

STATE OF INDIANA


INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANAPOLIS)
POWER & LIGHT COMPANY D/B/A AES)
INDIANA FOR APPROVAL OF REGIONAL)
TRANSMISSION ORGANIZATION ("RTO")) CAUSE NO. 44808 RTO 8
ADJUSTMENT FACTORS FOR ELECTRIC)
SERVICE FOR THE BILLING MONTHS OF)
OCTOBER 2024 THROUGH SEPTEMBER 2025.)

PETITIONER'S SUBMISSION OF DIRECT TESTIMONY OF
CORY R. SULLIVAN

Indianapolis Power & Light Company d/b/a AES Indiana ("AES Indiana" or "Petitioner"),
by counsel, hereby submits the direct testimony and attachments of Cory R. Sullivan.

Respectfully submitted,



IURC
PETITIONER'S 1
EXHIBIT NO. 9-12-24
DATE REPORTER

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OFFICIAL
EXHIBITS

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served this 28th day of June 2024, by email transmission, hand delivery or United States Mail, first class, postage prepaid to:

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**VERIFIED DIRECT TESTIMONY OF CORY R. SULLIVAN
LEAD ACCOUNTANT IN REGULATORY ACCOUNTING
CAUSE NO. 44808 RTO-8**

Q1. Please state your name, employer, and business address.

A1. My name is Cory Sullivan. I am employed by AES U.S. Services, LLC ("Service Company"), which is a wholly-owned subsidiary of The AES Corporation. The Service Company is located at the headquarters of Indianapolis Power & Light Company d/b/a AES Indiana ("AES Indiana" or "Company") at One Monument Circle, Indianapolis, Indiana 46204. The Service Company provides accounting, finance, legal, human resources, information technology, and other corporate services to the businesses owned by AES Corporation in the United States of America, including AES Indiana.

Q2. What is your position with the Service Company?

A2. I am a Lead Accountant in the Regulatory Accounting department.

Q3. Please summarize your work experience with AES Indiana and the Service Company.

A3. In October 2020, I started as a team member of the regulatory accounting department for both AES Indiana and The Dayton Power and Light Company d/b/a AES Ohio. I am responsible for the various general ledger entries, the reconciliation of regulatory asset and liability accounts, the computation and tracking of various costs for regulatory filings, and the preparation of supporting schedules for these filings. Previously, I worked in the assurance practice at Ernst & Young for over three years.

Q4. Please summarize your educational qualifications.

1 A4. I hold a Bachelor's of Science degree in Accounting from Purdue University. I received
2 my Certified Public Accountant license for the State of Indiana and have fulfilled the
3 necessary educational requirements to allow use of the CPA designation.

4 **Q5. Have you previously testified before the Indiana Utility Regulatory Commission**
5 **("Commission")?**

6 A5. Yes. I testified in AES Indiana's Cause No. 44121 GPR-14 and -15 filings and Cause No.
7 44808 RTO-6 and -7 filings.

8 **Q6. What is the purpose of your testimony in this proceeding?**

9 A6. The purpose of my testimony is to describe the calculation and the content of the Regional
10 Transmission Organization ("RTO") adjustment.

11 **Q7. Are you sponsoring any Attachments?**

12 A7. Yes. I am sponsoring AES Indiana Attachment CRS-1, Schedules 1 through 7 and AES
13 Indiana Attachment CRS-2. I also sponsor AES Indiana Attachment CRS-3, which is a
14 copy of the verified petition including the tariff sheets.

15 **Q8. Are you submitting any workpapers?**

16 A8. Yes. I am submitting workpapers in their native format that support the attachments
17 included with my testimony. I am also filing CRS Workpapers 1 through 3 which
18 calculates the beginning under/(over) recovery balance for RTO-8.

19 **Q9. Were these attachments and workpapers prepared or assembled by you or under**
20 **your direction and supervision?**

21 A9. Yes.

1 **Q10. Are you providing any additional supporting documentation to the Office of Utility**
2 **Consumer Counselor (“OUCC”)?**

3 A10. Yes. We are providing an audit package to the OUCC that includes the support requested
4 by the OUCC for both the forecasted and historical RTO charges and credits, for which
5 AES Indiana is seeking recovery in this filing, as well as our kWh forecast.

