSTMENT	(d)	\$2.560	\$0.000563

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- (a) IMPA rate, including voltage adjustment, effective for the period covered by this filing.
  - (b) Base purchased power rate effective either at the time of the member's last rate case was filed or when the member initiated service from IMPA, whichever is more recent.
  - (c) Line 1 minus Line 2
  - (d) Line 3 plus Line 4

**EXHIBIT III**

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
 DETERMINATION OF VARIANCE**

cancel

LINE NO.	DESCRIPTION	FOR THE HISTORICAL PERIOD OF			TOTAL (D)	3 MONTH AVERAGE (E)
		Apr-14 (A)	May-14 (B)	Jun-14 (C)		
1	TOTAL SALES SUBJECT TO RATE ADJ. (a)	1,855,409	1,459,983	1,876,020	5,191,412	1,730,471
2	INCREMENTAL COST BILLED BY IMPA (b)	\$52,343.86	\$61,795.09	\$75,470.48	\$189,609.43	\$63,203.14
3	INCREMENTAL COST BILLED BY MEMBER (c)	\$76,765.40	\$60,405.11	\$77,618.16	\$214,788.66	\$71,596.22
4	INC COST BILLED EXCLUDING I.G.I.T. (d)	\$75,690.69	\$59,559.44	\$76,531.50	\$211,781.62	\$70,593.87
5	PREVIOUS VARIANCE (e)	(\$90,035.52)	\$57,644.37	\$47,212.08	\$14,820.93	\$4,940.31
6	NET COST BILLED BY MEMBER (f)	\$165,726.20	\$1,915.06	\$29,319.43	\$196,960.69	\$65,653.56
7	PURCHASED POWER VARIANCE (g)	(\$113,382.35)	\$59,880.03	\$46,151.05	(\$7,351.27)	(\$2,450.42)

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 (a) Exhibit IV, Line 3

(b) Exhibit IV, Line 14

(c) Line 1 times factor used in historical month \$0.041374 \$0.041374 \$0.041374

(d) Line 3 times the Indiana Gross Income Tax Factor of: 0.9860

(e) Purchased Power Variance (Exhibit III, Line 7) from the analysis for the tracker during the historical period.

(f) Line 4 minus Line 5

(g) Line 2 minus Line 6

KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
DETERMINATION OF VARIANCE

LINE NO.	DESCRIPTION	Based on the Historical Period of			TOTAL (D)	3 MONTH AVERAGE (E)	cancel
		Apr-14 (A)	May-14 (B)	Jun-14 (C)			
<b><u>UNITS PURCHASED FROM IMPA</u></b>							
1	DEMAND (kW)	3,161	4,006	5,050	12,217	4,072	
2	ENERGY (kWh)	1,657,622	1,790,176	2,090,606	5,538,404	1,846,135	
<b><u>TOTAL SALES BILLED BY MEMBER</u></b>							
3	TOTAL SALES SUBJECT TO RATE ADJ	1,855,409	1,459,983	1,876,020	5,191,412	1,730,471	
4	TOTAL SALES NOT SUBJECT TO RATE ADJ	0	0	0	0	0	
5	TOTAL SALES BILLED BY MEMBER	1,855,409	1,459,983	1,876,020	5,191,412	1,730,471	
<b><u>INCREMENTAL CHANGE IN BASE RATES</u></b>							
6	DEMAND CHARGE PER kW (a)	\$9.354	\$9.354	\$9.354	(a)	Exhibit II, Line 3, Column A, for Historical Period	
7	ENERGY CHARGE PER kWh (b)	\$0.012359	\$0.012359	\$0.012359	(b)	Exhibit II, Line 3, Column B for Historical Period	
<b><u>ACTUAL ENERGY COST ADJUSTMENT BILLED BY IMPA</u></b>							
8	DEMAND CHARGE PER kW (c)	(\$0.463)	(\$0.463)	(\$0.463)	(c)	IMPA bills for the Historical Period	
9	ENERGY CHARGE PER kWh (c)	\$0.002264	\$0.002264	\$0.002264			
<b><u>TRACKING FACTOR IN EFFECT PRIOR TO IMPA</u></b>							
10	TRACKING FACTOR PER kWh IN EFFECT PRIOR TO SERVICE FROM IMPA (d)	\$0.000000	\$0.000000	\$0.000000	(d)	Tracking Factor effective prior to IMPA multiplied by the line loss and tax factors from footnotes (a) and (g) from Exhibit 1 of the previous tracking filing.	
<b><u>TOTAL RATE ADJUSTMENT</u></b>							
11	DEMAND - PER kW (e)	\$8.891	\$8.891	\$8.891	(e)	Line 6 plus Line 8	
12	ENERGY - PER kWh (f)	\$0.014623	\$0.014623	\$0.014623	(f)	Line 7 plus Line 9 plus Line 10	
					(g)	Line 11 times Line 1 plus Line 12 times Line 2	
					(h)	(Line 3 divided by Line 5) times Line 13	
13	TOTAL INCREMENTAL PURCHASED POWER COST BILLED BY IMPA (g)	\$52,343.86	\$61,795.09	\$75,470.48	\$189,609.43	\$63,203.14	
14	TOTAL INCREMENTAL PURCHASED POWER COST SUBJECT TO RATE ADJUSTMENT (h)	\$52,343.86	\$61,795.09	\$75,470.48	\$189,609.43	\$63,203.14	

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
 CALCULATION OF LINE LOSS FACTOR**

Month of Consumption Month Billed	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	2013
	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Total
kWh Purchased	2,501,401	2,232,378	2,252,811	1,712,337	1,793,048	1,993,870	2,249,178	2,270,762	1,878,966	1,770,590	2,067,657	2,478,692	25,201,690
kWh Metered	2,335,374	2,102,523	2,131,994	1,772,068	1,601,077	1,651,991	1,961,459	2,010,639	1,957,875	1,556,765	1,649,029	2,114,535	22,845,329
kWh unmetered													0
kWh Accounted for	2,335,374	2,102,523	2,131,994	1,772,068	1,601,077	1,651,991	1,961,459	2,010,639	1,957,875	1,556,765	1,649,029	2,114,535	22,845,329
Unaccounted for kWh	166,027	129,855	120,817	-59,731	191,971	341,879	287,719	260,123	-78,909	213,825	418,628	364,157	2,356,361
Line Loss Factor	6.64%	5.82%	5.36%	-3.49%	10.71%	17.15%	12.79%	11.46%	-4.20%	12.08%	20.25%	14.69%	9.35%
Running 12 MO Loss	8.86%	9.59%	9.61%	9.31%	9.00%	8.03%	7.50%	9.54%	10.21%	10.09%	10.18%	9.35%	

