

INDIANA UTILITY REGULATORY COMMISSION 101 WEST WASHINGTON STREET, SUITE 1500 EAST INDIANAPOLIS, INDIANA 46204-3407 http://www.in.gov/iurc Office: (317) 232-2701 Facsimile: (317) 232-6758

MEMORANDUM

TO: Commission Chairman James F. Huston

Commissioners Freeman and Ziegner

FROM: Commission Technical Divisions

DATE: May 15, 2018

RE: 30-Day Utility Articles for Conference on Wednesday May 16, 2018 @ 2:00 p.m.

The following thirty-day filings have been submitted to the Commission. Each item was reviewed by the appropriate Commission Technical Divisions and all regulations were met in accordance with 170 IAC 1-6 Thirty-Day Administrative Filing Procedures and Guidelines. Therefore, the following filings listed below and attached hereto are recommended to be considered by the Commission at the next conference:

Attachment Number	30-Day Filing No.	Name of Utility Company	Type of Request	Date Received
1	50118	Auburn Municipal Electric	The purpose of this filing is to implement through a two-part tracking mechanism an average change in the cost of purchased power from our wholesale supplier, American Electric Power (AEP).	2/20/2018

Submitted By: Jane Steinhauer

Director, Energy Division

Filing Party: Auburn Municipal Electric Department ("Auburn")

30-Day Filing ID No.: 50118

Date Filed: February 20, 2018

Filed Pursuant To: Commission Order Nos. 44472 & 44774

Request: A revision to Wholesale Power Cost Adjustment Tracking Factors, to be applied

April 2018 through August 2018.

In its most recent rate case (Cause No. 44472, Order issued December 17, 2014), Auburn was authorized to implement a two-part tracking mechanism for some rate classes to distinguish demand and energy costs. After approval, a consultant for Auburn found the tracking mechanism did not work as intended. Cause No. 44774 (Order issued July 18, 2016) was filed to remedy the problems in the original mechanism. This is the fourth filing since then to adjust the tracking factors.

The calculation of the adjustments includes the projected cost of wholesale power for April 2018 through August 2018 and the reconciliation of wholesale power purchased

from January 2017 through May 2017.

Customer Impact: See below.

	METRIC	CHANGE	RESULTANT
Demand Metered Customers	\$/kW	0.000000	0.000000
Demand Metered Customers	\$/kWh	(0.000806)	0.006885
Energy-Only Metered Customers	\$/kWh	(0.002321)	0.006521

Tariff Page(s) Affected: Appendix A, page 11

Staff Recommendations: All requirements met. Staff recommends approval.

¹ On March 2, 2018, Metal Technologies Auburn, LLC ("MTA") objected to Auburn's proposal to flow back a credit in excess of \$1.6 million over the course of two tracker proceedings instead of one. MTA stated the proposal violates the terms of its tariff, which was approved in its last rate case in Cause No. 44472 and amended in Cause No. 44774.

Auburn and MTA held discussions to address the concerns included in MTA's objection. While they still disagree on the interpretation of the tariff language, MTA stated it would allow this filing to proceed with the expectation that Auburn would file a petition to address its tariff language by May 15, 2018 and a separate petition to address its Industrial Demand Incentive Program ("IDIP") shortly thereafter.

As part of the agreement mentioned above, Auburn filed its Petition in Cause No. 45095 for a Commission determination regarding its tariff language on May 15, 2018, and has indicated its intention to address its IDIP in a future proceeding.