6 **Q11. Please summarize the relief AES Indiana is requesting in this proceeding.**

7 A11. AES Indiana requests approval of RTO Adjustment factors to be applicable for bills
8 rendered during the billing cycles of October 2024 through September 2025. The prefiled
9 direct testimony of AES Indiana witness Fields in this proceeding explains the regulatory
10 precedent upon which AES Indiana is authorized to have an RTO Adjustment Rider with
11 annual rate adjustments. The RTO Adjustment is calculated on an annual basis for each
12 rate class to timely recover the excess (or deficit) of an estimate of the Midcontinent
13 Independent System Operator, Inc. (“MISO”) non-fuel costs and credits (“NFC”), net of
14 revenues, to be billed by MISO compared to the amount of such NFC, net of revenues,
15 approved to be included in the determination of basic charges for services. As AES Indiana
16 witness Fields explains, on May 9, 2024, in its Final Order in Cause No. 45911 (the “2024
17 Base Rate Order”), the Commission approved AES Indiana’s request to update the
18 embedded level of MISO NFC to \$31.4 million (\$35.8 million of NFC net of \$4.4 million
19 of revenues and credits). In this proceeding, AES Indiana is seeking to recover: (1) its
20 estimated MISO NFC, net of revenues and credits, which exceed amounts included in base
21 rates, for the billing cycles of October 2024 through September 2025; and (2) a
22 reconciliation of actual MISO NFC, net of revenues and credits, for the period of May 2023
23 through April 2024.

1 **Q12. Please describe AES Indiana Attachment CRS-1 Schedule 1.**

2 A12. AES Indiana Attachment CRS-1 Schedule 1 shows the calculation of AES Indiana's
3 proposed factors.

4 • Line 1 on this schedule shows the forecasted net MISO NFC over/(under) base for the
5 twelve months ended September 30, 2025, which is detailed on AES Indiana
6 Attachment CRS-1 Schedule 2.

7 • Line 2 shows the forecasted net MISO jurisdictional revenues and credits (over)/under
8 base for the twelve months ended September 30, 2025, which is detailed on AES
9 Indiana Attachment CRS-1 Schedule 3.

10 • Line 3 shows the RTO adjustment factor reconciliation for the twelve months ended
11 April 30, 2024, which is detailed on AES Indiana Attachment CRS-1 Schedule 4.

12 • Line 4 is the sum of Lines 1 through 3, which represents the proposed revenue
13 requirement for this proceeding.

14 • Line 5 is the MWh sales forecasted for the twelve months ended September 30, 2025.
15 These sales are detailed by month on AES Indiana Attachment CRS-2, Schedule 1.

16 • Line 6 presents the per kWh result of dividing the net MISO charge/(credit) from Line
17 4 by the estimated MWh sales (Line 5) to determine the RTO adjustment factors
18 applicable to each customer class.

19 **Q13. Please describe AES Indiana Attachment CRS-1 Schedules 2 through 7.**

20 A13. AES Indiana Attachment CRS-1 Schedule 2 shows the forecasted total MISO NFC. This
21 schedule illustrates AES Indiana's forecasted MISO NFC (Line 13) for the twelve-month
22 forecasted period ending September 2025 (the "Forecast Period"), as well as the authorized

1 MISO NFC amounts included in AES Indiana's base rates pursuant to the 2024 Base Rate
2 Order (Line 14). The current forecasted MISO NFC is compared to the amount in base
3 rates and the resulting difference is reflected on Line 15. The resulting forecasted under-
4 collection of \$0.8 million is then allocated to customer classes based upon the demand
5 allocation factors approved in the 2024 Base Rate Order. These per customer amounts are
6 carried forward to AES Indiana Attachment CRS-1 Schedule 1, Line 1.

7 AES Indiana Attachment CRS-1 Schedule 3 is similar to Schedule 2, except Schedule 3
8 shows the forecasted total MISO Jurisdictional Revenues and Balancing Authority (BA)
9 Credits. This schedule shows AES Indiana's forecasted Revenues and Credits (Line 13)
10 for the Forecasted Period. The current forecasted revenues are compared to the amount in
11 base rates and the resulting difference is reflected on Line 16. The resulting forecasted
12 under-collection of \$0.6 million is then allocated to customer classes based upon the
13 demand allocation factors approved in the 2024 Base Rate Order. These per customer
14 amounts are carried forward to AES Indiana Attachment CRS-1 Schedule 1, Line 2.

15 AES Indiana Attachment CRS-1 Schedule 4 is a summary of the RTO under/(over)
16 collection for the months of May 2023 through April 2024 (the "Reconciliation Period").
17 It calculates the under/(over) recovery balance to be included in the current RTO factor
18 determination. Schedule 4 starts by taking the RTO under/(over) collection which was
19 outstanding as of the beginning of the reconciliation period, see CRS Workpapers 1-3. This
20 is a change from RTO-7, where Schedule 4 started with seven-twelfths of the under/(over)
21 collection from the Schedule 4 in AES Indiana's RTO-6 filing and five-twelfths of the
22 under/(over) collection from the Schedule 4 in AES Indiana's RTO-5 filing. This change
23 was necessary in order to fully reflect the total under/(over) recovery balance as of the

1 tracker cut-off period of April 30, 2024. With this change, the ending RTO-8 under/(over)
2 recovery balance on Schedule 4, line 5 matches AES Indiana's books and records. This
3 change results in an increase in the over recovery to be credited to customers in RTO 8 by
4 \$91,545.