Month of Consumption Month Billed	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	2014
	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Total
kWh Purchased	2,844,041	2,417,946	2,253,070	1,657,622	1,790,176	2,090,606							13,053,461
kWh Metered	2,549,659	2,542,659	1,933,410	1,855,409	1,459,983	1,876,020							12,217,140
kWh unmetered													0
kWh Accounted for	2,549,659	2,542,659	1,933,410	1,855,409	1,459,983	1,876,020							12,217,140
Unaccounted for kWh	294,382	-124,713	319,660	-197,787	330,193	214,586	0	0	0	0	0	0	836,321
Line Loss Factor	10.35%	-5.16%	14.19%	-11.93%	18.44%	10.26%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.00%	6.41%
Running 12 MO Loss	9.73%	8.67%	9.44%	8.92%	9.46%	8.93%	8.56%	8.25%	9.46%	9.20%	7.73%	6.41%	

**General Inputs**

**Member** **KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY** **Year** **2014** **Qt** **4th Quarter 2014**  
**Knights town**

Initial month for the projected period	Oct 2014	Nov 2014	Dec 2014	cancel
Historical period for this analysis	Apr 2014	May 2014	Jun 2014	

**Estimated Power Purchased from IMPA** Entered: 08/27/14

kW			kWh		
Oct-14	Nov-14	Dec-14	Oct-14	Nov-14	Dec-14
3,638	3,381	4,082	1,752,875	1,943,897	2,316,952
IMPA Demand ECA - \$/kW			IMPA Energy ECA - \$/kWh		
\$0.274	\$0.274	\$0.274	\$0.002812	\$0.002812	\$0.002812

**IMPA Rate Effective for the CURRENT Period** Entered: 10/31/14

Effective for 01/01/14

	Demand \$/kW	Energy \$/kWh
Base Production	20.039	0.029551
Base Transmission	0.000	0.000000
Delivery Voltage	1.525	
<b>Total</b>	<b>21.564</b>	<b>0.029551</b>

**IMPA's rate effective for the BASE period** Entered: 09/03/14

Effective for 8/6/2014

	Demand \$/kW	Energy \$/kWh
Base Production	19.278	0.031800
Base Transmission	0.000	
Delivery Voltage	0.000	
ECA	0.000	0.000000
<b>Total</b>	<b>19.278</b>	<b>0.031800</b>

Note: These are the IMPA rates included in Knightstown's last rate case. Cause No. 44460-U Order August 6, 2014.

**General Inputs**

Member **KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY** Year **2014** Qt **4th Quarter 2014**  
 Knightstown

<b>Data from IMPA's Bills</b>				Entered: 08/27/14	cancel
Month of Service	Apr-14	May-14	Jun-14		
Demand (kW)	3,161	4,006	5,050		
Energy (kWh)	1,657,622	1,790,176	2,090,606		
Incremental Change in Rates from 2nd Quarter 2014 (Exhibit II, Line 3)					
Demand	\$ 9.354	\$ 9.354	\$ 9.354		
Energy	\$ 0.012359	\$ 0.012359	\$ 0.012359		
Energy Cost Adjustment (ECA) from 2nd Quarter 2014 (Exhibit II, Line 4)					
Demand (\$/kW)	(\$0.463)	(\$0.463)	(\$0.463)		
Energy (\$/kWh)	\$0.002264	\$0.002264	\$0.002264		

<b>Separation of kWh Subject to Tracker</b>				Entered: 08/27/14
from Billing Summary Sheet entered into Exhibit V				
Month of Service	Apr-14	May-14	Jun-14	
Energy subject to tracker	1,855,409	1,459,983	1,876,020	Estimate of Unmetered Energy 8.93%
Energy not subject to tracker	-	-	-	
Total	1,855,409	1,459,983	1,876,020	
Monthly Line Losses	-11.93%	18.44%	10.26%	

<b>Tracker Applied to Retail Bills in This Historical Period</b>				Entered: 08/27/14
2nd Quarter 2014	Apr-14	May-14	Jun-14	Fuel Cost Adjustment \$0.000000 /kWh
\$/kWh	0.041374	0.041374	0.041374	
3rd Quarter 2014	Jul-14	Aug-14	Sep-14	
\$/kWh	0.042584	0.042584	0.042584	

<b>Purchased Power Variance</b>				Entered: 8/27/2014
from Exhibit III, Line 7 of previous analysis for the tracker.				
	Apr-14	May-14	Jun-14	
	(\$90,035.52)	\$57,644.37	\$47,212.08	

<b>Indiana Gross Income Tax Factor</b>	
Tax Rate	1.40%
Tax Factor	0.9860

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY**  
**Monthly Bill Comparisons**

**Residential Customers -- 3rd Quarter 2014 Tracker Vs. 4th Quarter 2014 Tracker**

cancel

kWh Usage	Knightstown Residential Bills		Bill with 4th Quarter 2014 Tracker Over (Under) Bill with 3rd Quarter 2014 Tracker	
	3rd Quarter 2014	4th Quarter 2014	\$ Change	% Change
300	\$35.50	\$35.78	\$0.28	0.8%
500	\$56.10	\$56.38	\$0.29	0.5%
750	\$81.84	\$82.14	\$0.30	0.4%
1,000	\$107.59	\$107.90	\$0.31	0.3%
1,500	\$154.78	\$154.86	\$0.08	0.1%
2,000	\$201.97	\$201.83	(\$0.15)	(0.1%)
3,000	\$296.36	\$295.75	(\$0.60)	(0.2%)
4,000	\$390.74	\$389.68	(\$1.06)	(0.3%)

	Knightstown Residential Rates	
	3rd Quarter 2014	4th Quarter 2014
Energy Charge First 30 kWh or less used per month	\$ 3.97	\$ 5.24
Energy Charge Next 170 kWh, \$/kWh/Month	\$ 0.074800	\$ 0.113700
Energy Charge Next 800 kWh, \$/kWh/Month	\$ 0.060400	\$ 0.098500
Energy Charge Over 1,000 kWh, \$/kWh/Month	\$ 0.051800	\$ 0.089400
Energy Tracker	\$ 0.042584	\$ 0.004528

