

INDIANA UTILITY REGULATORY COMMISSION



Received
February 07, 2013
INDIANA UTILITY
REGULATORY COMMISSION

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MEMORANDUM

TO:

Chairman James D. Atterholt

Commissioners Ziegner, Landis, Mays, and Bennett

FROM:

Commission Technical Divisions

DATE:

February 7, 2013

RE:

30-Day Utility Articles for Conference on Wednesday, February 13, 2013 @ 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 <u>Number</u> | 30-Day <u>Filing No.</u> | Name of Utility Company | Type of Request | <u>Date Received</u> |
|-----------------------------|-----------------------------|-----------------------------------|---|----------------------|
| 1 | 3094 | Indiana Michigan Power Company | Demand Response Service Riders D.R.S.1 & D.R.S.3 | 1/7/2013 |

Submitted By: Bradley K. Borum Director, Electric Division

Filing Party:

Indiana Michigan Power Company Utility

30-Day Filing ID No.:

3094

Date Filed:

January 7, 2013

Filed Pursuant To:

Commission Order No. 43566-PJM-1

Request:

Amendment to I&M's Demand Response Services Riders D.R.S.1 (Emergency) and D.R.S.3 (Ancillary). Modifications are as follows:

D.R.S.1

1. Lower minimum Demand Response Service contracted capacity from 250kW to 100 kW.

- 2. Lower individual account to be aggregated to meet the minimum requirements from 50kW to 25kW with no more than one individual account being greater than 100kW.
- 3. Include a fee of \$750.00 paid in advance for customers offering curtailable amounts of less than 50kW to cover the cost of needed interval metering when not already installed.

D.R.S.3

- 1. Replace the word "reduce" with "control" paragraph one under the Availability of Service section on Sheet No. 48.
- 2. Add "except as noted within this rider" to paragraph two under the Availability of Service section to clarify the availability of the CSPs.
- 3. Lower the minimum kW reduction for the Ancillary Demand Response option Synchronized Reserves Market from 500kW to 100kW.
- 4. Change all occurrences of the Ancillary Demand Response option "Regulation Market" to "Performance Based Regulation Market."
- 5. Add or modify language in the "Performance Based Regulation Market" to be consistent with PJM's modifications to its Performance Based Regulation Market.
- 6. Change the minimum kW offer from 500kW to 100kW in the "Performance Based Regulation Market" (two instances).
- 7. Change the initial contract term from two years to one year.

Customer Impact:

N/A

Tariff Pages Affected:

Rider D.R.S.1: 1st Revised Sheet No. 46.00

2nd Revised Sheet Nos. 46.1, 46.2, 46.3, 46.4

Rider D.R.S.3: 1st Revised Sheet Nos. 48.00, 48.2, 48.4, 48.5, 48.6

Staff Recommendations:

FERC issued Order No. 755 in 2011 in response to PJM's request to change their Regulation Services structure to more properly align compensation based on performance for the Regulation Service. I&M's changes to its tariffs mirror the changes to the FERC approved (in October 2012) PJM tariff. Also, the \$750.00 fee proposed is consistent with the Demand Response Report filed under Cause No. 43566 PJM1 on October 31, 2012.

Staff's review of the changes to the tariffs are consistent with the underlying PJM offerings and thus recommends approval.