5 Schedule 4 then adds the over/(under) collection of MISO NFC for the Reconciliation
6 Period calculated on AES Indiana Attachment CRS-1 Schedule 5. Next, the (over)/under
7 collection of Net MISO Jurisdictional Revenues for the Reconciliation Period derived from
8 AES Indiana Attachment CRS-1 Schedule 6 is added. Finally, Schedule 4 subtracts actual
9 RTO rider billings from the Reconciliation Period, from AES Indiana Attachment CRS-1
10 Schedule 7 to determine the net under/(over) recovery. This net over recovery of \$1.0
11 million is carried forward to AES Indiana Attachment CRS-1 Schedule 1, Line 3 and
12 represents a reduction to the proposed RTO factors.

13 AES Indiana Attachment CRS-1 Schedule 5 is similar to AES Indiana Attachment CRS-1
14 Schedule 2, except Schedule 5 is for the historical Reconciliation Period, while Schedule
15 2 is for a future forecasted period. Schedule 5 illustrates the history of MISO NFC for the
16 Reconciliation Period as compared to the amount of such items included in AES Indiana's
17 base rates to determine the net amount over/(under) the amount in base rates for the
18 historical Reconciliation Period, excluding RTO rider billings. In this case, the amount of
19 NFC over the base is \$0.6 million and represents an under collection. Such amount is then
20 allocated to customer classes based upon the demand factors authorized in AES Indiana's
21 2018 Base Rate Order in Cause No 45029 on Line 17 and then carried forward to AES
22 Indiana Attachment CRS-1 Schedule 4, Line 2.

1 AES Indiana Attachment CRS-1 Schedule 6 is similar to AES Indiana Attachment CRS-1
2 Schedule 3, except Schedule 6 is for the historical Reconciliation Period, while Schedule
3 3 is for the Forecasted Period. Schedule 6 illustrates the history of MISO Jurisdictional
4 Revenues for the Reconciliation Period and compares them to the amount of such items
5 included in AES Indiana's base rates to determine the net amount (over)/under the amount
6 in base rates for the historical Reconciliation Period. The authorized RTO amount for
7 revenues included in base rates is shown on Line 14. The historical revenues are compared
8 to the amounts in base rates and in this case the revenues were under the amount included
9 in base rates, representing an under-collection of \$2.1 million, which is reflected on Line
10 15. Such amount is then allocated to customer classes based upon the demand factors
11 authorized in AES Indiana's 2018 Base Rate Order in Cause No 45029 on Line 17 and then
12 carried forward to AES Indiana Attachment CRS-1 Schedule 4, Line 3.

13 AES Indiana Attachment CRS-1 Schedule 7 is the history of RTO adjustment factor
14 Revenue received from (credited to) the customers during the Reconciliation Period for
15 each customer classification. Line 13, the net billings/(credits), which in this case is a net
16 revenue of \$0.3 million, is carried to Line 4, by customer class, on AES Indiana Attachment
17 CRS-1 Schedule 4 and represents an increase in the over recovery balance to be included
18 in the RTO adjustment factor.

19 **Q14. Please describe AES Indiana Attachment CRS-2 Schedule 1.**

20 A14. AES Indiana Attachment CRS-2 Schedule 1 is AES Indiana's forecasted MWh sales by
21 customer classification for the period during which the factors proposed in this filing would
22 be in effect.

1 **Q15. Please describe CRS Workpapers 1 through 3.**

2 A15. CRS Workpapers 1 through 3 are AES Indiana's calculation of the RTO-8 beginning
3 under/(over) recovery balance. The calculation of the beginning under/(over) recovery
4 balance in RTO-8 is a change from prior RTO filings as described previously in my
5 testimony. The change is being made so that the beginning and ending RTO under/(over)
6 recovery balance agrees to AES Indiana's books and records and so that the total recovery
7 balance is included in the correct RTO period. These workpapers are only needed for RTO-
8 8, as going forward the beginning RTO under/(over) collection balance will agree to the
9 ending under/(over) collection balance from the prior RTO filing.

10 **Q16. Can you identify the components of the \$1.0 million over recovery in the**
11 **Reconciliation Period as reflected on AES Indiana Attachment CRS-1 Schedule 4,**
12 **Line 5?**

13 A16. The over recovery balance from prior filings was approximately \$3.5 million. Revenues
14 received from customers under the RTO rider were approximately \$0.3 million. These
15 over-recoveries were partially offset by the under-collection of jurisdictional revenues
16 received from MISO, which were approximately \$2.1 million lower than base rates.
17 Additionally, MISO NFC for the reconciliation period were \$0.6 million higher than base
18 rates.