**Commercial & Municipal Customers -- 3rd Quarter 2014 Tracker Vs. 4th Quarter 2014 Tracker**

kWh Usage	Commercial & Municipal Bills		Bill with 4th Quarter 2014 Tracker Over (Under) Bill with 3rd Quarter 2014 Tracker	
	3rd Quarter 2014	4th Quarter 2014	\$ Change	% Change
1,000	\$124.20	\$125.42	\$1.23	1.0%
2,500	\$285.27	\$286.92	\$1.64	0.6%
5,000	\$542.73	\$544.49	\$1.76	0.3%
7,500	\$778.69	\$779.31	\$0.62	0.1%
10,000	\$1,014.65	\$1,014.13	(\$0.52)	(0.1%)
20,000	\$1,958.48	\$1,953.41	(\$5.07)	(0.3%)
30,000	\$2,902.32	\$2,892.70	(\$9.62)	(0.3%)
40,000	\$3,846.15	\$3,831.98	(\$14.17)	(0.4%)

	Commercial & Municipal Rates	
	3rd Quarter 2014	4th Quarter 2014
Energy Charge First 30 kWh or less, \$/kWh/Month	\$ 3.97	\$ 5.24
Energy Charge Next 470 kWh, \$/kWh/Month	\$ 0.086900	\$ 0.126500
Energy Charge Next 1,000 kWh, \$/kWh/Month	\$ 0.073600	\$ 0.112400
Energy Charge Next 3,500 kWh, \$/kWh/Month	\$ 0.060400	\$ 0.098500
Energy Charge Over 5,000 kWh, \$/kWh/Month	\$ 0.051800	\$ 0.089400
Energy Tracker	\$ 0.042584	\$ 0.004528

**General Service Customers -- 3rd Quarter 2014 Tracker Vs. 4th Quarter 2014 Tracker**

cancel

kW*	kWh	General Service Bills		Bill with 4th Quarter 2014 Tracker Over (Under) Bill with 3rd Quarter 2014 Tracker	
		3rd Quarter 2014	4th Quarter 2014	\$ Change	% Change
Usage	Usage				
27.00	10,000	\$1,057.64	\$1,058.86	\$1.23	0.1%
41.00	15,000	\$1,587.65	\$1,589.57	\$1.91	0.1%
68.00	25,000	\$2,645.29	\$2,648.43	\$3.14	0.1%
82.00	30,000	\$3,175.31	\$3,179.13	\$3.83	0.1%
137.00	50,000	\$5,292.98	\$5,299.40	\$6.43	0.1%
205.00	75,000	\$7,938.26	\$7,947.83	\$9.57	0.1%
274.00	100,000	\$10,585.95	\$10,598.80	\$12.85	0.1%
753.00	275,000	\$29,110.17	\$29,145.44	\$35.28	0.1%

	General Service Rates	
	3rd Quarter 2014	4th Quarter 2014
Demand Charge, \$/kW	\$ 2.40	\$ 2.54
Energy Charge, \$/kWh/Month	\$ 0.056700	\$ 0.094500
Energy Tracker	\$ 0.042584	\$ 0.004528

\* Assumes a 50% Load Factor

**INDIANA MUNICIPAL POWER AGENCY  
ECA ESTIMATES FOR OCTOBER, NOVEMBER and DECEMBER  
2014 - 4TH QUARTER**

	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>
	\$/kW-month			\$/kWh		
IMPA's Energy Cost Adjustment	0.274	0.274	0.274	0.002812	0.002812	0.002812
	kW			kWh		
To develop these Energy Cost Adjustment factors, IMPA used the following estimated loads for <b>KNIGHTSTOWN</b>	3,638	3,381	4,082	1,752,875	1,943,897	2,316,952

Received: September 9, 2014

IURC 30-Day Filing No.: 3285

Indiana Utility Regulatory Commission



Knightstown Electric Utility  
26 S. Washington Street  
Knightstown, IN 46148

**Due Date:**  
**06/13/14**

**Amount Due:**  
**\$119,857.74**

Invoice No: INV0003667

Invoice Date: 05/14/14

Billing Period: April 1 to April 30, 2014

Demand	kW	kvar	Power Factor	Date	Time (EST)	Load Factor
Maximum Demand:	3,293	816	97.06%	04/16/14	0900	69.91%
CP Billing Demand:	3,161	768	97.17%	04/16/14	0700	72.83%
kvar at 97% PF:		792				
Reactive Demand:		-				

Energy	kWh
Duke Interconnections:	1,657,622
<b>Total Energy:</b>	<b>1,657,622</b>

History	Apr 2014	Apr 2013	2014 YTD
Max Demand (kW):	3,293	3,125	5,403
CP Demand (kW):	3,161	3,067	4,845
Energy (kWh):	1,657,622	1,712,337	9,172,679
CP Load Factor:	72.83%	77.54%	
HDD/CDD (Indianapolis):	357/4	376/9	

Purchased Power Charges	Rate	Units	Charge
Base Demand Charge:	\$ 20.039 / kW x	3,161	\$ 63,343.28
ECA Demand Charge:	\$ (0.463) / kW x	3,161	\$ (1,463.54)
Delivery Voltage Charge - Less than 34.5 kV:	\$ 1.525 / kW x	3,161	\$ 4,820.53
<b>Total Demand Charges:</b>			<b>\$ 66,700.27</b>
Base Energy Charge:	\$ 0.029551 / kWh x	1,657,622	\$ 48,984.39
ECA Energy Charge:	\$ 0.002264 / kWh x	1,657,622	\$ 3,752.86
<b>Total Energy Charges:</b>			<b>\$ 52,737.25</b>
<b>Average Purchased Power Cost: 7.21 cents per kWh</b>			<b>Total Purchased Power Charges: \$ 119,437.52</b>

Other Charges and Credits	
Energy Efficiency Fund - 14,220 kWh Saved:	\$ 210.11
Adjustment - Charge for underpayment of March 2014 invoice.	\$ 210.11

**NET AMOUNT DUE: \$ 119,857.74**

To avoid a late payment charge, as provided for in Schedule B, payment in full must be received by: 06/13/14

Questions, please call: 317-573-9955

Send payments to: Indiana Municipal Power Agency  
Dept. 78757, P.O. Box 78000, Detroit, MI 48278-0757

Received: September 9, 2014

IURC 30-Day Filing No.: 3285

Indiana Utility Regulatory Commission



Knightstown Electric Utility  
26 S. Washington Street  
Knightstown, IN 46148

**Due Date:**  
**07/16/14**

**Amount Due:**  
**\$142,446.36**

Invoice No: INV0003754

Invoice Date: 06/16/14

Billing Period: May 1 to May 31, 2014

Demand	kW	kvar	Power Factor	Date	Time (EST)	Load Factor
Maximum Demand:	4,232	1,704	92.76%	05/28/14	1700	56.86%
CP Billing Demand:	4,006	1,630	92.63%	05/27/14	1600	60.06%
kvar at 97% PF:		1,004				
Reactive Demand:		626				