19 **Q17. Please summarize the RTO adjustment factors proposed in this proceeding.**

20 A17. As shown on AES Indiana Attachment CRS-1 Schedule 1, the resulting RTO adjustment
21 factors per kWh are:

1

Table 1: Proposed Rates

Residential RS, CW, EVX	C&I – Small SS, SH, OES, UW, CW, EVX	C&I –Large PL,HL	C&I –Large SL, PH, EVX	Lighting MU-1, APL
\$0.000044	\$0.000034	\$0.000008	\$0.000018	\$(0.000039)

2 **Q18. What effect will the requested RTO adjustment have on a residential customer using**
3 **1,000 kWh per month?**

4 A18. A residential customer using 1,000 kWh per month will experience an RTO adjustment
5 increase of \$0.04, which is a 0.03% increase of such bill relative to the basic rates and
6 charges in effect. In relation to the factor currently in effect, a residential customer using
7 1,000 kWh per month will experience a \$0.52 increase or 0.38%.

8 **Q19. If approved by the Commission, when does the Petitioner propose to make effective**
9 **for electric service the RTO adjustment factors requested in this proceeding?**

10 A19. The RTO adjustment factors, as shown on the proposed Tariff, a copy of which is attached
11 to the Petition as Exhibit A, would be effective for all bills rendered for electric services
12 beginning with the first billing cycles for the October 2024 billing month (Regular Billing
13 District 41 and Special Billing District 01), which begins September 30, 2024, or the first
14 full billing cycle following the Commission's Order. Such adjustment factors, upon
15 becoming effective, shall remain in effect for approximately one year or until replaced by
16 different adjustment factors approved in a subsequent filing.

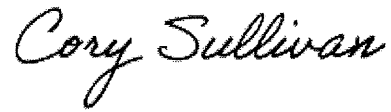
17 **Q20. Does that conclude your prefiled direct testimony?**

18 A20. Yes.

Verification

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

Dated this 28th day of June 2024.

A handwritten signature in black ink that reads "Cory Sullivan". The script is cursive and fluid, with the first letters of "Cory" and "Sullivan" being capitalized and prominent.

Cory R. Sullivan

AES INDIANA
Determination of RTO Adjustment Factors
For the Billing Period of October 1, 2024 through September 30, 2025

Line
No.

(A)

Detail by Customer Charge Type					
<u>Residential</u> RS, CW, EVX	<u>C&I - Small</u> SS, SH, OES, UW, CW, EVX	<u>C&I - Large</u> PL, HL	<u>C&I - Large</u> SL, PH, EVX	<u>Lighting</u> MU-1, APL	Total
(B)	(C)	(D)	(E)	(F)	(G)
\$ 347,607	\$ 113,683	\$ 136,752	\$ 190,078	\$ 1,896	\$ 790,016
274,963	89,925	108,173	150,355	1,500	624,916
(384,991)	(141,942)	(222,811)	(280,805)	(5,347)	(1,035,896)
\$ 237,579	\$ 61,667	\$ 22,114	\$ 59,628	\$ (1,952)	\$ 379,036
5,364,702	1,802,247	2,765,928	3,379,380	50,320	13,362,577
\$ 0.000044	\$ 0.000034	\$ 0.000008	\$ 0.000018	\$ (0.000039)	

AES INDIANA
Forecasted Total Midcontinent Independent System Operator (MISO) Costs
For the Twelve Months Ended September 30, 2025

Line No.	(A)	MISO Non-Fuel Costs (B)
	Month:	
1	October-24	\$ 2,881,466
2	November-24	2,881,466
3	December-24	2,881,466
4	January-25	3,104,291
5	February-25	3,104,291
6	March-25	3,104,291
7	April-25	3,104,291
8	May-25	3,104,291
9	June-25	3,104,291
10	July-25	3,104,291
11	August-25	3,104,291
12	September-25	3,104,291
13	Total	\$ 36,583,016
14	Base RTO Cost from IURC Cause No. 45911 (for 12 months)	\$ 35,793,000
15	Net Costs Over/(Under) Base - Line 13 minus Line 14	\$ 790,016