Energy	kWh
Duke Interconnections:	1,790,176
<b>Total Energy:</b>	<b>1,790,176</b>

History	May 2014	May 2013	2014 YTD
Max Demand (kW):	4,232	4,264	5,403
CP Demand (kW):	4,006	4,264	4,845
Energy (kWh):	1,790,176	1,793,048	10,962,855
CP Load Factor:	60.06%	56.52%	
HDD/CDD (Indianapolis):	153/100	103/120	

Purchased Power Charges	Rate	Units	Charge
Base Demand Charge:	\$ 20.039 / kW x	4,006	\$ 80,276.23
ECA Demand Charge:	\$ (0.463) / kW x	4,006	\$ (1,854.78)
Delivery Voltage Charge - Less than 34.5 kV:	\$ 1.525 / kW x	4,006	\$ 6,109.15
Reactive Demand Charge:	\$ 1.200 / kvar x	626	\$ 751.20
		<b>Total Demand Charges:</b>	<b>\$ 85,281.80</b>
Base Energy Charge:	\$ 0.029551 / kWh x	1,790,176	\$ 52,901.49
ECA Energy Charge:	\$ 0.002264 / kWh x	1,790,176	\$ 4,052.96
		<b>Total Energy Charges:</b>	<b>\$ 56,954.45</b>
<b>Average Purchased Power Cost: 7.95 cents per kWh</b>		<b>Total Purchased Power Charges:</b>	<b>\$ 142,236.25</b>

Other Charges and Credits	
Energy Efficiency Fund - 14,220 kWh Saved:	\$ 210.11

**NET AMOUNT DUE: \$ 142,446.36**

To avoid a late payment charge, as provided for in Schedule B, payment in full must be received by: 07/16/14

Questions, please call: 317-573-9955

Send payments to: Indiana Municipal Power Agency  
Dept. 78757, P.O. Box 78000, Detroit, MI 48278-0757

Received: September 9, 2014

IURC 30-Day Filing No.: 3285

Indiana Utility Regulatory Commission



**IMPA**  
INDIANA MUNICIPAL POWER AGENCY

Knightstown Electric Utility  
26 S. Washington Street  
Knightstown, IN 46148

**Due Date:**  
**08/13/14**

**Amount Due:**  
**\$174,161.19**

Billing Period: June 1 to June 30, 2014

Invoice No: INV0004015

Invoice Date: 07/14/14

Demand	kW	kvar	Power Factor	Date	Time (EST)	Load Factor
Maximum Demand:	5,143	2,000	93.20%	06/18/14	1600	56.46%
CP Billing Demand:	5,050	1,998	92.99%	06/18/14	1500	57.50%
kvar at 97% PF:		1,266				
Reactive Demand:		732				

Energy	kWh
Duke Interconnections:	2,090,606
<b>Total Energy:</b>	<b>2,090,606</b>

History	Jun 2014	Jun 2013	2014 YTD
Max Demand (kW):	5,143	4,923	5,403
CP Demand (kW):	5,050	4,923	5,050
Energy (kWh):	2,090,606	1,993,870	13,053,461
CP Load Factor:	57.50%	56.25%	
HDD/CDD (Indianapolis):	2/238	9/226	

Purchased Power Charges	Rate	Units	Charge
Base Demand Charge:	\$ 20.039 / kW x	5,050	\$ 101,196.95
ECA Demand Charge:	\$ (0.463) / kW x	5,050	\$ (2,338.15)
Delivery Voltage Charge - Less than 34.5 kV:	\$ 1.525 / kW x	5,050	\$ 7,701.25
Reactive Demand Charge:	\$ 1.200 / kvar x	732	\$ 878.40
<b>Total Demand Charges:</b>			<b>\$ 107,438.45</b>
Base Energy Charge:	\$ 0.029551 / kWh x	2,090,606	\$ 61,779.50
ECA Energy Charge:	\$ 0.002264 / kWh x	2,090,606	\$ 4,733.13
<b>Total Energy Charges:</b>			<b>\$ 66,512.63</b>
<b>Average Purchased Power Cost: 8.32 cents per kWh</b>			<b>Total Purchased Power Charges: \$ 173,951.08</b>

Other Charges and Credits	
Energy Efficiency Fund - 14,220 kWh Saved:	\$ 210.11

**NET AMOUNT DUE: \$ 174,161.19**

To avoid a late payment charge, as provided for in Schedule B, payment in full must be received by: 08/13/14

Questions, please call: 317-573-9955

Send payments to:

Indiana Municipal Power Agency

Dept. 78757, P.O. Box 78000, Detroit, MI 48278-0757

**EXHIBIT II**

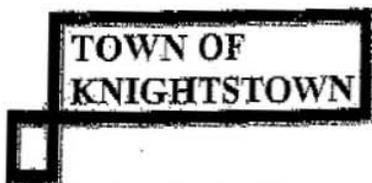
**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY  
 DETERMINATION OF THE RATE ADJUSTMENT  
 For the 2nd Quarter 2014**

LINE NO.	DESCRIPTION		DEMAND (A)	ENERGY (B)
<b><u>INCREMENTAL CHANGE IN BASE RATES</u></b>				
1	CURRENT RATE EFFECTIVE 1-Jan-14	(a)	\$21.564	\$0.029551
2	BASE RATE EFFECTIVE 1-Jul-05	(b)	<u>\$12.210</u>	<u>\$0.017192</u>
3	INCREMENTAL CHANGE IN BASE RATES	(c)	\$9.354	\$0.012359
<b><u>ENERGY COST ADJUSTMENT</u></b>				
4	ECA Effective with Current Rates		\$ (0.463)	\$ 0.002264
5	ECA Effective in Base Rates		<u>\$ -</u>	<u>\$ -</u>
6	ESTIMATED ENERGY COST ADJUSTMENT		(\$0.463)	\$0.002264
7	ESTIMATED TOTAL RATE ADJUSTMENT	(d)	\$8.891	\$0.014623

- 
- (a) IMPA rate, including voltage adjustment, effective for the period covered by this filing.
  - (b) Base purchased power rate effective either at the time of the member's last rate case was filed or when the member initiated service from IMPA, whichever is more recent.
  - (c) Line 1 minus Line 2
  - (d) Line 3 plus Line 4

Received: September 9, 2014  
IURC 30-Day Filing No.: 3285  
Indiana Utility Regulatory Commission

Telephone 765-345-5977  
Fax 765-345-2212



26 South Washington Street  
Knightstown, Indiana 46148

**FAX**

TO: Beverly Matthews  
IMPA FROM: Betsy Wilkerson  
FAX: 317-575-3372 PAGES: 4  
TELEPHONE: 317-428-6715 DATE: 7-11-14  
RE: 4<sup>th</sup> qtr tracker 2014  
 Urgent  For Review  Please Comment  Please Reply

>>>Comments:

	<u>KWH Sold</u>
April 2014	1,855,409
May 2014	1,459,983
June 2014	1,876,020
	<hr/> 5,191,412

07/11/2014 16:06:52

KNIGHTSTOWN UTILITIES  
 HISTORY RECAP BY CUSTOMER TYPE FOR 04/01/2014 TO 04/30/2014 FOR BOOKS ALL  
 ELECTRIC UTILITY

	TYPE 1 RESIDENTIAL	TYPE 2 COMMERCIAL	TYPE 3 INDUSTRIAL	TYPE 4 GOVERNMENT	TYPE 5 MULTI FAMILY	TYPE 6 COMM-DEMAN	TYPE 7 OTHER-DEMA
CONSUMPTION	1107615	233731	82791	25884	1455	169211	216800
USAGE CHARGE	70451.17	17616.74	5881.92	1766.03	91.06	10806.17	19635.67
SECURITY CHARGE	892.40	662.23	41.08	148.24	21.79	58.94	0.00
POWER TRACKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FUEL ADJUSTMENT	45826.57	9670.19	3425.39	1070.93	60.20	7000.93	8969.89
TAX CHARGE	8181.95	1688.26	502.04	0.00	12.12	836.02	0.00
PENALTY APPLIED	1177.94	160.37	0.00	0.00	3.96	58.23	0.00
OTHER CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS AGAINST CHARGES	-113269.84	-25676.91	-7100.35	-2935.39	-152.92	-18629.31	-21803.40
REAPPLICATION OF CASH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ADJUSTMENTS	-302.73	5.00	0.00	0.00	0.00	0.00	0.00
DEPOSIT INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SAFE APPLIED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT CREDIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BILLING TRANSACTIONS	1302	330	15	11	3	19	4
MINIMUM BILLS	0	0	0	0	0	0	0
NO OF SECURITY LIGHT	129	44	4	2	1	3	0
TAX PAID	-8079.73	-1516.03	-371.20	0.00	-10.71	-923.45	0.00
PAYMENTS AGAINST PNLTIES	-1211.00	-142.34	-1.78	0.00	-3.96	-88.41	0.00
	TYPE 8 EDUCATIONA	TYPE 9 CHURCH	UTILITY TOTAL				
CONSUMPTION	4815	15880	1858182	- 2773 = 1,855,409			
USAGE CHARGE	364.73	1005.96	127619.45				
SECURITY CHARGE	0.00	37.15	1861.83				
POWER TRACKER	0.00	0.00	0.00	PEAK MANAGEMENT CREDITS			
FUEL ADJUSTMENT	199.21	667.02	76660.33	NET MASTER FUND FLOW			
TAX CHARGE	0.00	16.76	11237.15	14797.02			
PENALTY APPLIED	0.00	1.94	1402.44				
OTHER CHARGES	0.00	0.00	0.00				
PAYMENTS AGAINST CHARGES	-615.35	-1358.92	-191542.39				
REAPPLICATION OF CASH	0.00	0.00	0.00				
ADJUSTMENTS	0.00	0.00	-297.73				
DEPOSIT INTEREST	0.00	0.00	0.00				
SAFE APPLIED	0.00	0.00	0.00				
EQUIPMENT CREDIT	0.00	0.00	0.00				
BILLING TRANSACTIONS	7	18	1709				
MINIMUM BILLS	0	0	0				
NO OF SECURITY LIGHT	0	4	187				
TAX PAID	0.00	-13.51	-10914.63				
PAYMENTS AGAINST PNLTIES	0.00	-1.94	-1449.43				

07/11/2014 16:07:45

**KNIGHTSTOWN UTILITIES**  
**HISTORY RECAP BY CUSTOMER TYPE FOR 05/01/2014 TO 05/31/2014 FOR BOOKS ALL**  
**ELECTRIC UTILITY**

	<b>TYPE 1 RESIDENTIAL</b>	<b>TYPE 2 COMMERCIAL</b>	<b>TYPE 3 INDUSTRIAL</b>	<b>TYPE 4 GOVERNMENT</b>	<b>TYPE 5 MULTI FAMILY</b>	<b>TYPE 6 COMM-DEMAN</b>	<b>TYPE 7 OTHER-DEMA</b>
CONSUMPTION	735046	204542	70094	14266	985	174041	251000
USAGE CHARGE	49630.41	15568.01	5293.39	1059.35	67.28	10998.70	16074.97
SECURITY CHARGE	895.62	662.23	41.08	148.24	21.79	58.94	0.00
POWER TRACKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FUEL ADJUSTMENT	30411.90	8462.72	2900.08	590.25	40.76	7200.76	10384.87
TAX CHARGE	5646.69	1555.89	456.74	0.00	9.10	893.88	0.00
PENALTY APPLIED	1305.76	127.66	27.65	0.00	0.00	12.36	0.00
OTHER CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS AGAINST CHARGES	-115564.68	-28159.00	-9321.37	-2985.20	-173.05	-19369.87	-28605.56
REAPPLICATION OF CASH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ADJUSTMENTS	-310.41	-398.62	96.30	0.00	0.00	0.00	0.00
DEPOSIT INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SAFE APPLIED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT CREDIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BILLING TRANSACTIONS	1293	332	15	11	3	19	4
MINIMUM BILLS	0	0	0	0	0	0	0
NO OF SECURITY LIGHT	130	44	4	2	1	3	0
TAX PAID	-8188.31	-1691.33	-500.15	0.00	-12.12	-941.25	0.00
PAYMENTS AGAINST PNLTIES	-1280.35	-143.67	-26.81	0.00	0.00	-86.77	0.00