Allocation to Customer Class Based Upon Demand Factors from IURC Cause No. 45911						
Line No.	(C)	<u>Residential</u> RS, CW, EVX	<u>C&I - Small</u> SS, SH, OES, UW, CW, EVX	<u>C&I - Large</u> PL, HL	<u>C&I - Large</u> SL, PH, EVX	<u>Lighting</u> MU-1, APL
		(D)	(E)	(F)	(G)	(H)
16	Demand Factor Split	44.00%	14.39%	17.31%	24.06%	0.24%
17	Net Charge/(Credit) by Class (to Sch. 1, Line 1)	\$ 347,607	\$ 113,683	\$ 136,752	\$ 190,078	\$ 1,896
						\$ 790,016

AES INDIANA
Forecasted Total Midcontinent Independent System Operator (MISO) Revenues
For the Twelve Months Ended September 30, 2025

Line No.	(A)	MISO Jurisdictional Revenues (B)	MISO BA Credits (C)	Total Net Jurisdictional Revenues (D)
1	Month: October-24	\$ 229,784	\$ 62,627	\$ 292,411
2	November-24	229,784	62,627	292,411
3	December-24	229,784	62,627	292,411
4	January-25	257,921	61,395	319,317
5	February-25	257,921	61,395	319,317
6	March-25	257,921	61,395	319,317
7	April-25	257,921	61,395	319,317
8	May-25	257,921	61,395	319,317
9	June-25	257,921	61,395	319,317
10	July-25	257,921	61,395	319,317
11	August-25	257,921	61,395	319,317
12	September-25	257,921	61,395	319,317
13	Total	\$ 3,010,645	\$ 740,439	\$ 3,751,084
14	Base RTO Revenue from IURC Cause No. 45911 (for 12 months)	\$ 3,623,000		
15	Base BA Credits from IURC Cause No. 45911 (for 12 months)		\$ 753,000	
16	Net Jurisdictional Revenues and Credits (Over)/Under Base - Line 14 plus Line 15 minus Line 13			\$ 624,916

Allocation to Customer Class Based Upon Demand Factors from IURC Cause No. 45911							
Line No.		<u>Residential</u> RS, CW, EVX	<u>C&I - Small</u> SS, SH, OES, UW, CW, EVX	<u>C&I - Large</u> PL, HL	<u>C&I - Large</u> SL, PH, EVX	<u>Lighting</u> MU-1, APL	Total
	(E)	(F)	(G)	(H)	(I)	(J)	(K)
17	Demand Factor Split	44.00%	14.39%	17.31%	24.06%	0.24%	100.00%
18	Net Charge/(Credit) by Class (to Sch. 1, Line 2)	\$ 274,963	\$ 89,925	\$ 108,173	\$ 150,355	\$ 1,500	\$ 624,916

AES INDIANA
Summary of the RTO Adjustment Reconciliation Period
For the Months of May 2023 through April 2024

Line No.	Detail by Customer Charge Type					
	<u>Residential</u> RS, CW, EVX	<u>C&I - Small</u> SS, SH, OES, UW, CW, EVX	<u>C&I - Large</u> PL, HL	<u>C&I - Large</u> SL, PH EVX	<u>Lighting</u> MU-1, APL	<u>Total</u>
	(B)	(C)	(D)	(E)	(F)	(G)
1 Under/(Over) Recovery Balance from Prior Filings (Workpaper CRS-1, Line 3)	\$ (1,474,091)	\$ (490,473)	\$ (621,151)	\$ (847,715)	\$ (14,178)	\$ (3,447,609)
2 Actual Net MISO Costs Over/(Under) Base for the Twelve Months Ended April 30, 2024 (Sch. 5, Line 17)	245,212	81,391	101,710	146,561	2,367	577,240
3 Actual Net MISO Jurisdictional Revenues (Over)/Under Base for the Twelve Months Ended April 30, 2024 (Sch. 6, Line 17)	889,573	295,268	368,980	531,692	8,586	2,094,099
4 Less: Actual RTO Revenues Received for the Twelve Months Ended April 30, 2024 (Sch. 7, Line 13)	(45,685)	(28,128)	(72,350)	(111,342)	(2,122)	(259,627)
5 Current Under/(Over) Recovery Balance to be Included in the Current RTO Determination (to Sch. 1, Line 3)	\$ (384,991)	\$ (141,942)	\$ (222,811)	\$ (280,805)	\$ (5,347)	\$ (1,035,896)

AES INDIANA
History of Total MISO Costs
For the Twelve Months Ended April 30, 2024

Line No.		MISO Non-Fuel Costs
	(A)	(B)
	Month:	
1	May-23	\$ 2,789,975
2	Jun-23	2,595,654
3	Jul-23	2,859,479
4	Aug-23	3,564,083
5	Sep-23	3,315,992
6	Oct-23	2,815,014
7	Nov-23	2,857,849
8	Dec-23	2,644,692
9	Jan-24	3,278,752
10	Feb-24	3,506,402
11	Mar-24	2,860,892
12	Apr-24	2,912,455
13	Total	\$ 36,001,240
14	Base MISO Cost from IURC Cause No. 45029	\$ 35,424,000
15	Actual Net MISO Costs Over/(Under) Base (Line 13 minus Line 14)	\$ 577,240