	<b>TYPE 8 EDUCATIONA</b>	<b>TYPE 9 CHURCH</b>	<b>UTILITY TOTAL</b>	
CONSUMPTION	2658	13012	1465644	-5661 = 1,459,983
USAGE CHARGE	230.24	842.27	99764.62	
SECURITY CHARGE	0.00	37.15	1865.05	
POWER TRACKER	0.00	0.00	0.00	<b>PEAK MANAGEMENT CREDITS</b> 0.00
FUEL ADJUSTMENT	109.96	538.36	60639.68	<b>NET MASTER FUND FLOW</b> -47620.39
TAX CHARGE	0.00	12.58	8579.88	
PENALTY APPLIED	0.00	2.26	1475.69	
OTHER CHARGES	0.00	0.00	0.00	
PAYMENTS AGAINST CHARGES	-563.94	-1700.13	-206442.80	
REAPPLICATION OF CASH	0.00	0.00	0.00	
ADJUSTMENTS	0.00	0.00	-612.73	
DEPOSIT INTEREST	0.00	0.00	0.00	
SAFE APPLIED	0.00	0.00	0.00	
EQUIPMENT CREDIT	0.00	0.00	0.00	
BILLING TRANSACTIONS	7	18	1702	
MINIMUM BILLS	0	0	0	
NO OF SECURITY LIGHT	0	4	188	
TAX PAID	0.00	-16.76	-11349.92	
PAYMENTS AGAINST PNLTIES	0.00	-2.26	-1539.86	

07/11/2014 16:08:27

**KNIGHTSTOWN UTILITIES**  
**HISTORY RECAP BY CUSTOMER TYPE FOR 06/01/2014 TO 06/30/2014 FOR BOOKS ALL**  
**ELECTRIC UTILITY**

	<b>TYPE 1</b>	<b>TYPE 2</b>	<b>TYPE 3</b>	<b>TYPE 4</b>	<b>TYPE 5</b>	<b>TYPE 6</b>	<b>TYPE 7</b>
	<b>RESIDENTIAL</b>	<b>COMMERCIAL</b>	<b>INDUSTRIAL</b>	<b>GOVERNMENT</b>	<b>MULTI FAMILY</b>	<b>COMM-DEMAN</b>	<b>OTHER-DEMA</b>
CONSUMPTION	943944	240605	87987	12837	807	281921	290900
USAGE CHARGE	61478.21	17764.51	6318.40	959.47	56.96	17480.60	18419.42
SECURITY CHARGE	885.97	662.23	41.08	148.24	21.79	58.94	0.00
POWER TRACKER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FUEL ADJUSTMENT	39054.79	9954.81	3640.38	531.12	33.39	11664.19	12035.70
TAX CHARGE	7078.68	1804.37	571.30	0.00	7.86	1549.35	0.00
PENALTY APPLIED	873.83	94.10	34.23	0.00	0.00	0.09	0.00
OTHER CHARGES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS AGAINST CHARGES	-82490.36	-24881.88	-8315.79	-1797.84	-126.77	-18662.48	-26518.28
REAPPLICATION OF CASH	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ADJUSTMENTS	-423.60	-9.34	0.00	0.00	0.00	0.00	0.00
DEPOSIT INTEREST	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SAFE APPLIED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT CREDIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BILLING TRANSACTIONS	1302	333	15	11	3	19	4
MINIMUM BILLS	0	0	0	0	0	0	0
NO OF SECURITY LIGHT	128	44	4	2	1	3	0
TAX PAID	-5748.70	-1552.02	-462.43	0.00	-8.89	-927.15	0.00
PAYMENTS AGAINST PNLTIES	-902.75	-94.22	-33.99	0.00	0.00	-21.16	0.00
	<b>TYPE 8</b>	<b>TYPE 9</b>	<b>UTILITY</b>				
	<b>EDUCATIONA</b>	<b>CHURCH</b>	<b>TOTAL</b>				
CONSUMPTION	1858	19726	1880585	-4565 = 1,876,020			
USAGE CHARGE	172.33	1212.15	123862.05				
SECURITY CHARGE	0.00	37.15	1855.40				
POWER TRACKER	0.00	0.00	0.00		<b>PEAK MANAGEMENT CREDITS</b>		0.00
FUEL ADJUSTMENT	76.87	816.15	77807.40		<b>NET MASTER FUND FLOW</b>		40808.08
TAX CHARGE	0.00	22.68	11034.24				
PENALTY APPLIED	0.00	0.00	1002.25				
OTHER CHARGES	0.00	0.00	0.00				
PAYMENTS AGAINST CHARGES	-340.22	-1422.83	-164556.45				
REAPPLICATION OF CASH	0.00	0.00	0.00				
ADJUSTMENTS	0.00	0.00	-432.94				
DEPOSIT INTEREST	0.00	0.00	0.00				
SAFE APPLIED	0.00	0.00	0.00				
EQUIPMENT CREDIT	0.00	0.00	0.00				
BILLING TRANSACTIONS	7	18	1712				
MINIMUM BILLS	0	0	0				
NO OF SECURITY LIGHT	0	4	186				
TAX PAID	0.00	-12.58	-8711.77				
PAYMENTS AGAINST PNLTIES	0.00	0.00	-1052.12				

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY**

**APPENDIX "A"**

**RATE ADJUSTMENT**

The Knightstown Electric Utility has calculated an energy tracking factor to implement a change in the rates for electric service charged by its supplier the Indiana Municipal Power Agency.

This tracker will be effective for all energy consumed during the billing period.

Tracker:

**\$0.041374** per kWh per month

Effective: 2nd Quarter 2014

For Billing Periods: Apr-14, May-14, and Jun-14

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY**

**APPENDIX "A"**

**RATE ADJUSTMENT**

The Knightstown Electric Utility has calculated an energy tracking factor to implement a change in the rates for electric service charged by its supplier the Indiana Municipal Power Agency.

This tracker will be effective for all energy consumed during the billing period.

Tracker:

**\$0.042584** per kWh per month

Effective: 3rd Quarter 2014

For Billing Periods: Jul-14, Aug-14, and Sep-14

## EXHIBIT III

**KNIGHTSTOWN MUNICIPAL ELECTRIC UTILITY**  
**DETERMINATION OF VARIANCE**

LINE NO.	DESCRIPTION	FOR THE HISTORICAL PERIOD OF			TOTAL (D)	3 MONTH AVERAGE (E)
		Oct-13 (A)	Nov-13 (B)	Dec-13 (C)		
1	TOTAL SALES SUBJECT TO RATE ADJ. (a)	1,556,765	1,649,029	2,114,535	5,320,329	1,773,443
2	INCREMENTAL COST BILLED BY IMPA (b)	\$50,118.07	\$58,551.58	\$69,605.80	\$178,275.45	\$59,425.15
3	INCREMENTAL COST BILLED BY MEMBER (c)	\$48,868.84	\$51,765.13	\$66,377.95	\$167,011.92	\$55,670.64
4	INC COST BILLED EXCLUDING I.G.I.T. (d)	\$48,184.68	\$51,040.41	\$65,448.66	\$164,673.75	\$54,891.25
5	PREVIOUS VARIANCE (e)	(\$91,968.91)	\$50,133.21	\$43,054.93	\$1,219.23	\$406.41
6	NET COST BILLED BY MEMBER (f)	\$140,153.59	\$907.20	\$22,393.73	\$163,454.52	\$54,484.84
7	PURCHASED POWER VARIANCE (g)	(\$90,035.52)	\$57,644.37	\$47,212.08	\$14,820.93	\$4,940.31
-----						
(a)	Exhibit IV, Line 3					
(b)	Exhibit IV, Line 14					
(c)	Line 1 times factor used in historical month	\$0.031391	\$0.031391	\$0.031391		
(d)	Line 3 times the Indiana Gross Income Tax Factor of:	0.9860				
(e)	Purchased Power Variance (Exhibit III, Line 7) from the analysis for the tracker during the historical period.					
(f)	Line 4 minus Line 5					
(g)	Line 2 minus Line 6					