Allocation to Customer Class Based Upon Demand Factors from IURC Cause No. 45029						
Line No.		Residential RS, CW, EVX	C&I - Small SS, SH, OES, UW, CW, EVX	C&I - Large PL, HL	C&I - Large SL, PH EVX	Lighting MU-1, APL
	(C)	(D)	(E)	(F)	(G)	(H)
16	Demand Factor Split	42.48%	14.10%	17.62%	25.39%	0.41%
17	Net Charge/(Credit) by Class (to Sch. 4, Line 2)	\$ 245,212	\$ 81,391	\$ 101,710	\$ 146,561	\$ 2,367
						\$ 577,240

AES INDIANA
Total Midcontinent Independent System Operator (MISO) Revenues
For the Twelve Months Ended April 30, 2024

Line No.	(A)	MISO Jurisdictional Revenues (B)
	Month:	
1	May-23	\$ 845,510
2	June-23	167,548
3	July-23	123,616
4	August-23	43,250
5	September-23	186,576
6	October-23	168,727
7	November-23	231,136
8	December-23	144,493
9	January-24	134,156
10	February-24	175,714
11	March-24	195,091
12	April-24	135,085
13	Total	\$ 2,550,901
14	Base MISO Revenue from IURC Cause No. 45029	\$ 4,645,000
15	Actual Net Jurisdictional Revenues (Over)/Under Base (Line 14 minus Line 13)	\$ 2,094,099

Allocation to Customer Class Based Upon Demand Factors from IURC Cause No. 45029						
Line No.	(E)	Residential RS, CW, EVX	C&I - Small SS, SH, OES, UW, CW, EVX	C&I - Large PL, HL	C&I - Large SL, PH EVX	Lighting MU-1, APL
		(F)	(G)	(H)	(I)	(J)
16	Demand Factor Split	42.48%	14.10%	17.62%	25.39%	0.41%
17	Net Charge/(Credit) by Class (to Sch. 4, Line 3)	\$ 889,573	\$ 295,268	\$ 368,980	\$ 531,692	\$ 8,586
						\$ 2,094,099

AES INDIANA
History of RTO Adjustment Factor Revenue Received/(Credited)
For the Twelve Months Ended April 30, 2024

		Rate Order 45029					
Line No.	(A)	<u>Residential</u> RS, CW, EVX	<u>C&I - Small</u> SS, SH, OES, UW, CW, EVX	<u>C&I - Large</u> PL, HL	<u>C&I - Large</u> SL, PH, EVX	<u>Lighting</u> MU-1, APL	Total
		(B)	(C)	(D)	(E)	(F)	
1	May-23	\$ 88,280	\$ 34,884	\$ 49,117	\$ 72,739	\$ 1,115	\$ 246,135
2	June-23	99,703	38,656	52,038	72,260	1,091	263,748
3	July-23	118,095	41,186	52,501	78,463	1,104	291,350
4	August-23	129,836	44,410	52,762	83,589	1,107	311,704
5	September-23	119,742	43,487	58,941	83,815	1,206	307,192
6	October-23	(51,514)	(20,501)	(25,099)	(39,642)	1,260	(135,494)
7	November-23	(62,599)	(22,375)	(14,281)	(36,194)	(1,087)	(136,535)
8	December-23	(70,595)	(24,300)	(34,980)	(46,210)	(252)	(176,338)
9	January-24	(99,462)	(29,929)	(33,463)	(40,766)	(6)	(203,625)
10	February-24	(95,967)	(30,538)	(26,227)	(37,472)	(123)	(190,328)
11	March-24	(68,580)	(23,111)	(32,102)	(39,241)	(1,554)	(164,587)
12	April-24	(61,254)	(23,741)	(26,858)	(39,999)	(1,740)	(153,592)
13	Net Revenue/(Credits) (to Sch. 4, Line 4)	\$ 45,685	\$ 28,128	\$ 72,350	\$ 111,342	\$ 2,122	\$ 259,627