KNIGHTSTOWN (INDIANA) MUNICIPAL ELECTRIC UTILITY

CALCULATION OF TRACKER ROLL IN

<u>KwH</u> <u>CY 2013</u>	<u>Percentage</u>	<u>Rate</u>	<u>KwH</u> <u>Roll In</u>	
				\$795,997
2,276,469	0.091061	\$0.0320	\$0.0029	<u>24,999,467</u>
12,485,845	0.499444	0.0315	0.0157	
10,237,153	0.409495	0.0322	0.0132	<u>\$0.0318</u>
<u>24,999,467</u>	<u>1</u>		<u>\$0.0318</u>	

<u>KW</u> <u>CY 2013</u>	<u>Percentage</u>	<u>Rate</u>	<u>KW</u> <u>Roll In</u>	
				\$1,014,250
3,803	0.072285	\$17.9060	\$1.2940	<u>52,611</u>
24,831	0.471974	19.1170	9.0230	
23,977	0.455741	19.6630	8.9610	<u>\$19.2780</u>
<u>52,611</u>	<u>1</u>		<u>\$19.2780</u>	

KNIGHTSTOWN (INDIANA) MUNICIPAL ELECTRIC UTILITY

**TEST YEAR ANALYSIS OF PURCHASED POWER EXPENSE**  
 (Based on the twelve months ended December 31, 2013)  
 (Unaudited)

Month Billed By IMPA	Billed KW	Total Rate Per KW	ECA Demand	Delivery Voltage	Demand Charges					Energy Charges					Total Billing					
					kvar	Reactive Demand	Base	ECA Demand Charge	Delivery Voltage Charge	Reactive Demand Charge	Total Demand Charges	Billed KWH	Total Rate Per KWH	ECA Energy		Base Energy Charge	ECA Energy Charge	Energy Efficiency Fund	Total Energy Charges	
December, 2012	3,803.0	\$18.007	(\$1,385)	\$1,284			\$68,480.62	(\$5,267.16)	\$4,883.05	\$0.00	\$68,096.52	2,276,469	\$0.029743	\$0.002281	\$67,709.02	\$5,192.63	\$211.47	\$73,113.12	\$141,209.64	
January, 2013	4,419.0	18.572	(0.897)	1.442			82,069.67	(3,963.84)	6,372.20	0.00	84,478.02	2,501,401	0.029935	0.001570	74,879.44	3,927.20	212.84	79,019.48	163,497.50	
February	4,465.0	18.572	(0.897)	1.442			82,923.98	(4,005.11)	6,438.53	0.00	85,357.41	2,232,378	0.029935	0.001570	66,826.24	3,504.83	212.84	70,543.91	155,901.32	
March	3,693.0	18.572	(0.897)	1.442			68,586.40	(3,312.62)	5,325.31	0.00	70,599.08	2,252,811	0.029935	0.001570	67,437.90	3,536.91	212.84	71,187.65	141,786.73	
April	3,067.0	18.572	(0.897)	1.442	1.200	14.0	56,960.32	(2,751.10)	4,422.61	16.80	58,648.64	1,712,337	0.029935	0.001570	51,258.81	2,688.37	212.84	54,160.02	112,808.66	
May	4,264.0	18.572	(0.897)	1.442	1.200	648.0	79,191.01	(3,824.81)	6,148.69	777.60	82,292.49	1,793,048	0.029935	0.001570	53,674.89	2,815.09	212.84	56,702.82	138,995.31	
June	4,923.0	18.572	(0.897)	1.442	1.200	707.0	91,429.96	(4,415.93)	7,098.97	848.40	94,961.39	1,993,870	0.029935	0.001570	59,686.50	3,130.38	212.84	63,029.72	157,991.11	
July	5,693.0	18.572	(0.351)	1.442	1.200	874.0	105,730.40	(1,998.24)	8,209.31	1,048.80	112,990.26	2,249,178	0.029935	0.002274	67,329.14	5,114.63	212.84	72,656.61	185,646.87	
August	5,632.0	18.572	(0.351)	1.442	1.200	860.0	104,597.50	(1,976.83)	8,121.34	1,032.00	111,774.02	2,270,762	0.029935	0.002274	67,975.26	5,163.71	212.84	73,351.81	185,125.83	
September	5,805.0	18.572	(0.351)	1.442	1.200	913.0	107,810.46	(2,037.56)	8,370.81	1,095.60	115,239.32	1,878,966	0.029935	0.002274	56,246.85	4,272.77	212.84	60,732.46	175,971.78	
October	3,157.0	18.572	(0.351)	1.442	1.200	409.0	58,631.80	(1,108.11)	4,552.39	490.80	62,566.89	1,770,590	0.029935	0.002274	53,002.61	4,026.32	212.84	57,241.77	119,808.66	
November	3,690.0	18.572	(0.351)	1.442			68,330.68	(1,295.19)	5,320.98	0.00	72,556.47	2,067,657	0.029935	0.002274	61,895.31	4,701.85	\$212.84	66,810.00	139,366.47	
Totals	52,611.0						4,425.0	\$974,942.80	(\$35,956.49)	\$75,264.19	\$5,310.00	\$1,019,560.50	24,999,467.0		\$747,921.97	\$48,074.69	\$2,552.71	\$798,549.39	1,818,109.89	
																			Total purchased power expense	(1,822,022.49)
																			Variance	\$97,267.40

(Subject to the attached letter dated June 20, 2013)  
 (Preliminary - Subject to Change  
 (Internal Use Only)

## KNIGHTSTOWN (INDIANA) MUNICIPAL ELECTRIC UTILITY

(Cont'd)

PRO FORMA ANNUAL OPERATING EXPENSES

## Explanation of Adjustments

Adjustment (5) - Capital and Nonrecurring

To adjust the test year to exclude capital and nonrecurring items.

<u>Date</u>	<u>Description</u>	<u>Amount</u>
6/21/2012	Replacement of Garage Door	(\$993)
6/22/2012	1988 Dump Truck (1/3 share)	(2,167)
6/21/2012	Purchase of used Dodge Charger	(1,200)
	Adjustment	<u>(\$4,360)</u>

Adjustment (6) - Purchased Power

To adjust test year purchased power charges for calendar year 2013 IMPA rates and charges.

Test year KW purchased (December 2012) (see page 2)	3,803.0	
Test year KW purchased (January 2013-June 2013) (see page 0)	24,831.0	
Test year KW purchased (July - November 2013) (see page 0)	23,977.0	
Test year KWH purchased (December 2012) (see page 0)	2,276,469.0	
Test year KWH purchased (January 2013 - June 2013) (see page 2)	12,485,845	
Test year KWH purchased (July - November 2013) (see page 0)	10,237,153	
Test year Kvar (See page 2)	4,425	
Times IMPA base rate per KW (\$18.007), delivery per KW (\$1.284) and energy cost adjustment charge per KW (-\$1.385)	\$17.906000	
Times IMPA base rate per KW (\$18.572), delivery per KW (\$1.442) and energy cost adjustment charge per KW (-\$0.897)	\$19.117000	
Times IMPA base rate per KW (\$18.572), delivery per KW (\$1.442) and energy cost adjustment charge per KW (-\$0.351)	\$19.663000	
Times IMPA base rate per KWH (\$0.029743) and energy cost adjustment charge per KWH (\$0.002281)	\$0.032024	
Times IMPA base rate per KWH (\$0.029935) and energy cost adjustment charge per KWH (\$0.001570)	0.031505	
Times IMPA base rate per KWH (\$0.029935) and energy cost adjustment charge per KWH (\$0.002274)	0.032209	
Times IMPA reactive demand rate	1.200000	
2013 demand charge		\$1,014,250
2013 energy charge		795,997
2013 energy efficiency fund charges		2,553
2013 reactive demand charges		<u>5,310</u>
Pro forma purchased power charge		1,818,110
Less test year bulk purchased power charge (see page 2)		<u>(1,738,822)</u>
Adjustment		<u>\$79,288</u>

Adjustment (7) - Insurance

To adjust test year general liability insurance expense to reflect premium estimate, per utility management.

Pro forma general liability insurance	\$7,570
Less test year amount	<u>(4,921)</u>
Adjustment	<u>\$2,649</u>

(Continued on next page)

(Subject to the attached letter dated June 20, 2013)  
 (Preliminary - Subject to Change  
 (Internal Use Only)

**KNIGHTSTOWN (INDIANA) MUNICIPAL ELECTRIC UTILITY**

**SCHEDULE OF PRESENT AND PROPOSED ELECTRIC RATES AND CHARGES**

		Present Rates (1)	Tracker Roll In	Present Rate Including Tracker	Proposed Rates (2)
<b>(A) <u>Electric Residential Service</u></b>					
First	30 KWH or less used per month	\$3.97	\$0.9798	\$4.95	\$5.24
Next	170 KWH used per month per KWH	0.0748	0.0327	0.1075	0.1137
Next	800 KWH used per month per KWH	0.0604	0.0327	0.0931	0.0985
Next	1,000 KWH used per month per KWH	0.0518	0.0327	0.0845	0.0894
<b>(B) <u>Electric Commercial Service</u></b>					
First	30 KWH or less used per month	\$3.97	\$0.9798	\$4.95	\$5.24
Next	470 KWH used per month per KWH	0.0869	0.0327	0.1196	0.1265
Next	1,000 KWH used per month per KWH	0.0736	0.0327	0.1063	0.1124
Next	3,500 KWH used per month per KWH	0.0604	0.0327	0.0931	0.0985
Next	5,000 KWH used per month per KWH	0.0518	0.0327	0.0845	0.0894
<b>(C) <u>Electric General Service</u></b>					
<b>Maximum Load Charge (monthly)</b>					
	Per kilowatt of monthly maximum load metered in the month	\$2.40		\$2.40	\$2.54
<b>Energy Charge (in addition to the Maximum Load Charge)</b>					
	All KWH used per month per KWH	\$0.0567	\$0.0327	\$0.0894	\$0.0945
<b>Minimum Monthly Charge</b>					
	The minimum charge, per month, shall be the product of \$1.80 per KW times the highest metered monthly maximum load expressed in KW established during the preceding 11 months, which shall be not less than \$90.00 per month.	\$90.00			\$95.22

(1) Present rates and charges approved by the IURC pursuant to the Order in Cause No. 42933 approved May 4, 2006.

(2) Proposed rates and charges represent a 5.8% across-the-board increase in total present rates and charges.

(Continued on next page)

**KNIGHTSTOWN (INDIANA) MUNICIPAL ELECTRIC UTILITY**

**SCHEDULE OF PRESENT AND PROPOSED WATER RATES AND CHARGES**

			Present Rates (1)	Tracker Roll In	Present Rate Including Tracker	Proposed Rates (2) With PILT
<b>(D) <u>Electric Municipal Service</u></b>						
First	30	KWH or less used per month	\$3.97	\$0.9798	\$4.95	\$5.24
Next	470	KWH used per month per KWH	0.0869	0.0327	0.1196	0.1265
Next	1,000	KWH used per month per KWH	0.0736	0.0327	0.1063	0.1124
Next	3,500	KWH used per month per KWH	0.0604	0.0327	0.0931	0.0985
Next	5,000	KWH used per month per KWH	0.0518	0.0327	0.0845	0.0894

**(E) Public Street Lighting Service**  
**(other than State Highway Lighting Service)**

<u>Size of Lamp (watts)</u>	<u>Rate per Lamp per annum</u>	
175	\$35.92	\$38.00
400	54.44	57.60

**(F) Outdoor Lighting Service (Security Lights)**

<u>Size of Lamp (watts)</u>	<u>Rate per Lamp per annum</u>	
175	\$6.43	\$6.80
400	11.34	12.00
1,000	32.40	34.28

**(G) Non-Recurring Charges**

Bad Check Charge	\$15.00
Reconnect/Disconnect Charge	\$25.00
Penalty for Late Payment - 10 % of first \$3.00 and 3% of balance	

**(H) Customer Meter Deposit** \$90.00

(1) Present rates and charges approved by the IURC pursuant to the Order in Cause No. 42933 approved May 4, 2006.

(2) Proposed rates and charges represent a 5.8% across-the-board increase in total present rates and charges.