AES INDIANA
Forecast of MWH Sales
For the Twelve Months Ended September 30, 2025

		Cause 45911					
Line No.		<u>Residential</u> RS, CW, EVX	<u>C&I - Small</u> SS, SH, OES, UW, CW, EVX	<u>C&I - Large</u> PL, HL	<u>C&I - Large</u> SL, PH, EVX	<u>Lighting</u> MU-1, APL	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	October-24	332,382	126,269	225,397	264,635	3,687	952,371
2	November-24	417,100	136,764	212,191	250,556	3,899	1,020,510
3	December-24	529,718	154,725	213,509	258,416	4,228	1,160,596
4	January-25	619,383	175,645	211,173	269,351	6,125	1,281,677
5	February-25	511,482	154,261	214,159	262,470	4,950	1,147,322
6	March-25	412,773	142,812	220,029	271,648	4,945	1,052,207
7	April-25	329,986	126,551	216,039	259,652	3,980	936,208
8	May-25	358,629	136,770	230,400	279,803	3,644	1,009,246
9	June-25	455,327	158,822	249,822	302,515	3,233	1,169,718
10	July-25	525,179	171,640	263,434	321,501	3,452	1,285,206
11	August-25	505,646	174,127	265,366	341,124	3,914	1,290,178
12	September-25	367,097	143,860	244,409	297,709	4,262	1,057,338
13	Totals	5,364,702	1,802,247	2,765,928	3,379,380	50,320	13,362,577

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF INDIANAPOLIS)
POWER & LIGHT COMPANY D/B/A AES)
INDIANA FOR APPROVAL OF REGIONAL)
TRANSMISSION ORGANIZATION (“RTO”)) CAUSE NO. 44808 RTO-8
ADJUSTMENT FACTORS FOR ELECTRIC)
SERVICE FOR THE BILLING MONTHS OF)
OCTOBER 2024 THROUGH SEPTEMBER 2025.)

VERIFIED PETITION FOR APPROVAL OF RTO ADJUSTMENT FACTORS

Indianapolis Power & Light Company d/b/a AES Indiana (“AES Indiana” or “Petitioner”) hereby petitions the Indiana Utility Regulatory Commission (“Commission”) for approval of a rate adjustment to be reflected in its Standard Contract Rider No. 26 (Regional Transmission Organization (“RTO”) Adjustment) to be made effective commencing with the October 2024 billing cycle (which begins September 30, 2024) or the first full billing cycle following the Commission’s Order in this proceeding. The factors will remain in effect for approximately twelve months or until superseded by different factors approved by the Commission.

Petitioner’s Corporate Status and Operations.

1. AES Indiana is a public utility corporation organized and existing under the laws of the State of Indiana with its principal office and place of business at One Monument Circle, Indianapolis, Indiana. Petitioner is engaged in rendering electric utility service in the State of Indiana.

2. AES Indiana renders retail electric utility service to approximately 519,000 retail customers located principally in and near the City of Indianapolis, Indiana, and in portions of the following Indiana counties: Boone, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan, Owen, Putnam and Shelby Counties. AES Indiana owns and operates electric generating,

transmission and distribution plant, property and equipment and related facilities, which are used and useful for the convenience of the public in the production, transmission, delivery and furnishing of electric public utility service. AES Indiana has maintained and continues to maintain its properties in a reliable state of operating condition.

Petitioner's "Public Utility" and Regulated Status.

3. Petitioner is a "public utility" within the meaning of Ind. Code § 8-1-2-1 and is subject to the jurisdiction of this Commission in the manner and to the extent provided by the Public Service Commission Act, as amended, and other pertinent laws of the State of Indiana.

4. AES Indiana is a member of the Midcontinent Independent System Operator, Inc. ("MISO"), an RTO operated under the authority of the Federal Energy Regulatory Commission ("FERC"), which has functional control over AES Indiana's transmission system and the dispatching of AES Indiana's generating units.

Relief Sought By Petitioner.

5. In Cause No. 44576, the Commission approved AES Indiana's proposed Standard Contract Rider No. 26 (RTO Adjustment). *Indianapolis Power & Light Co.*, Cause No. 44576 (IURC 3/16/2016) ("44576 Order"). The 44576 Order (at 79) authorized AES Indiana's use of the RTO Adjustment to timely recover the excess (or deficit) of an estimate of MISO non-fuel costs and credits ("NFC"), net of revenues, which are billed pursuant to MISO tariffs, compared to the net NFC embedded in base rates. In Cause No. 45029 (IURC 10/31/2018) ("45029 Order"), the Commission approved two modifications to the RTO Adjustment. The first modification changed the base amount of MISO Non-fuel costs and revenues used to calculate the RTO charge or credit on the tariff to \$35.424 million and \$4.645 million respectively. The second modification, based

upon the cost of service study, is that one factor would be calculated for those Large C&I customers taking service at secondary voltage (Rates SL and PH) and another for those taking service at primary voltage or higher (Rates PL and HL). In AES Indiana's most recent rate case, Cause No. 45911, the Commission approved changing the base amount of MISO non-fuel costs and revenues used to calculate the RTO charge or credit on the tariff to \$35.793 million and \$4.376 million (\$3.623 million MISO Transmission Revenue plus \$0.753 million of BA Credits) respectively.

6. Petitioner requests Commission approval of revised RTO Adjustment factors for the billing months of October 2024 through September 2025. AES Indiana is seeking to recover: (1) its estimated MISO NFC, net of revenues, which exceed amounts included in base rates for the billing cycles of October 2024 through September 2025 and (2) a reconciliation of actual MISO NFC, net of revenues, for the period of May 2023 through April 2024. The requested adjustment factors are estimated to provide a charge in the total amount of \$379,036. In relation to the current RTO factor, a residential customer using 1,000 kWh per month will experience a increase of \$0.52 or 0.38% in their monthly bill.

7. AES Indiana's proposed factors are reflected in the clean and redlined copy of AES Indiana's RTO Adjustment tariff, Standard Contract Rider No. 26, attached hereto as Attachment A.

Procedural Schedule and Request for Hearing.

8. AES Indiana is filing its case-in-chief contemporaneous with its Petition, including direct testimony, attachments and workpapers.

9. In accordance with 170 IAC 1-1.1-9(a)(8), AES Indiana will work with the OUCC and any intervenors to come to agreement on a procedural schedule and associated terms and will

file any such agreement in this Cause. AES Indiana contemplates the following procedural schedule and associated terms:

Date	Event
August 23, 2024	OUCC/Intervenors File Case-in-Chief
August 30, 2024	Petitioner's Rebuttal Testimony
Week of September 9, 2024	Hearing
September 25, 2024	Targeted Order Date

Service: The parties will provide same day service of filings via email, hand delivery or large file transfer.

Discovery: Discovery is available to all parties and shall be conducted on an informal basis. Any response or objection to a discovery request shall be made within ten calendar days of the receipt of such request until August 23, 2024. Thereafter, any response or objection to a discovery request shall be made within five business days of the receipt of such request. Any discovery communication received after noon on a Friday or state holiday, or after 5:00 pm on any other day shall be deemed to have been received on the following business day. The final deadline for discovery responses shall be two business days prior to the evidentiary hearing

The parties may conduct discovery through electronic means. The parties agree to serve all parties with discovery requests and responses.

Workpapers: When prefiling technical evidence with the Commission, each party shall file copies of the work papers used to produce that evidence within two business days after the prefiling of such technical evidence. Copies of the same shall also be served on the other parties to this Cause.

Number of Copies/Corrections: Filings with the Commission shall comply with General Administrative Order 2016-2. Any corrections to prefiled testimony shall be made in writing as soon as possible after discovery of the need to make such corrections.

Objections to Prefiled Testimony and Attachments: Any objections to the admissibility of prefiled testimony or attachments shall be filed with the Commission and served on all parties of record not less than five business days prior to the date scheduled for commencement of the hearing at which the testimony or exhibit will be offered into the record.

Governing Statutes.

10. AES Indiana considers that the provisions of the Public Service Commission Act, as amended, including Indiana Code §§ 8-1-2-10, 12, 38, 39 and 42 are, or may be, applicable to the subject matter of this Petition.

Petitioner's Counsel.

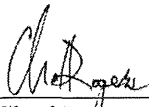
11. The names and addresses of Petitioner's duly authorized representatives to whom all correspondence and communication concerning this Petition should be sent, are as follows:

Teresa Morton Nyhart (No. 14044-49)
Jeffrey M. Peabody (No. 28000-53)
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WHEREFORE, Petitioner Indianapolis Power & Light Company d/b/a AES Indiana respectfully requests the Commission make such investigation and hold such hearings as are necessary or advisable and thereafter issue an Order in this Cause:

- (a) Approving the requested factors to be reflected in Petitioner's RTO Adjustment and approving the revised RTO Adjustment tariff as shown in Attachment A;
- (b) Authorizing Petitioner to make such RTO Adjustment factors effective commencing with the October 2024 billing cycle (which begins September 30, 2024) and to allow such factors to remain in place as requested herein;
- (c) Granting to Petitioner such other and further relief as may be appropriate.

INDIANAPOLIS POWER & LIGHT COMPANY
D/B/A AES INDIANA



Chad Rogers
Director Regulatory Affairs



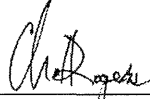
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ATTORNEYS FOR PETITIONER

Verification

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

Dated this 28th day of June 2024.


A handwritten signature in black ink, appearing to read "Chad Rogers", is written over a horizontal line.

Chad Rogers
Director Regulatory Affairs

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served by electronic transmission and/or hand delivery this 28th day of June 2024 on the following:

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Carol Sparks Drake
Abby Gray
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